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Independent Auditor's Report

To the Members of Aequs Limited (formerly known as Aequs Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aequs Limited (formerly known as Aequs Private Limited) (hereinafter referred to as the "Holding Company"), its Aequs Stock Option Plan Trust, and its subsidiaries (Holding Company, its Aequs Stock Option Plan Trust and its subsidiaries together referred to as "the Group"), its associate and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at 31 March 2026, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
See notes 2(i) and 18 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group is engaged in the business of	In view of the significance of the matter, we applied

contract manufacturing, catering to the manufacture of machined parts used in the aerospace sector and products related to the consumer market. The Group supplies goods only against committed orders and has a concentrated customer base. The revenue is derived primarily from sale of these products. Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. There are variations in the terms of different sales contracts which require detailed analysis of each contract regarding timing of revenue recognition. Consequently, there is a risk of revenue being overstated due to recognition prior to the transfer of control, particularly from pressures to achieve performance targets at the end of the reporting period. Accordingly, we have identified the timing of revenue recognition as a key audit matter.	the following audit procedures, among others, to obtain sufficient appropriate audit evidence: • We assessed the appropriateness of the accounting policies for revenue recognition and its compliance with applicable accounting standards; • We evaluated the design and implementation of the Group's manual and general IT controls and key IT application controls with respect to revenue recognition and tested operating effectiveness of these controls over recording of revenue in the correct period , by involving internal IT specialists; • We performed substantive testing on samples selected using statistical sampling of revenue transactions recorded during the year and around the year-end date by testing the underlying documents including sale invoices, customer contracts and delivery documents to assess whether the revenue had been recognised in the correct reporting period; • We tested sample journal entries for revenue recognised, selected based on specified risk-based criteria, to identify unusual entries; • We have performed substantive testing of subsequent credit notes / reversal entries recorded by selecting a sample of high value items resulting in untested balance being immaterial; and • We evaluated the adequacy and appropriateness of the disclosures made in the consolidated financial statements, in accordance with the relevant accounting standard.

Other Information

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

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

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

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group, its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of nine subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of INR 5,115.78 million as at 31 March 2026, total revenues (before consolidation adjustments) of INR 2,422.05 million and net cash inflows (before consolidation adjustments) amounting to INR 47.12 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of loss of INR 3.31 million for the year ended 31 March 2026, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

b. Three of these subsidiaries located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditors under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

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

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company , written representations received by the management on 31 March 2026 from the directors of the associate company and certain joint venture companies, and the reports of the statutory auditors of its subsidiary companies and joint venture company audited by other auditors, incorporated in India, none of the directors of the Group companies, joint venture companies and associate company incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 30 to the consolidated financial statements.

b. The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate company and joint venture companies incorporated in India during the year ended 31 March 2026.

d (i) The respective management of the Holding Company, its subsidiary companies, associate company and joint venture companies incorporated in India whose financial statements have been audited under the Act represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of its knowledge and belief, as disclosed in the Note 40(vi)(a) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies or associate or joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies or associate or joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company, its subsidiary companies, associate company and joint venture companies incorporated in India whose financial statements have been audited under the Act represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of its knowledge and belief, as disclosed in the Note 40(vi)(b) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies or associate or joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies or associate or joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company, its subsidiary companies, associate company and joint venture companies incorporated in India have neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instance mentioned below, the Holding Company, its subsidiary companies and joint venture companies which are companies incorporated in India whose financial statements have been audited under the Act, have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares.

In respect of the Holding Company, its four subsidiary companies and three joint venture companies, the feature of recording audit trail (edit log) facility;

- was not enabled for the period from 01 April 2025 to 15 December 2025 at the database level to log any direct data changes; and
- was not enabled for the period from 01 April 2025 to 09 October 2025 at the application level for certain fields / tables relating to all the significant financial processes.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail where enabled, has been preserved by the Company as per the statutory requirements for record retention.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint venture company incorporated in India which were not audited by us, the remuneration paid/payable during the current year by the Holding Company, its subsidiary companies, joint venture companies and its associate to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director by the Holding Company, its subsidiary companies, joint venture companies, and its associate is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Chartered Accountants

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

Sampad Guha Thakurta

Partner

Place: Chennai

Membership No.: 060573

Date: 26 May 2026

ICAI UDIN:26060573QBFDUT4061

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Aequs Limited (formerly known as Aequs Private Limited) for the year ended 31 March 2026

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

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

Sr. No.	Name of the entities	CIN	Holding Company / Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Aequs Limited	L80302KA2000PLC026760	Holding Company	ii(b), iii(c), iii(d). iii(e) and iii(f)
2	AeroStructures Manufacturing India Private Limited	U29253KA2013PTC067763	Subsidiary	ii(b), iii(c), iii(d), iii(e) and iii(f)
3	Aequs Consumer Products Private Limited	U28995KA2019PTC129087	Subsidiary	xvii
4	Aequs Engineered Plastics Private Limited	U22209KA2015PTC078777	Subsidiary	ii(b) and xvii
5	Aequs Force Consumer Products Private Limited	U28191KA2018PTC114901	Subsidiary	ii(a), ii(b), ix(d) and xvii
6	Aequs Toys Private Limited	U26400KA2021PTC150503	Subsidiary	ii(a)
7	Ajna Aerospace & Defence Private Limited	U30400KA2025PTC209996	Joint Venture	vii(a) and xiv

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Aequs Limited (formerly known as Aequs Private Limited) for the year ended 31 March 2026 *(Continued)*

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

Sr No.	Name of the entities	CIN	Subsidiary/Joint Venture
1	SQuAD Forging India Private Limited	U28910KA2011PTC056681	Joint Venture
2	Aerospace Processing India Private Limited	U35303KA2007PTC043311	Joint Venture
3	Aequs Cookware Private Limited	U27504KA2024PTC189903	Joint Venture
4	Aequs Foundation	U74999KA2016NPL095790	Associate

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

Chartered Accountants

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

Sampad Guha Thakurta

Partner

Membership No.: 060573

ICAI UDIN:26060573QBFDUT4061

Place: Chennai

Date: 26 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Aequs Limited (formerly known as Aequs Private Limited) for the year ended 31 March 2026

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of Aequs Limited (formerly known as Aequs Private Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, its associate and its joint venture companies, as of that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of subsidiary companies incorporated in India, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate and its joint venture companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

Auditor's Responsibility

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

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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Aequs Limited (formerly known as Aequs Private Limited) for the year ended 31 March 2026 *(Continued)*

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

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

Chartered Accountants

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

Sampad Guha Thakurta

Partner

Place: Chennai

Membership No.: 060573

Date: 26 May 2026

ICAI UDIN:26060573QBFDUT4061

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760

Consolidated Balance Sheet

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

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	7,732.10	1,668.82
Right-of-use assets	5	2,733.44	3,349.25
Capital work-in-progress	4A	786.59	3,950.90
Goodwill	6	172.56	172.56
Other intangible assets	6	63.75	61.23
Investments accounted for using the equity method	7	1,054.74	768.12
Financial assets			
Investments	8	0.99	0.85
Other financial assets	9 (iv)	671.84	706.24
Contract assets	12	111.41	-
Deferred tax assets (net)	35	317.41	331.70
Current tax assets		7.00	19.04
Other non-current assets	10	222.55	133.08
Total non-current assets		**13,874.38**	**11,161.79**
Current assets			
Inventories	11	5,674.36	4,082.69
Financial assets			
Trade receivables	9 (i)	2,646.07	1,566.04
Cash and cash equivalents	9 (ii)	3,014.89	609.43
Bank balances other than above	9 (iii)	551.63	188.48
Other financial assets	9 (iv)	183.67	128.72
Contract assets	12	85.61	52.89
Other current assets	10	874.01	808.22
Assets classified as held for sale	39	0.08	0.14
Total current assets		**13,030.32**	**7,436.61**
Total assets		**26,904.70**	**18,598.40**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	6,706.66	5,818.29
Other equity	14	8,158.19	1,350.90
Equity attributable to owners of Aequs Limited (Formerly known as Aequs Private Limited)		**14,864.85**	**7,169.19**
Non controlling interest	14	(9.39)	(9.41)
Total Equity		**14,855.46**	**7,159.78**

