

April 24, 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 March 31, 2026

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 for the quarter ended March 31, 2026, issued by CARE Ratings Limited in respect of utilisation of proceeds of the Pre-Initial Public Offer Placement and Initial Public Offer, duly reviewed and taken on record by the Audit Committee and Board of Directors of the Company.

The Monitoring Agency has confirmed in its report that there is no material deviation in utilisation of proceeds for the funds raised through Pre-Initial Public Offer Placement and Initial Public Offer 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

Ravi Mallikarjun 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/2026-27/1001

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

April 24, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2026 - 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 Pre Initial Public Offer of 11,615,713 for the amount aggregating to Rs. 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 March 31, 2026, 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: March 31, 2026

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.

A handwritten signature in blue ink that reads 'himanshu jain'.

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) : Rs. 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 ₹0.07 crore towards the repayment of borrowings for its subsidiary, Aerostructures Manufacturing India Private Limited (ASMIPL) in Q3FY26. The Board ratified the above transaction post facto. As on March 31, 2026, the unutilized IPO proceeds aggregating to ₹13.78 crore have been parked in scheduled commercial bank accounts of the company's subsidiaries. The board may take note that the offer document does not explicitly specify the parking of unutilized IPO funds in subsidiary bank accounts.	Noted and ok.
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.	Ok.
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 ₹0.07 crore towards the repayment of borrowings for its subsidiary, Aerostructures Manufacturing India Private Limited (ASMIPL) in Q3FY26.	Ok.
Is there any major deviation observed over the earlier	Yes	Chartered accountant certificate,	As at March 31, 2026, ₹13.78 crore out of the	Noted and ok.

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
monitoring agency reports?		Management certificate, MA report dated January 29, 2026	unutilized funds of ₹19.11 crore is retained in the cash credit/current accounts of the company's subsidiaries maintained with scheduled commercial banks.	
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Final prospectus, Chartered accountant certificate, Management certificate, Discussion with management	None	Ok.
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Final prospectus, Chartered accountant certificate, Management certificate, Discussion with management	None	Ok.
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Chartered accountant certificate, Management certificate	None	Ok.
Is there any other relevant information that may materially affect the decision making of the investors?	No	Chartered accountant certificate, Management certificate	None	Ok.

* Chartered Accountant certificate from peer reviewed internal auditor Guru & Jana LLP, dated April 21, 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 Rs. Crore	Revised Cost (Rs. 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	20.25	20.33	Revision in cost was ratified post-facto by Board of Directors in its meeting dated January 29, 2026.	No Comments	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	13.25	13.33	None	No Comments	No Comments	No Comments
	i. AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate, Bank statements, Final Prospectus	13.25	13.33		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 Rs. Crore	Revised Cost (Rs. Crore)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
	ii. Aequs Consumer Products Private Limited	Chartered Accountant certificate, Bank statements, Final Prospectus	-	-	None	No Comments	No Comments	No Comments
	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	16.64	16.64	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	16.64	16.64	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	103.86	103.79	Revision in cost was ratified post-facto by Board of Directors in its meeting dated January 29, 2026.	No Comments	No Comments	No Comments
4	Issue Expense	Chartered Accountant certificate, Bank statements, Final Prospectus	3.24	3.24	None	No Comments	No Comments	No Comments
Total			144.00	144.00				