B S R & Co. LLP * Chartered Accountants *

Aequs Limited *

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760

Consolidated Balance Sheet

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

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15 (i)	1,001.73	1,424.39
Lease liabilities	5	2,447.08	2,785.57
Other financial liabilities	15 (ii)	57.43	64.75
Provision for employee benefits	17	208.47	161.79
Other non-current liabilities	16	34.49	45.00
Contract liabilities	12	73.51	192.92
Total non current liabilities		**3,822.71**	**4,674.42**
Current liabilities			
Financial liabilities			
Borrowings	15 (i)	3,034.05	2,946.23
Lease liabilities	5	526.45	694.28
Trade payables			
a. Total outstanding dues of micro and small enterprises; and	15 (iii)	28.76	65.70
b. Total outstanding dues to creditors other than micro enterprises and small enterprises	15 (iii)	3,194.58	2,243.17
Other financial liabilities	15 (ii)	647.94	400.25
Provision for employee benefits	17	71.29	65.57
Other current liabilities	16	206.51	152.83
Current tax liabilities (net)		178.61	35.16
Contract liabilities	12	338.34	160.72
Liabilities directly associated with assets classified as held for sale	39	0.00	0.29
Total current liabilities		**8,226.53**	**6,764.20**
Total liabilities		**12,049.24**	**11,438.62**
Total equity and liabilities		**26,904.70**	**18,598.40**

Summary of material accounting policies 2

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No. 101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
Place: Chennai
Date: May 26, 2026

for and on behalf of the Board of Directors of
Aequs Limited (formerly known as Aequs Private Limited)
CIN: L80302KA2000PLC026760

Rajeev Kaul
Co-Founder and Managing Director
DIN-01468590
Place: Belagavi
Date: May 26, 2026

Aravind S Melligeri
Executive Chairman and Chief Executive Officer
DIN-00787735
Place: Belagavi
Date: May 26, 2026

Dinesh Iyer
Chief Financial Officer

Place: Belagavi
Date: May 26, 2026

Ravi Mallikarjun Hugar
Company Secretary and Compliance Officer
M. No. - A20823
Place: Belagavi
Date: May 26, 2026

Aequs Limited

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760

Consolidated Statement of Profit and Loss

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

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Continuing operations			
Revenue from operations	18	12,304.36	9,246.06
Other income	19	653.79	346.07
Total income (A)		**12,958.15**	**9,592.13**
Expenses			
Cost of materials consumed	20	5,223.08	4,082.60
Changes in inventories of finished goods and work-in-progress	21	(275.21)	(160.60)
Employee benefit expense	22	2,121.77	1,587.41
Impairment (reversals)/ losses on financial assets	28	(11.08)	4.16
Other expenses	23	4,355.09	2,998.87
Total expenses (B)		**11,413.65**	**8,512.44**
Earnings from continuing operations before finance costs, depreciation and amortization, share of net profit/(loss) of associate and joint ventures, exceptional items and tax (A-B)		**1,544.50**	**1,079.69**
Finance costs	24	923.54	589.01
Depreciation and amortisation expense	25	1,376.91	1,034.06
Loss from continuing operations before share of net profit/(loss) of associate and joint ventures, exceptional items and tax		**(755.95)**	**(543.38)**
Share of net profit / (loss) of joint ventures accounted for using the equity method, net of tax	7	117.54	85.24
Exceptional items gain / (loss)	26	(76.95)	(482.65)
Loss before tax from continuing operations		**(715.36)**	**(940.79)**
Income tax expense			
- Current tax	35	400.27	148.88
- Deferred tax	35	17.28	(65.48)
Total tax expense		**417.55**	**83.40**
Loss from continuing operations		**(1,132.91)**	**(1,024.19)**
Discontinued operations			
Profit / (loss) from discontinued operations before tax	39	0.43	0.73
Tax expense of discontinued operations		-	-
Profit / (loss) from discontinued operations		**0.43**	**0.73**
Loss for the year		**(1,132.48)**	**(1,023.46)**
Other comprehensive income			
Items that will be reclassified to profit or loss			
- Exchange differences on translating financial statements of foreign operations		(348.51)	(49.37)
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		27.50	(3.86)
- Tax impact on items that will not be reclassified to profit or loss		-	-
Other comprehensive loss for the year, net of tax		**(321.01)**	**(53.23)**
Total comprehensive loss for the year		**(1,453.49)**	**(1,076.69)**

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760
Consolidated Statement of Profit and Loss
(All amounts are in INR Millions, except share data, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Profit / (loss) attributable to:			
Owners of Aequs Limited (Formerly known as Aequs Private Limited)		(1,132.50)	(1,023.46)
Non controlling interests		0.02	0.00
		(1,132.48)	**(1,023.46)**
Other comprehensive loss attributable to:			
Owners of Aequs Limited (Formerly known as Aequs Private Limited)		(321.01)	(53.23)
Non controlling interests		-	-
		(321.01)	**(53.23)**
Total comprehensive loss attributable to:			
Owners of Aequs Limited (Formerly known as Aequs Private Limited)		(1,453.51)	(1,076.69)
Non controlling interests		0.02	0.00
		(1,453.49)	**(1,076.69)**
Total comprehensive loss attributable to owners of Aequs Limited (Formerly known as Aequs Private Limited)			
Continuing operation		(1,453.92)	(1,077.42)
Discontinued operations		0.43	0.73
		(1,453.49)	**(1,076.69)**
Earnings per equity share for profit from continuing operation attributable to owners of Aequs Limited (Formerly known as Aequs Private Limited) (Basic and diluted in INR) (Nominal value per share: ₹ 10)	32	(1.87)	(1.80)
Earnings per equity share for profit from discontinuing operation attributable to owners of Aequs Limited (Formerly known as Aequs Private Limited) (Basic and diluted in INR) (Nominal value per share: ₹ 10)	32	0.00	0.00
Earnings per equity share for profit from discontinuing & continuing operation attributable to owners of Aequs Limited (Formerly known as Aequs Private Limited) (Basic and diluted in INR) (Nominal value per share: ₹ 10)	32	(1.87)	(1.80)

Summary of material accounting policies 2

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No. 101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
Place: Chennai
Date: May 26, 2026

for and on behalf of the Board of Directors of
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Co-Founder and Managing Director
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Chief Financial Officer

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Ravi Mallikarjun Hugar
Company Secretary and Compliance Officer
M. No. A20823
Place: Belagavi
Date: May 26, 2026

Aequs Limited

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760

Consolidated Statement of Changes in Equity

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

A. Equity share capital (refer note 13)

	Amount
Balance as at April 01, 2024	**4,247.59**
Changes during the year	1,570.70
Balance as at March 31, 2025	**5,818.29**
Changes during the year	888.37
Balance as at March 31, 2026	**6,706.66**

B. Instruments entirely equity in nature Compulsorily Convertible Preference Shares (CCPS) (refer note 13A)

	Amount
Balance as at April 01, 2024	**4,071.16**
Changes during the year	(4,071.16)
Balance as at March 31, 2025	-
Changes during the year	-
Balance as at March 31, 2026	-

C. Other equity and non-controlling interests (refer note 14)

	Other equity									
	Attributable to owners of the Company									Non controlling interest
	Reserves and surplus							Items of OCI	Total other equity	
	Retained earnings	Securities premium	Share option outstanding account	Statutory reserve	Common control capital reserve	Treasury shares	Other reserves	Foreign currency translation reserve		
Balance as at April 01, 2024	**(7,274.55)**	**7,293.77**	**60.14**	**11.16**	**93.94**	**(265.09)**	**214.92**	**(287.43)**	**(153.14)**	**(9.41)**
Profit / (loss) for the year	(1,023.46)	-	-	-	-	-	-	-	(1,023.46)	0.00
Other comprehensive income / (loss) for the year	(3.86)	-	-	-	-	-	-	-	(3.86)	-
Translation of financial statement of foreign operations	-	-	-	-	-	-	-	(49.37)	(49.37)	-
Total comprehensive profit/(loss) for the year	**(1,027.32)**	-	-	-	-	-	-	**(49.37)**	**(1,076.69)**	**0.00**
Transactions with owners of the Company										
Premium on shares issued during the year	-	2,500.45	-	-	-	-	-	-	2,500.45	-
Employee stock option expense	-	-	8.77	-	-	-	-	-	8.77	-
Total contributions and distributions	-	**2,500.45**	**8.77**	-	-	-	-	-	**2,509.22**	-
Financial guarantee received during the year	-	-	-	-	-	-	48.41	-	48.41	-
Exercise of share options	-	-	-	-	-	23.10	-	-	23.10	-
Sub total	-	-	-	-	-	**23.10**	**48.41**	-	**71.51**	-
Balance as at March 31, 2025	**(8,301.87)**	**9,794.22**	**68.91**	**11.16**	**93.94**	**(241.99)**	**263.33**	**(336.80)**	**1,350.90**	**(9.41)**

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B S R & Co. LLP * Chartered Accountants *

Aequs Limited *

Aequs Limited (Formerly known as Aequs Private Limited)
Consolidated Statement of Changes in Equity
(All amounts are in INR Millions, except share data, unless otherwise stated)

C. Other equity and non-controlling interests (refer note 14) (continued)

	Other equity									
	Attributable to owners of the Company									Non controlling interest
	Reserves and surplus							Items of OCI	Total other equity	
	Retained earnings	Securities premium	Share option outstanding account	Statutory reserve	Common control capital reserve	Treasury shares	Other reserves	Foreign currency translation reserve		
Balance as at April 01, 2025	**(8,301.87)**	**9,794.22**	**68.91**	**11.16**	**93.94**	**(241.99)**	**263.33**	**(336.80)**	**1,350.90**	**(9.41)**
Profit / (loss) for the year	(1,132.50)	-	-	-	-	-	-	-	(1,132.50)	0.02
Other comprehensive income / (loss) for the year	27.50	-	-	-	-	-	-	-	27.50	-
Translation of financial statement of foreign operations	-	-	-	-	-	-	-	(348.51)	(348.51)	-
Total comprehensive profit/(loss) for the year	**(1,105.00)**	**-**	**-**	**-**	**-**	**-**	**-**	**(348.51)**	**(1,453.51)**	**0.02**
Transactions with owners of the Company										
Premium on shares issued during the year	-	8,981.27	-	-	-	-	-	-	8,981.27	-
Share issue expense	-	(437.26)	-	-	-	-	-	-	(437.26)	-
Employee stock option expense	-	-	38.41	-	-	-	-	-	38.41	-
Total contributions and distributions	**-**	**8,544.01**	**38.41**	**-**	**-**	**-**	**-**	**-**	**8,582.42**	**-**
Financial guarantee received during the year	-	-	-	-	-	-	82.19	-	82.19	-
Transfers	-	12.57	-	-	-	-	(12.57)	-	-	-
Issue of shares to Aequs Stock Option Plan Trust	-	-	-	-	-	(447.84)	-	-	(447.84)	-
Exercise of share options	-	15.69	(15.69)	-	-	44.03	-	-	44.03	-
Sub total	**-**	**28.26**	**(15.69)**	**-**	**-**	**(403.81)**	**69.62**	**-**	**(321.62)**	**-**
Balance as at March 31, 2026	**(9,406.87)**	**18,366.49**	**91.63**	**11.16**	**93.94**	**(645.80)**	**332.95**	**(685.31)**	**8,158.19**	**(9.39)**

Summary of material accounting policies (note 2)

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No. 101248W/W-100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
Place: Chennai
Date: May 26, 2026

for and on behalf of the Board of Directors of
Aequs Limited (formerly known as Aequs Private Limited)
CIN: L80302KA2000PLC026760

Rajeev Kaul
Co-Founder and Managing Director
DIN-01468590
Place: Belagavi
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Chief Financial Officer

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Company Secretary and Compliance Officer
M. No. - A20823
Place: Belagavi
Date: May 26, 2026

Aequs Limited

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760

Consolidated Statement of Cash Flows

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

	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities		
Loss before income tax from continuing operations	(715.36)	(940.79)
Profit before tax from discontinuing operations	0.43	0.73
Loss before tax	**(714.93)**	**(940.06)**
Adjustments for :		
Depreciation and amortisation expense	1,376.91	1,034.06
Equity-settled share-based payment transactions	43.30	8.77
Net (profit) / loss on disposal of property, plant and equipment / investment property	1.32	(0.42)
Interest income from financial asset at amortised cost	(120.71)	(89.12)
Liabilities no longer required written back	(25.08)	(21.07)
Gain on mutual funds	-	(23.74)
Impairment (reversals)/ losses on financial assets	(11.08)	4.16
Provision for slow moving inventory	(7.32)	138.42
Interest expense	870.35	574.43
Finance guarantee income	(11.05)	(9.46)
Unwinding of discount on security deposits	(20.30)	(19.72)
Realized exchange loss on lease payments	98.28	29.00
Finance guarantee expense	53.19	14.58
Unrealised exchange (gain) / loss	(468.63)	(20.38)
Share of net profit / (loss) of joint ventures accounted for using the equity method, net of tax	(117.54)	(85.24)
Provision for doubtful advances and advance written off	18.81	8.07
Impairment of goodwill	-	482.65
Government grant related to property, plant and equipment	(10.69)	(32.10)
Gain on derecognition of lease	-	(18.59)
Working capital adjustments		
- (Increase) in trade receivables	(887.01)	(319.48)
- (Increase) in inventories	(1,489.93)	(734.26)
- (Increase) / decrease in other financial assets	51.41	(28.77)
(Increase) in other assets	(72.93)	(267.40)
- (Increase) in contract assets	(139.68)	(27.91)
Increase in trade payables	785.75	381.02
- Increase in employee benefit obligations	71.83	47.71
- (Decrease)/increase in other financial liabilities	(49.15)	91.80
- (Decrease) in other liabilities	(14.71)	(58.48)
Increase in contract liabilities	51.68	264.04
Cash (used in) / generated from operations	**(737.91)**	**382.51**
Income taxes paid (net of refunds)	(249.60)	(121.10)
Net cash (used in) / generated from operating activities (A)	**(987.51)**	**261.41**

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B S R & Co. LLP ★ Chartered Accountants ★

Aequs Limited ★

Aequs Limited (Formerly known as Aequs Private Limited) CIN: L80302KA2000PLC026760
Consolidated Statement of Cash Flows
(All amounts are in INR Millions, except share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from investing activities :		
Acquisition of property, plant and equipment	(3,425.51)	(2,651.62)
Proceeds from sale of property, plant and equipment / investment property	14.25	-
Loans given to related parties	-	15.38
Proceeds from sale of mutual funds	-	493.04
Investment in mutual funds	-	(172.17)
Investment in bank deposits	(1,108.75)	(3,204.99)
Proceeds from maturity of bank deposits	761.45	4,701.97
Government grants received	32.12	46.70
Interest received	120.71	72.44
Assets classified as held for sale	(0.23)	3.36
Investments in joint ventures and associate	(101.00)	(42.31)
Net cash used in investing activities (B)	**(3,706.96)**	**(738.20)**
Cash flow from financing activities		
Proceeds from issue of equity shares (net of treasury shares)	9,438.10	-
Proceeds from exercise of share options	44.03	23.10
Proceeds from issue of non-convertible debentures	350.00	-
Share issue expenses (net)	(437.26)	-
Proceeds from long term borrowing	2,761.01	1,107.91
Repayment of long term borrowing	(3,031.65)	(345.06)
Principal payment of lease liabilities	(800.65)	(561.63)
(Repayment of)/ proceeds from short term borrowing (net)	(498.23)	641.82
Finance costs paid	(785.62)	(612.13)
Net cash generated from financing activities (C)	**7,039.73**	**254.01**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**2,345.26**	**(222.78)**
Cash and cash equivalents at the beginning of the year	609.43	792.74
Effects of exchange rate changes on cash and cash equivalents	60.20	39.47
Cash and cash equivalents at the end of the year	**3,014.89**	**609.43**
Cash and cash equivalents comprise of the following :		
Balances with banks :		
In current accounts	1,144.98	296.70
Deposits with maturity of three months or less	1,869.85	312.70
Cash on hand	0.06	0.03
	3,014.89	**609.43**

Summary of material accounting policies (note 2)

The accompanying notes are an integral part of these Consolidated Financial Statements

As per our report of even date attached

for **B S R & Co. LLP**
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Membership No.: 060573
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Chief Financial Officer

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Date: May 26, 2026

Ravi Mallikarjun Hugar
Company Secretary and Compliance Officer
M. No.: A20823
Place: Belagavi
Date: May 26, 2026

Aequs Limited

1. Background:

Aequs Limited (formerly known as Aequs Private Limited) ('the Parent Company') was incorporated on March 27, 2000 under provisions of the Companies Act, 1956 and is located at Special Economic Zone ('SEZ') Belagavi, Karnataka, India. It has its registered office at Whitefield, Bengaluru. The Parent Company, along with its subsidiaries (hereinafter collectively referred to as "the Group"), its associate and joint ventures are engaged in the business of contract manufacturing catering to various industries. These units are registered to carry on the operations relating to manufacture of machined parts used in aerospace and products related to consumer market. The Parent Company converted into a public company w.e.f. May 07, 2026. The equity shares of the Parent Company were listed on the National Stock Exchange and the Bombay Stock Exchange of India on December 10, 2025.

2. Material accounting policies:

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

a. Basis of preparation and presentation

The consolidated financial statements of Aequs Limited (formerly known as Aequs Private Limited) (hereinafter referred to as the "Holding Company"), its Aequs Stock Option Plan Trust and its subsidiaries (Holding Company, its Aequs Stock Option Plan Trust and its subsidiaries together referred to as "the Group") its associate and joint ventures, comprise the consolidated Balance Sheet as at 31 March 2026, and the consolidated statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 March 2026, and notes to the consolidated financial statements, including material accounting policies (hereinafter referred to as "the consolidated financial statements").