* Chartered Accountant certificate from peer reviewed internal auditor Guru & Jana LLP, dated April 21, 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 Rs. Crore	Revised Cost in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. 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, statements, Prospectus Bank Final	20.25	20.33	20.33	0.00	20.33	0.00	None	No Comments	No Comments
	(a) our Company	Chartered Accountant certificate, statements, Prospectus Bank Final	7.00	7.00	7.00	0.00	7.00	0.00	None	No Comments	No Comments
	(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	Chartered Accountant certificate, statements, Prospectus Bank Final	13.25	13.33	13.33	0.00	13.33	0.00	None	No Comments	No Comments
	(i) AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate, statements, Prospectus Bank Final	13.25	13.33	13.33	0.00	13.33	0.00		No Comments	No Comments
	(ii) Aequs Consumer Products Private Limited	Chartered Accountant certificate, statements, Prospectus Bank Final	0.00	0.00	0.00	0.00	0.00	0.00		-	No Comments
	(iii) Aequs Engineered Plastics	Chartered Accountant certificate, Bank	0.00	0.00	0.00	0.00	0.00	0.00	-	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 Rs. Crore	Revised Cost in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
	Private Limited	statements, Final Prospectus									
2	Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Chartered Accountant certificate, statements, Final Prospectus	16.64	16.64	16.64	0.00	16.64	0.00	None	No Comments	No Comments
	(a) our Company	Chartered Accountant certificate, statements, 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 certificate, statements, Final Prospectus	16.64	16.64	16.64	0.00	16.64	0.00	None	No Comments	No Comments
3	Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	Chartered Accountant certificate, statements, Final Prospectus	103.86	103.79	75.00	10.01	85.01	18.78	On January 16, 2026, the Company executed a Joint Venture Agreement and Shareholders' Agreement with Accel India VIII (Mauritius) Ltd, Vagus Defence Tech & Aerospace Fund I, and Ajna Aerospace & Defence Private Limited. Pursuant to the agreement, the Company invested ₹0.10 crore in equity and ₹9.91 crore in Compulsorily Convertible Preference Shares (CCPS) of Ajna	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 Rs. Crore	Revised Cost in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
									Aerospace & Defence Private Limited on March 05, 2026. As per GCP, the company has transferred ₹18.78 crore to two of its subsidiaries for working capital purpose. As on the transfer date, the subsidiary account was in credit / nil balance. Out of the unutilized amount of ₹18.78 crore as at March 31, 2026, ₹5 crore has been parked in fixed deposits, while the remaining balance is parked in the current account of the subsidiaries. The board may take note that the offer document does not specifies parking of unutilized funds in scheduled commercial bank of subsidiaries.		
4	Issue Expense	Chartered Accountant certificate, Bank Final Prospectus	3.24	3.24	1.94	0.97	2.91	0.33	Company made issue expenses related payment amount to Rs. 0.97 crore to BRLM.	No Comments	No Comments
Total			144.00	144.00	113.91	10.98	124.89	19.11			

* Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated April 21, 2026

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning (Rs. Crore)	Return on Investment (%)	Market Value as at the end of quarter (Rs. Crore)
1.	FD Maintained with Axis Bank	5.00	April 07, 2026	0.01	3.75%	5.01
2.	Balance lying in the monitoring account of the company maintained with HDFC Bank	0.33^	-	-	-	0.33

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning (Rs. Crore)	Return on Investment (%)	Market Value as at the end of quarter (Rs. Crore)
3.	Cash Credit Account of Subsidiary -Aequis Engineered Plastics Private Limited	0.37	-	-	-	0.37
4.	Cash Credit Account of Subsidiary – Aequis Toys Private Limited	13.41	-	-	-	13.41
	Total	19.11	-	0.01	-	19.12

^Outstanding as on March 31, 2026, is Rs. 0.66 crore out of which Rs. 0.33 crore pertains to interest gain on FDs.

(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	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) Aequis Consumer Products Private Limited	By March 31, 2026	Completed	None	No Comments	No Comments
(iii) Aequis 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	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	Rs. 75.0 crore by March 31, 2026 Rs. 28.86 crore by March 31, 2027	By March 31, 2026: Rs. 85.01 Crore completed By March 31, 2027: Ongoing	None	No Comments	No Comments
Issue Expense		Ongoing	None	No Comments	No Comments

*In case of continuing object(s), Please specify latest/ Revised estimate of the completion date

The above details were verified from the Information shared by Aequis Limited, final prospectus and the Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated April 21, 2026

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: No utilization during the quarter*

* Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated April 21, 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."