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

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

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

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

These consolidated financial statements have been prepared on a going concern basis. The accounting policies are applied consistently over the period.

These consolidated financial statements were authorised for issue by the Holding Company's board of directors on May 26, 2026.

Functional and presentation currency

The Consolidated Financial Statement of the Group are presented in Indian Rupees (INR / ₹), which is the functional currency of the Parent Company and the presentation currency for the Consolidated Financial Statements. All amounts disclosed in the Consolidated Financial Statements have been rounded to the two decimal of nearest millions (Mn) as per the requirement of Schedule III of Companies Act, 2013, unless otherwise stated. Amounts mentioned as "0.00" in the financial statements denote amounts rounded off being less than ₹ 0.005 Mn.

Accounting policy on earnings before finance costs, depreciation and amortization, share of net profit/(loss) of associate and joint ventures, exceptional items and tax

As permitted by the Guidance Note on Division II - Ind AS Schedule III to the Companies Act 2013, the Group has elected to present earnings before finance costs, depreciation and amortization, share of net profit/(loss) of associate, joint ventures and exceptional items and tax as a separate line item on the face of the Consolidated Statement of profit and loss. The Group measures earnings before finance costs, depreciation and amortization, share of net profit/(loss) of associate and joint ventures, exceptional items and tax on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs, share of net profit/(loss) of associate and joint ventures accounted for using the equity method net of tax, exceptional items gain/ (loss) and income tax expenses.

Recent pronouncements

Standards/Specific amendments issued but not yet effective as at March 31, 2026 -

Ind AS 1, Presentation of Financial Statements – For accounting periods beginning on or after April 1, 2026, when an entity breaches any covenant of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after April 1, 2026, in accordance with Ind AS 8, Accounting Policies, Changes in accounting estimates and Errors.

b. Principles of consolidation and equity accounting

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

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

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

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

(i) Subsidiaries

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

Items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.

(ii) Non controlling interests (NCI)

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

(iii) Transactions eliminated on consolidation

Intra Group balances and transactions, and any unrealised income and expenses arising from intra Group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

c. Business combination

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

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2. Material accounting policies (continued)

d. Goodwill

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

e. Investment in associate and joint ventures

Associates:

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

Joint ventures:

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

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

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

f. Provisions and onerous contracts

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can reliably estimated Provisions are not recognised for future operating losses Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period The discount rate used to determine the present value is pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability The increase in provision due to the passage of time is recognised as an expense

Operating segment reflect the Group's management structure and the way the financial information is regularly reviewed by the Executive Chairman and Chief Executive Officer (the Group's Chief Operating Decision Maker (CODM)) who plans the allocation of resources and assess the performance of the segments The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to the segment on the basis of their relationship to the operating activities of the segment

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities

h. Foreign currency transactions

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

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

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

i. Revenue from contracts with customers

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

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

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

The Group does not have any contracts where the period between the transfer of goods or services to the customer and payment by the customer exceeds one period / year. Accordingly, the Group does not adjust any of the transaction prices for time value of money

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

A contract asset is recognised when the Group gets the right to consideration in exchange for goods or services that it has transferred to the customers and the right is conditional upon acts other than passage of time When the payment exceeds the value of goods supplied or services rendered, a contract liability (advance from customers) is recognised

j. Government grants

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

k. Income tax

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

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

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss) Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously Deferred tax assets are reviewed at each reporting date

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

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2. Material accounting policies (continued)

l. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

As a lessee

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

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

-Fixed payments (including in substance fixed payments), less any lease incentives receivable

-Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

-Amounts expected to be payable by the Group under residual value guarantees

-The exercise price of a purchase option if the Group is reasonably certain to exercise that option

-Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

The lease liability is measured at amortised cost using the effective interest method It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero

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

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

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

-The amount of the initial measurement of lease liability

-Any lease payments made on or before the commencement date less any lease incentives received

-Any initial direct cost

-Restoration cost

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

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

m. Impairment of non-financial assets

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

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

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

n. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts

o. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time) Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance

p. Inventories

Inventories include raw materials (including stores, spares and packing material), work in progress and finished goods Inventories are stated at the lower of cost and net realizable value Cost of raw materials comprise of cost of purchases, freight and other expenses incurred in bringing the raw materials to the manufacturing location, excluding rebates and discounts

Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate portion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity

Costs are assigned to individual items on weighted average cost basis which is calculated on the basis of total cost of raw materials divided by the quantities purchased Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale

q. Investments and other financial assets

Classification

The Group classifies its financial assets in the following measurement categories

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income For investments in equity instruments (not held for trading purpose), this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income

Recognition

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

Measurement

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

(a) Amortized cost Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost Interest income from these financial assets is included in finance income using the effective interest rate method

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2. Material accounting policies (continued)

q. Investments and other financial assets (continued)

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

(c) Fair value through profit or loss (FVTPL) Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises Interest income from these financial assets is included in other income

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost The impairment methodology applied depends on whether there has been a significant increase in credit risk For trade receivables only, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

Derecognition of financial assets

A financial asset is derecognized only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

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

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously

Income recognition

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

Dividend income

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established

r. Property, plant and equipment

All items of property, plant and equipment are stated at historical cost or deemed cost applied on transition to Ind AS less depreciation Capital work-in progress is stated at cost Historical cost includes expenditure that is directly attributable to the acquisition of the items, net of refundable taxes Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment The carrying amount of any component accounted for as a separate asset is derecognised when replaced All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred

The cost of a self constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located

Depreciation commences when the assets are ready for their intended use An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount Gains and losses on disposals are determined by comparing proceeds with carrying amount These are included in statement of profit and loss within other income/(expenses)

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in case of certain leased machineries, the shorter lease term as follows

The estimated useful lives of assets are as follows

Asset	Useful life (in years)
Leasehold improvements	10 or lease period, whichever is lower
Plant and machinery	1 5 to 10
Computers	3 to 6
Furniture and fittings	1 5 to 5
Vehicles	10
Office and other equipment	1 5 to 5

The useful lives have been determined based on technical evaluation done by the management which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets The residual values are not more than 5% of the original cost of the asset

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period Assets in the course of development or construction are not depreciated

s. Investment property

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

t. Intangible assets

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

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

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

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2. Material accounting policies (continued)

u. Trade and other payables

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

v. Borrowings

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

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

w. Borrowing costs

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

x. Employee benefits

Short-term obligations

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

Other long-term employee benefit obligations

Leave obligations are presented as current liabilities in the balance sheet since the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Group operates the following post employment schemes

(a) defined benefit plans such as gratuity, pension obligations (France); and

(b) defined contribution plans such as provident fund and ESI

(a) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

Gratuity obligations (India)

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

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

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

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

Pension obligations (France)

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

(b) Defined contribution plans

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity

India

The Group makes specified monthly contributions towards Employees Provident Fund Organisation and Employees State Insurance Corporation Obligations for contributions to defined contribution plans are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available

United States of America

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

Share-based payments

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

The total amount to be expensed is determined by reference to the fair value of the options granted

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

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

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2. Material accounting policies (continued)

y. Financial guarantee contracts

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

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

z. Contributed equity

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

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

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

ab. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the period / year, net of treasury shares

Diluted earnings per share

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

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

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share or increase the net loss per share Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date Dilutive potential equity shares are determined independently for each period presented

3. Use of judgements and estimates

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

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an ongoing basis Revisions to estimates are recognised prospectively

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes

Note 7 investments accounted for using the equity method whether the Group has significant influence over an investee,

Note 5 lease term whether the Group is reasonably certain to exercise extension options

(ii) Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes

Note 17 measurement of defined benefit obligations key actuarial assumptions,

Note 35 recognition of deferred tax assets availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised,

Note 30 uncertain tax treatments,

Note 6 impairment test of intangible assets and goodwill key assumptions underlying recoverable amounts, including the recoverability of development costs,

Notes 11 and 30 recognition and measurement of provisions and contingencies key assumptions about the likelihood and magnitude of an outflow of resources,

Note 9 (ii) measurement of ECL allowance for trade receivables key assumptions in determining the weighted-average loss rate, and

Notes 33 acquisition of subsidiary fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis

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Aequs Limited

Aequs Limited (Formerly known as Aequs Private Limited)

Notes to Consolidated Financial Statements

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

Note 4 - Property, plant and equipment

As at March 31, 2026

	Gross carrying amount						Accumulated depreciation						Net carrying amount as at March 31, 2026
	As at April 1, 2025	Additions	Disposals	Transfer from Right of Use asset	Exchange differences	As at March 31, 2026	As at April 1, 2025	Charge for the period	Disposals	Transfer from Right of Use assets	Exchange differences	As at March 31, 2026	
Leasehold improvements	58.17	180.49	-	-	0.73	239.39	37.78	15.41	-	-	0.60	53.79	185.60
Plant and machinery	3,640.69	6,198.87	(15.57)	154.63	66.63	10,045.25	2,040.16	685.55	(15.50)	-	47.05	2,757.26	7,287.99
Computer equipment	136.84	236.35	-	-	0.36	373.55	106.34	37.06	-	-	1.83	145.23	228.32
Office equipment	63.86	14.49	-	-	0.45	78.80	49.49	6.25	-	-	(0.03)	55.71	23.09
Furniture and fittings	0.58	3.11	-	-	(0.97)	2.72	0.57	0.41	-	-	(0.18)	0.80	1.92
Vehicles	2.02	1.87	-	-	0.33	4.22	(1.00)	0.04	-	-	(0.00)	(0.96)	5.18
Total	**3,902.16**	**6,635.18**	**(15.57)**	**154.63**	**67.53**	**10,743.93**	**2,233.34**	**744.72**	**(15.50)**	**-**	**49.27**	**3,011.83**	**7,732.10**

As at March 31, 2025

	Gross carrying amount						Accumulated depreciation						Net carrying amount as at March 31, 2025
	As at April 1, 2024	Additions	Disposals	Transfer from Right of Use asset	Exchange differences	As at March 31, 2025	As at April 1, 2024	Charge for the year	Disposals	Transfer from Right of Use assets	Exchange differences	As at March 31, 2025	
Leasehold improvements	59.50	1.95	-	-	(3.28)	58.17	34.41	5.22	-	-	(1.85)	37.78	20.39
Plant and machinery	3,485.39	295.69	(245.06)	93.59	11.08	3,640.69	1,810.21	342.72	(117.41)	-	4.64	2,040.16	1,600.53
Computer equipment	125.16	13.74	(2.80)	-	0.74	136.84	93.12	15.73	(2.03)	-	(0.48)	106.34	30.50
Office equipment	61.81	5.03	(3.75)	-	0.77	63.86	45.56	5.04	(2.32)	-	1.21	49.49	14.37
Furniture and fittings	0.69	0.47	(0.19)	-	(0.39)	0.58	0.41	0.27	(0.18)	-	0.07	0.57	0.01
Vehicles	1.38	-	-	-	0.64	2.02	0.77	-	-	-	(1.77)	(1.00)	3.02
Total	**3,733.93**	**316.88**	**(251.80)**	**93.59**	**9.56**	**3,902.16**	**1,984.48**	**368.98**	**(121.94)**	**-**	**1.71**	**2,233.34**	**1,668.82**

Notes

a. Refer note 15(i)(D) for information on property, plant and equipment pledged as security.

Note 4A - Capital Work-in-progress

Particulars	As at April 1, 2024	Additions	Transfer	As at March 31, 2025	As at April 1, 2025	Additions	Transfer	As at March 31, 2026
Capital work in progress	1,753.85	2,227.71	(30.66)	3,950.90	3,950.90	957.61	(4,121.92)	786.59

Aging of Capital work-in-progress as at March 31, 2026

	Amounts in Capital work in progress				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	782.16	4.43			786.59
Total	**782.16**	**4.43**	**-**	**-**	**786.59**

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

Note 4 - Property, Plant and Equipment (continued)

Aging of Capital work-in-progress as at March 31, 2025

	Amounts in Capital work in progress				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,228.20	1,722.70	-	-	3,950.90
Total	**2,228.20**	**1,722.70**	-	-	**3,950.90**

Capitalization of expenditure

Following are the directly attributable costs which are capitalized. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group.

	March 31, 2026	March 31, 2025
Other expenses	196.76	448.04
Employee benefit expenses	163.63	275.12
Finance cost	159.24	217.74
Cost of materials consumed	358.56	74.51
Depreciation on right-of-use assets	20.26	43.38
	898.45	**1,058.79**

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Note 5 - Right of use assets

The Group has entered into agreements with lessors for lease of building (factory premises) and plant and machinery. The lease term ranges from 6 to 10 years and incremental borrowing rate ranges from 6% 13.5% p.a.

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount as at March 31, 2026
	As at April 1, 2025	Additions	Disposals/ Transfer to PPE	Exchange differences	As at March 31, 2026	As at April 1, 2025	Charge for the period	Disposals/ Transfer to PPE	Exchange differences	As at March 31, 2026	
Building	3,844.59	107.11	-	(82.21)	3,869.49	1,579.05	410.61	-	(5.30)	1,984.36	1,885.13
Plant and machinery	2,486.58	125.18	(709.15)	83.28	1,985.89	1,402.87	211.05	(547.82)	71.48	1,137.58	848.31
Total	**6,331.17**	**232.29**	**(709.15)**	**1.07**	**5,855.38**	**2,981.92**	**621.66**	**(547.82)**	**66.18**	**3,121.94**	**2,733.44**

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount as at March 31, 2025
	As at April 1, 2024	Additions	Disposals/ Transfer to PPE	Exchange differences	As at March 31, 2025	As at April 1, 2024	Charge for the year	Disposals/ Transfer to PPE	Exchange differences	As at March 31, 2025	
Building	3,979.60	139.13	(273.79)	(0.34)	3,844.59	1,230.60	367.18	(20.69)	1.96	1,579.05	2,265.54
Plant and machinery	2,831.52	72.76	(429.35)	11.65	2,486.58	1,468.12	257.68	(333.25)	10.32	1,402.87	1,083.71
Total	**6,811.12**	**211.89**	**(703.14)**	**11.31**	**6,331.17**	**2,698.72**	**624.86**	**(353.94)**	**12.28**	**2,981.92**	**3,349.25**

* Depreciation of right of use assets includes an amount of ₹ 20.26 (March 31, 2025: ₹ 43.38) which has been capitalized and taken to CWIP Note 4A

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

Lease liability

Particulars	March 31, 2026	March 31, 2025
Current	526.45	694.28
Non current	2,447.08	2,785.57
Total	**2,973.53**	**3,479.85**

Particulars	March 31, 2026	March 31, 2025
Less than one year	774.92	953.80
Between one and five years	2,326.52	2,458.40
After five years	725.19	1,028.67
Total minimum lease payments	**3,826.63**	**4,440.87**
Less: imputed interest	853.10	961.02
Present value of lease payments	**2,973.53**	**3,479.85**

(b) The following are the other amounts recognized in respect of leases :

Particulars	March 31, 2026	March 31, 2025
Interest expense on lease liabilities	271.00	276.94
Expense relating to leases of low value assets (included in other expenses)	60.61	39.47
Cash outflow for leases (principal and interest)	1,071.65	838.57

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Note 6 - Intangible assets

As at March 31, 2026

Particulars	Gross carrying amount					Accumulated amortisation/ impairment					Net carrying amount as at March 31, 2026
	As at April 1, 2025	Additions	Disposals	Exchange differences	As at March 31, 2026	As at April 1, 2025	Charge for the year	Disposals	Exchange differences	As at March 31, 2025	
Software	176.67	21.40	-	1.02	199.09	126.59	15.51	-	0.97	143.07	56.02
Technical knowhow	127.39	-	-	13.92	141.31	116.24	15.28	-	2.06	133.58	7.73
Total	**304.06**	**21.40**	**-**	**14.94**	**340.40**	**242.83**	**30.79**	**-**	**3.03**	**276.65**	**63.75**
Goodwill	**655.21**	**-**	**-**	**-**	**655.21**	**482.65**	**-**	**-**	**-**	**482.65**	**172.56**

As at March 31, 2025

Particulars	Gross carrying amount					Accumulated amortisation/ impairment					Net carrying amount as at March 31, 2025
	As at April 1, 2024	Additions	Disposals	Exchange differences	As at March 31, 2025	As at April 1, 2024	Charge for the year	Disposals	Exchange differences	As at March 31, 2025	
Software	161.90	15.64	(0.97)	0.10	176.67	113.84	15.22	(0.97)	(1.50)	126.59	50.08
Technical knowhow	128.33	-	-	(0.94)	127.39	90.96	25.00	-	0.28	116.24	11.15
Total	**290.23**	**15.64**	**(0.97)**	**(0.84)**	**304.06**	**204.80**	**40.22**	**(0.97)**	**(1.22)**	**242.83**	**61.23**
Goodwill	**655.21**	**-**	**-**	**-**	**655.21**	**-**	**482.65**	**-**	**-**	**482.65**	**172.56**

a. Impairment tests for goodwill

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

Goodwill has been allocated to the CGUs as below:

Particulars	March 31, 2026	March 31, 2025
Aerostructures Assemblies India Private Limited (AAI)	148.49	148.49
Aequs Aeromachine Inc (AAM)	24.07	24.07
Aequs Force Consumer Products Private Limited (AFCPPL)	-	-
Total	**172.56**	**172.56**

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Note 6 - Intangible assets

The assumptions used in the impairment testing is as below:

Particulars	March 31, 2026		March 31, 2025	
	AFCPPL	AAI	AFCPPL	AAI
Average sales growth rate	Not applicable	Average of 21.89%	Average of 22.67%	Average of 5.67%
Discount rate range		14.13%	14.59%	17.40%
Terminal value growth rate		5.00%	5.00%	5.00%
Significant estimate: Impact of possible changes in key assumptions				
- 0.5% decrease in sales growth rate will lead to a change in the entity's valuation by:		11.26	10.14	12.07
- 0.5% decrease in terminal growth rate will lead to a change in the entity's valuation by:		27.45	15.18	10.25

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

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

During the year ended March 31, 2025, the Group noted that it did not meet its revenue and EBITDA assumptions for AFCPPL, due to significant and unexpected decline in market demand. Based on the Group's assessment of future business and possible margins it determined that the carrying value of the CGU exceeded the fair value of INR 324.01 and accordingly recorded an impairment of INR 482.65, which was disclosed as an exceptional item in the statement of profit and loss.