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 "Raj", located on the left side of the page.

No. CARE/BRO/GEN/2026-27/1002

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

April 24, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2026 - 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 Rs. 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 March 31, 2026, 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: March 31, 2026

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:

A handwritten signature in blue ink that reads 'himanshu jain'.

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) : Rs. 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	As of March 31, 2026, ₹81.20 crore of unutilized funds is retained in the current accounts and fixed deposits of the company's subsidiaries, maintained with scheduled commercial banks. The Board may note that the offer document does not explicitly specify the parking of unutilized IPO funds in subsidiary bank accounts.	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.	Ok.
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.	Ok.
Is there any major deviation observed over the earlier monitoring agency reports?	Yes	Chartered accountant certificate*, Management certificate	As of March 31, 2026, ₹81.20 crore of unutilized funds is retained in the current accounts and fixed deposits of the company's subsidiaries, maintained with scheduled commercial banks. The Board may note that the offer document does not explicitly specify the parking of unutilized IPO funds in subsidiary bank accounts.	Noted and this was agreed.
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 approval, if applicable, is expected to be obtained at the appropriate stage once the target has been identified.	Ok.
Whether all arrangements pertaining to technical	Unascertainable	Final prospectus, Chartered	For the object -funding inorganic growth through unidentified	Ok.



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
assistance/collaboration are in operation?	e	accountant certificate*, Management certificate, Discussion with management	acquisitions, other strategic initiatives- certain collaborations may 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	Ok.
Is there any other relevant information that may materially affect the decision making of the investors?	No	Chartered accountant certificate*, Management certificate	None	Ok.

* Chartered Accountant certificate from peer reviewed internal auditor Guru and Jana LLP, dated April 21, 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 Rs. 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	433.17	None	No Comments	No Comments	No Comments
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	17.55	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	415.62	None	No Comments	No Comments	No Comments
	i. AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	174.82	None	No Comments	No Comments	No Comments
	ii. Aequs Consumer Products Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	231.16	None	No Comments	No Comments	No Comments
	iii. Aequs Engineered Plastics Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	9.63	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 Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
					Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
2	Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Chartered Accountant certificate*, Bank statements, Final Prospectus	64.00	None	No Comments	No Comments	No Comments
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	8.11	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	55.89	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	125.21	None	No Comments	No Comments	No Comments
Total			622.38				

* Chartered Accountant certificate from peer reviewed internal auditor Guru & Jana LLP, dated April 21, 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 Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. 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	433.17	0.00	433.17	433.17	0.00		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 Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	17.55	0.00	17.55	17.55	0.00	The Company utilized IPO proceeds for the repayment of Cash Credit and Pre shipment facilities.	No Comments	No Comments
	(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	Chartered Accountant certificate*, Bank statements, Final Prospectus	415.62	0.00	415.62	415.62	0.00		No Comments	No Comments
	(i) AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	174.82	0.00	174.82	174.82	0.00	IPO proceeds are utilized for the repayment of outstanding cash credit and export credit facilities.	No Comments	No Comments
	(ii) Aequs Consumer Products Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	231.16	0.00	231.16	231.16	0.00	IPO proceeds are utilized for the repayment of outstanding term loan.	No Comments	No Comments
	(iii) Aequs Engineered Plastics Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	9.63	0.00	9.63	9.63	0.00	IPO proceeds are utilized for the repayment of outstanding Cash Credit and Export credit facilities.	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	64.00	0.00	17.09	17.09	46.91		Timeline is as proposed in objects.	No Action.



Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	8.11	0.00	6.83	6.83	1.28	The Company has utilized the IPO proceeds for the purchase of CNC and Turnmill Centre machinery from DN Solutions Co. Ltd., Korea, and ACE Designers Limited, India.	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	55.89	0.00	10.27	10.27	45.62	IPO proceeds are utilized for the purchase of CNC and Turnmill Centre machinery from DN Solutions Co. Ltd., Korea, and ACE Designers Limited, India. The Company transferred ₹55.89 crore to a cash credit account of the subsidiary, out of which ₹10.27 crore was utilized for machinery purchase and the balance ₹45.62 crore has been parked in fixed deposits. The Board may note that the offer document does not explicitly specify the parking of unutilized IPO funds in subsidiary bank accounts.	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	125.21	0.00	4.00	4.00	121.21	The Company has made equity investments aggregating to ₹39.59 crore in its subsidiaries as per GCP terms. Of this amount, ₹4.00 crore has been utilized towards working capital requirements of Aequs Toys Private Limited. The balance ₹35.00 crore has been parked in fixed deposits maintained by Aequs Consumer Products Private Limited, and ₹0.59 crore is maintained in the cash credit account of Aequs Toys Private Limited. The board may take note that the offer document does not explicitly specify the parking of	Timeline is as proposed in objects.	No Action.

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
								unutilized IPO funds in subsidiary bank accounts.		
4	Issue Expense	Chartered Accountant certificate*, Bank statements, Final Prospectus	47.62	0.00	27.06	27.06	20.56	The Company has reimbursed certain IPO-related expenses, including auditor fees, merchant banker fees, etc incurred during the issue process, from its current account.	No Comments	No Comments
Total			670.00	0.00	481.32	481.32	188.68			

* Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated April 21, 2026.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning (Rs. Crore)	Return on Investment (%)	Market Value as at the end of quarter (Rs. Crore)
1	Fixed Deposit created by Aequs Limited with HDFC bank account	86.62	May 19, 2026	0.70	6.25%	87.32
2	Fixed Deposit created by subsidiary ASMIPL with Axis Bank Account	45.62	May 20, 2026	0.02	6.15%	45.64
3	Fixed Deposit created by subsidiary ACPPL with HDFC Bank Account	35.00	April 07, 2026	0.00	3.50%	35.00
4	Balance lying with subsidiary Aequs Toys Private Limited HDFC account	0.59	-	-	-	0.59
5	Balance lying in the monitoring account of the company maintained with HDFC bank	0.30	-	-	-	0.30
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	20.56 [^]	-	-	-	20.56
	Total	188.68		0.72		189.42

[^]Outstanding as on March 31, 2026, is Rs. 28.25 crore out of which Rs. 20.56 crore pertains to IPO related issue expense and remaining Rs. 7.69 crore pertains to OFS related expenses.

(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	Completed	-	No Comments	No Comments
(a) Our Company	By March 31, 2026	Completed	-	No Comments	No Comments
(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	By March 31, 2026	Completed	-	No Comments	No Comments
(i) AeroStructures Manufacturing India Private Limited	By March 31, 2026	Completed	-	No Comments	No Comments
(ii) Aequs Consumer Products Private Limited	By March 31, 2026	Completed	-	No Comments	No Comments
(iii) Aequs Engineered Plastics Private Limited	By March 31, 2026	Completed	-	No Comments	No Comments
Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Rs. 48.15 crore by March 31, 2026 Rs. 15.852 crore by March 31, 2027	By March 31, 2026: Rs. 17.094 crore completed By March 31, 2027: Ongoing	None	No Comments	No Comments
(a) our Company	Rs. 5.88 crore by March 31, 2026 Rs. 2.23 crore by March 31, 2027	By March 31, 2026: Rs. 6.83 crore completed 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	Rs. 42.27 crore by March 31, 2026 Rs. 13.62 crore by March 31, 2027	By March 31, 2026: Rs. 10.27 crore completed 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

**In case of continuing object(s), Please specify latest/ Revised estimate of the completion date*

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 April 13, 2026.

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

Sr. No	Item Head^	Amount in Rs. 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	4.00	Chartered Accountant certificate* Bank Statements	Rs. 4.00 crore Utilized towards working capital requirements of Aequs Toys Private Limited.	No Comments
	Total	4.00			

** Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated April 21, 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.

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- 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.
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