For the year ended March 31, 2026, there were no other probable scenarios where the CGU's recoverable amount would fall below its carrying amount.

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	As at March 31, 2026	As at March 31, 2025
Note 7 - Investments accounted for using equity method		
Investment in equity instruments of associates and joint ventures, unquoted, fully paid-up		
(A) Investment in equity instruments of associates		
Aequs Foundation	0.01	-
(B) Investment in equity instruments of joint ventures		
Aerospace Processing India Private Limited	314.55	238.96
SQuAD Forging India Private Limited	643.39	497.15
Aequs Cookware Private Limited	-	32.01
Ajna Aerospace and Defence Private Limited	-	-
(B) Investment in seed compulsory convertible preference shares of joint ventures		
Ajna Aerospace and Defence Private Limited	96.79	-
Net investment	**1,054.74**	**768.12**
Aggregate amount of unquoted investments	1,054.74	768.12

Notes:

i. Investment in Aerospace Processing India Private Limited includes ₹ 6.32 (March 31, 2025: ₹6.32) towards fair value of financial guarantee extended. (Refer Note 15(i))

ii. Investment in SQUAD Forging India Private Limited includes ₹ 49.33 (March 31, 2025: ₹ 40.33) towards fair value of financial guarantee extended. (Refer Note 15(i))

iii. Investment in Aequs Cookware Private Limited includes ₹ 64.29 (March 31, 2025: ₹ 64.29) towards fair value of financial guarantee extended. (Refer Note 15(i))

iv. During the year ended March 31, 2026, the Parent Company recognised its share of losses of Aequs Cookware Private Limited until the carrying value of the investment was reduced to Nil. The Group's share of losses in excess of the investment amounting to ₹ 68.93 (March 31, 2025: ₹ 10.57) has been recognised under other financial liabilities. (Refer note 15 (ii))

v. The Parent Company has made an investment in Ajna Aerospace and Defence Private Limited of INR 10,01,00,000/- (Indian Rupees Ten Crores and One Lakh only) by subscribing to 10,000 Equity Shares of face value INR 10/- (Indian Rupees Ten only) each at a premium of INR 90/- (Indian Rupees Ninety only) per share and 9,91,000 Seed Compulsorily Convertible Preference Shares of face value INR 10/- (Indian Rupees Ten only) each at a premium of INR 90/- (Indian Rupees Ninety only) per share.

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

SQuAD Forging India Private Limited	145.02	52.12
Aerospace Processing India Private Limited	75.37	60.65
Aequs Cookware Private Limited	(99.54)	(27.53)
Ajna Aerospace and Defence Private Limited	(3.31)	-
	117.54	**85.24**

Note 8 - Investments		
Unquoted		
Investment in Government Securities	0.99	0.85
	0.99	**0.85**
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	0.99	0.85
Aggregate amount of impairment in the value of investments		-

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

	As at March 31, 2026	As at March 31, 2025
Note 9 (i) - Trade Receivables		
Trade receivables from other than related parties	2,647.00	1,583.47
Receivables from related parties	18.43	13.01
Less: Loss allowance	(19.36)	(30.44)
Total receivables	**2,646.07**	**1,566.04**

Ageing of trade receivables as on March 31, 2026

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	2,153.76	420.64	13.85	59.72	12.43	0.00	2,660.40
	2,153.76	**420.64**	**13.85**	**59.72**	**12.43**	**0.00**	**2,660.40**
Less: Loss allowance	-	-	(2.11)	(16.22)	(1.01)	(0.00)	(19.34)
Unbilled revenue	5.01	-	-	-	-	-	5.01
Total trade receivables	**2,158.77**	**420.64**	**11.74**	**43.50**	**11.42**	**0.00**	**2,646.07**

Ageing of trade receivables as on March 31, 2025

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	1,288.66	257.18	18.00	20.10	-	12.54	1,596.48
	1,288.66	**257.18**	**18.00**	**20.10**	-	**12.54**	**1,596.48**
Less: Loss allowance	-	-	-	(20.10)	-	(10.34)	(30.44)
Total trade receivables	**1,288.66**	**257.18**	**18.00**	-	-	**2.20**	**1,566.04**

Note:

Refer note 15(i)(D) for information on lien/charge against trade receivables.

	As at March 31, 2026	As at March 31, 2025
Note 9 (ii) - Cash and cash equivalents		
Cash on hand	0.06	0.03
Balance with banks:		
In current accounts**	1,144.98	296.70
Deposits with maturity of 3 months or less**	1,869.85	312.70
	3,014.89	**609.43**
Note 9 (iii) - Bank balances other than above		
Margin money deposits*	96.33	188.01
Deposits with original maturity of more than 3 months but less than 12 months	169.77	0.47
Earmarked balance with banks**	285.53	-
	551.63	**188.48**

Note:

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

**Earmarked balance includes INR 285.53 being amounts withheld from IPO proceeds.

	As at March 31, 2026	As at March 31, 2025
Note 9 (iv) - Other financial assets		
(unsecured, considered good, unless otherwise specified)		
Non current		
Deposits with banks with remaining maturity of more than one year	-	15.85
Deferred consideration receivable	250.44	300.53
Security deposits	421.40	389.86
	671.84	**706.24**
Current		
Recoverable from related parties	20.57	24.01
Deferred consideration receivable	102.38	18.03
Government grant receivable	59.68	91.80
Other financial assets	21.60	16.04
Less: Expected credit loss for recoverable from related party	(20.56)	(21.16)
	183.67	**128.72**

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

	As at March 31, 2026	As at March 31, 2025
Note 10 - Other assets		
Non current		
Capital advances	195.01	101.51
Prepaid expenses	37.55	31.84
Provision for doubtful advances	(10.01)	(0.27)
Total	**222.55**	**133.08**
Current		
Advance to suppliers	304.00	233.74
Advances to employees	9.65	9.80
Prepaid expenses	87.71	98.93
Unamortized financial guarantee expense	34.06	50.88
Balance with statutory authorities	438.59	415.17
Provision for doubtful balances with statutory authorities	-	(0.30)
Total	**874.01**	**808.22**
Note 11 - Inventories		
Raw materials [Including Goods In Transit: March 31, 2026: ₹ 353.49 (March 31, 2025: ₹186.01)]	2,986.80	2,051.54
Work-in-progress	1,499.21	1,211.12
Finished goods [Including Goods In Transit: March 31, 2026: ₹ Nil (March 31, 2025: Nil)]	1,160.82	1,095.98
Stores and spares [Including Goods In Transit: March 31, 2026: ₹ 6.08 (March 31, 2025: ₹7.80)]	449.65	153.49
Less: Provision for slow moving inventory	(422.12)	(429.44)
Total	**5,674.36**	**4,082.69**

Note:

a. For lien/charge against inventories refer note 15(i)(D)

b. Write-down of inventories to net realizable value amounted to ₹ 266.54 (March 31, 2025: ₹ 152.89). These were recognized as an expense during the year and included in 'changes in inventories of work-in-progress and finished goods' in the statement of profit and loss

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

	As at March 31, 2026	As at March 31, 2025
Raw materials	(173.62)	(164.42)
Work-in-progress	(65.46)	(112.56)
Finished goods	(80.93)	(105.67)
Stores and spares	(102.11)	(46.79)
	(422.12)	**(429.44)**

	As at March 31, 2026	As at March 31, 2025
Note 12 - Contract assets and contract liabilities		
Non-Current		
Contract assets	111.41	-
	111.41	-
Contract liabilities		
Unearned revenue	73.51	192.92
	73.51	**192.92**
Current		
Contract assets	85.61	52.89
	85.61	**52.89**
Contract liabilities		
Advance from customers	33.33	102.58
Unearned revenue	305.01	58.14
	338.34	**160.72**

Note:

Revenue recognized that was included in contract liabilities balance as at the beginning of the period:

Sale of goods	160.72	122.06

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

Note 13 - Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorized				
Equity shares of ₹ 10 each	1,014,629,934	10,146.30	605,729,934	6,057.30
	1,014,629,934	**10,146.30**	**605,729,934**	**6,057.30**
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10 each	670,665,635	6,706.66	581,828,940	5,818.29
	670,665,635	**6,706.66**	**581,828,940**	**5,818.29**

(i) Reconciliation of the number of shares and amount authorised at the beginning and at the end of the period / year :

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period / year	**605,729,934**	**6,057.30**	**431,460,000**	**4,314.60**
Increase during the period / year	408,900,000	4,089.00	174,269,934	1,742.70
Outstanding at the end of the period / year	**1,014,629,934**	**10,146.30**	**605,729,934**	**6,057.30**

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period / year:

	As at March 31, 2026		As at March 31, 2025	
	No. of shares		No. of shares	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period / year	**581,828,940**	**5,818.29**	**424,759,003**	**4,247.59**
Shares issued for cash	88,836,695	888.37	-	-
Shares allotted through the conversion of Compulsorily Convertible Preference Shares	-	-	157,069,937	1,570.70
Outstanding at the end of the period / year	**670,665,635**	**6,706.66**	**581,828,940**	**5,818.29**

Following are the details of allotment made during the year of equity shares with face value ₹10 each.

Details of Allotment	Date of Allotment	Number of shares allotted	Issue price in INR
Rights Issue	May 2, 2025	17,173,024	74.64
Private placement to ASOP Trust	July 8, 2025	3,000,000	74.64
Private placement to ASOP Trust	July 14, 2025	3,000,000	74.64
Private placement to SBI Optimal Equity Fund- Long Term	November 10, 2025	2,984,593	123.97
Private placement to SBI Emergent India Fund	November 10, 2025	5,081,874	123.97
Private placement to DSP India Fund - India Long / Short Strategy Fund with Cash Management Option	November 10, 2025	3,226,587	123.97
Private placement to Think India Opportunities Master Fund LP	November 10, 2025	322,659	123.97
Fresh Issue under IPO	December 8, 2025	53,870,967	124.00
Fresh Issue under IPO- Employee Quota	December 8, 2025	176,991	113.00

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

(iii) Terms and rights attached to equity shares

a. The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to his/its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

(iv) Details of shares held by holding/ultimate holding company (i.e., parent of the Group) and/or their subsidiaries

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Aequs Manufacturing Investments Private Limited	290,708,225	2,907.08	272,189,936	2,721.90

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

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	%	No. of shares	%
Aequs Manufacturing Investments Private Limited	290,708,225	43.35%	272,189,936	46.78%
Melligeri Private Family Foundation	100,438,070	14.98%	106,261,570	18.26%
Amansa Investments Ltd	50,132,863	7.48%	48,235,541	8.29%

(vi) Details of shareholding of Promoters

Name of the Promoters	As at March 31, 2026			As at March 31, 2025		
	No. of shares	% of total number of shares	% of change during the year	No. of shares	% of total number of shares	% of change during the year
Aequs Manufacturing Investments Private Limited	290,708,225	43.35%	-3.44%	272,189,936	46.78%	15.33%
Melligeri Private Family Foundation	100,438,070	14.98%	-3.28%	106,261,570	18.26%	-8.68%
Aravind S. Melligeri	1,000,000	0.15%	-0.02%	1,000,000	0.17%	0.05%

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

	As at March 31, 2026	As at March 31, 2025
	Number of equity shares	
Shares allotted through the conversion of Compulsorily Convertible Preference Shares	-	157,069,937

(viii) During the year ended March 31, 2025 the Company has converted 407,115,771 Compulsorily Convertible Preference Shares(CCPS) into 157,069,937 equity shares of ₹10 each fully paid up. Of these, 46,818,017 equity shares were issued at premium of ₹19.48 and 110,251,920 equity shares were issued at premium of ₹30.63 per share.

(ix) For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 13B.
ESOP Trust was created for the welfare and benefit of employees and directors of the Company. The Board of Directors has approved the employee stock option plan of the Company. On October 25, 2013, July 25, 2016 , December 15, 2021, December 22, 2021, July 8, 2025 and July 14,2025 the trust purchased 5,500,000, 2,900,000, 3,000,000, 3,000,000, 3,000,000 and 3,000,000 equity shares respectively of the Company using the proceeds from interest free loan of ₹670.00 obtained from the Company.

(x) There are no shares which are reserved for issuance and there are no securities issued/ outstanding which are convertible into equity shares, except ESOP.

Note 13A - Instruments entirely equity in nature

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Preference Share Capital				
Authorised				
Compulsorily convertible preference shares of ₹10 each	-	-	408,900,000	4,089.00
	-	-	**408,900,000**	**4,089.00**
Issued, subscribed and fully paid up				
Compulsorily convertible preference shares of ₹10 each	-	-	407,115,771	4,071.16
Less: Converted to equity shares	-	-	(407,115,771)	(4,071.16)
	-	-	-	-

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(i) Reconciliation of the number of shares and amount authorised at the beginning and at the end of the period / year :

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance outstanding at the beginning of the period / year	-	-	408,900,000	4,089.00
Less: Converted into equity shares	-	-	(408,900,000)	(4,089.00)
Balance outstanding at the end of the period / year	-	-	-	-

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the period / year :

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance outstanding at the beginning of the period / year	-	-	**407,115,771**	**4,071.16**
Add: Preferential issue during the period / year	-	-	-	-
Balance outstanding at the end of the period / year	-	-	**407,115,771**	**4,071.15**
Less: Re-classified to borrowing*				
Less: Converted into equity shares	-	-	407,115,771	4,071.15
Balance outstanding at the end of the period / year	-	-	-	-

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13B. Stock option plan

As at March 31, 2026

The Parent Company has granted stock options to the employees of the Parent Company and its subsidiaries.

ESOP scheme is administered through an ESOP Trust called as "Aequs Stock Option Plan Trust" ('ESOP Trust') that has been constituted on May 14, 2013. The object of the ESOP Trust is to manage schemes made available for the benefit of the employees. During the year ended March 31, 2025, four stock option plans viz., ESOP scheme 2013, ESOP scheme 2016, ESOP scheme 2020 and ESOP scheme 2022 were in existence. The Company has amended and consolidated the previous employee stock option plans as mentioned above to Aequs Employee Stock Option Plan 2025 (ESOP 2025) in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with effect from April 01, 2025. Vesting under each of these schemes is subject to satisfaction of the prescribed vesting conditions viz., continuing employment, employee performance and certain performance conditions. These vesting conditions vary depending on the role and seniority of the employees.

The details of activity under the Aequs Employee Stock Option Plan 2025 (ESOP 2025) are summarised below :

Particulars	Exercise Price	As at March 31, 2026		As at March 31, 2025	
		Number	WAEP (INR)	Number	WAEP (INR)
Options outstanding at beginning of period	-	-	-	-	-
Add:					
Options transferred from the previous plans*	10 - 75	10,475,580	26.38	-	-
Options granted during the period	75	3,215,000	74.64	-	-
Less:					
Options exercised during the period	10 - 40	(1,992,313)	22.15	-	-
Options forfeited during the period	10 - 40	(1,251,374)	33.67	-	-
Options outstanding at the end of period	10 - 75	**10,446,893**	**41.10**	-	-
Option exercisable at the end of period	10 - 40	**2,321,952**	**25.89**	-	-
The weighted average remaining contractual life (years)	-	11.89			

Weighted average share price as on the date of exercise is ₹ 22.15 (Previous year : ₹ 30.60/-)

**The Company has amended and consolidated existing employee stock option plans to Aequs Employee Stock Option Plan 2025 (ESOP 2025) in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with effect of 01 April 2025.*

As at March 31, 2025

During the year ended March 31, 2025, four employee stock option plans (ESOP) viz., ESOP scheme 2013, ESOP scheme 2016, ESOP scheme 2020 and ESOP scheme 2022 were in existence. ESOP scheme is administered through an ESOP trust called as "Aequs Stock Option Plan Trust" ('ESOP Trust') that has been constituted on May 14, 2013. The object of the ESOP Trust is to manage schemes made available for the benefit of the employees. Vesting under each of these schemes is subject to satisfaction of the prescribed vesting conditions viz., continuing employment of 5 years, employee performance and certain performance conditions. These vesting conditions vary depending on the role and seniority of the employees. The relevant details of the schemes and the grants are listed separately below.

The fair value of the employee stock options has been measured using the Black-Scholes formula. The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans are as follows.

	March 31, 2026	March 31, 2025
Fair value at grant date	47.64-52.20	13.76- 15.38
Share price at grant date	105	30.60
Exercise price	74.64	30.60
Expected volatility (weighted-average)	12.41%-18.97%	16.38- 17.22%
Expected life (weighted-average) (years)	2.50-6.50	8.50-9.50
Expected dividends	0	0%
Risk-free interest rate (based on government securities)	5.82%-6.23%	6.63 - 7.03%

ESOP Scheme 2013

On July 4, 2013, the Board of Directors approved the equity settled ESOP scheme 2013 for issue of stock options to the key employees, consultants and directors of the Company and its subsidiaries, joint ventures and associates. According to the ESOP scheme 2013, the employee selected by the ESOP committee from time to time will be entitled to 20,000 to 500,000 options, subject to satisfaction of the prescribed vesting conditions viz., continuing employment of 5 years, employee performance and certain performance conditions. The weighted average remaining contractual life is 8.74 years (March 31, 2024 : 7.98 years). The other relevant terms of the grant are as below:

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

Particulars	Exercise price range	March 31, 2025	
		Number	Weighted average exercise price
Options outstanding at beginning of year	10 - 32	3,671,063	18.83
Add:			
Options granted during the year	10 - 32	500,000	30.60
Less:			
Options exercised during the year	10 - 32	(677,672)	13.24
Options forfeited during the year	10 - 32	(303,000)	17.26
Options outstanding at the end of year	**10 - 32**	**3,190,391**	**22.01**
Option exercisable at the end of year		**1,720,391**	

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13B. Stock option plan

13B. Stock option plan (continued)
As at March 31, 2025
ESOP Scheme 2016

The Board of Directors approved the Employee Share Option Plan 2016 structured to reward employees. Accordingly, the Parent Company has created 2,900,000 share option pool to be allocated and granted from time to time to employees. As Employee Stock Option Plan (ESOP) committee has been formed with powers delegated from the Board of Directors to manage the ESOP scheme, subject to satisfaction of the prescribed vesting conditions specified in the grant letter viz., service condition, employee performance and certain performance conditions. The weighted average remaining contractual life is 9.16 years (March 31, 2024 : 9.80 years)

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

Particulars	Exercise price range	March 31, 2025 Number	March 31, 2025 Weighted average exercise price
Options outstanding at beginning of year	24 - 40	1,930,414	30.29
Add:			
Options granted during the year	24 - 40	425,000	36.60
Less:			
Options exercised during the year	24 - 40	(222,047)	26.97
Options forfeited during the year	24 - 40	-	-
Options outstanding at the end of year	**24 - 40**	**2,133,367**	**29.52**
Option exercisable at the end of year		**1,148,368**	

ESOP Scheme 2020

The Board of Directors approved the Employee Share Option Plan 2020 structured to reward employees. Accordingly, the Parent Company has created 3,000,000 share option pool to be allocated and granted

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

Particulars	Exercise price range	March 31, 2025 Number	March 31, 2025 Weighted average exercise price
Options outstanding at beginning of year	26 - 31	1,750,000	26.10
Add:			
Options granted during the year	26 - 31	1,215,000	30.60
Less:			
Options exercised during the year	26 - 31	(150,000)	26.10
Options forfeited during the year	26 - 31	(150,000)	30.60
Options outstanding at the end of year	**26 - 31**	**2,665,000**	**27.90**
Option exercisable at the end of year		**150,000**	

ESOP Scheme 2022

The Board of Directors approved the Employee Share Option Plan 2022 structured to reward employees. Accordingly, the Parent Company has created 6,000,000 share option pool to be allocated and granted from time to time to employees. As Employee Stock Option Plan (ESOP) committee has been formed with powers delegated from the Board of Directors to manage the ESOP scheme, subject to satisfaction of the prescribed vesting conditions specified in the grant letter viz., service condition, employee performance and certain performance conditions. The weighted average remaining contractual life is 12.87 years (March 31, 2024 : 13.10 years)

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

Particulars	Exercise price range	March 31, 2025 Number	March 31, 2025 Weighted average exercise price
Options outstanding at beginning of year	26 - 31	1,895,000	26.42
Add:			
Options granted during the year	26 - 31	903,821	30.60
Less:			
Options exercised during the year	26 - 31	(124,000)	26.10
Options forfeited during the year	26 - 31	(188,000)	27.27
Options outstanding at the end of year	26 - 31	**2,486,821**	**27.89**
Option exercisable at the end of year		**425,000**	

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14. Other equity

	As at March 31, 2026	As at March 31, 2025
Retained earnings	(9,406.87)	(8,301.87)
Securities premium reserve	18,366.49	9,794.22
Share options outstanding account	91.63	68.91
Statutory reserve	11.16	11.16
Common control capital reserve	93.94	93.94
Treasury shares	(645.80)	(241.99)
Other reserves	332.95	263.33
Foreign currency translation reserve	(685.31)	(336.80)
	8,158.19	**1,350.90**
Non-controlling interest	(9.39)	(9.41)
	8,148.80	**1,341.49**

Nature and Purpose of reserves

a. Securities premium reserve

Securities premium is used to record the premium on issue of shares and is utilized in accordance with the provisions of the Act.

b. Share options outstanding account

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

c. Statutory reserve

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

d. Common control capital reserve

Common control capital reserve represents the reserve created on acquisition of Aequs Engineered Plastics Private Limited (AEPPL) and Aequs Consumer Products Private Limited (ACPPL) under common control approach as per Ind AS 103-Business Combinations.

e. Treasury shares

This represents own equity shares held by its ESOP Trust, which are recognized at cost and disclosed as a deduction from equity.

f. Other reserve

Other reserves includes fair value of financial guarantee given by MFRE Private Trust and Aequs SEZ Private Limited and any other adjustments as may be required under Ind AS.

g. Foreign currency translation reserve

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

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Note 15(i) - Borrowings	As at March 31, 2026	As at March 31, 2025
Non current:		
Term loans from banks (secured)	1,567.11	
Rupee loan	1,506.41	1,803.89
Foreign currency loan (USD)	7.93	15.10
Foreign currency loan (Euro)	52.77	67.18
Total	**1,567.11**	**1,886.17**
Less: Current maturities of long-term borrowings	560.27	453.18
Less: Interest accrued but not due on borrowings	5.11	8.60
	1,001.73	**1,424.39**
Current:		
Working capital facilities from banks (secured)	1,464.38	1,978.71
Working capital - others (secured)	268.27	200.36
Loans from related parties (unsecured)	302.45	272.71
Non convertible -debentures (unsecured)	371.57	-
Current maturities of long-term borrowings	560.27	453.18
Interest accrued but not due on long term borrowings	67.11	41.27
	3,034.05	**2,946.23**

Notes :

(A) Details of security and terms of repayment for borrowings:

(i) Aequs Limited (Formerly known as Aequs Private Limited)

(a) Working capital facilities: HDFC Bank Working capital facilities taken by the Company includes Export Packing Credit (EPC) and Pre-shipment Credit in Foreign Currency (PCFC) and Cash Credit (CC) - Hypothecation of stock meant for export and book debts; further collaterally secured by charge on existing unincumbered plant and machinery and parcel of land owned by Aequs SEZ Private Limited, - Corporate guarantee provided by Aequs SEZ Private Limited. Rate of Interest: CC and EPC:3 month repo+2.50% p.a. PCFC:SOFR+200bps p.a.	125.73	223.59

(ii) Aerostructures Manufacturing India Private Limited (ASMIPL)

(a) Term loans from banks: HDFC Bank - Loan 1 Security: - Hypothecation of raw material, semi-finished goods, finished goods, existing and future receivables (excluding receivables from related parties) and other current assets - Collateral security includes, parcel of land owned by Aequs SEZ Private Limited ('ASEZ')and hypothecation charges on unencumbered plant and machineries and other fixed assets of the Company - Personal guarantee given by Mr. Aravind S Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company Rate of interest: 3 MT BILL+2.2.% p.a. Repayment terms: 60 equal monthly instalments.	19.00	26.86

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Aequs Limited

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

	As at March 31, 2026	As at March 31, 2025

Note 15(i) - Borrowings (continued)

(A) Details of security and terms of repayment for borrowings:

(ii) Aerostructures Manufacturing India Private Limited (ASMIPL)

(b) Term loans from banks: HDFC Bank - Loan 2 Security: - Hypothecation of plant & machinery - Collateral security over parcel of land & building owned by M/s. MFRE Private Trust - Personal guarantee of Mr. Aravind Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company - Corporate guarantee given by parent company (restricted to the extent of ₹600) and & M/s. MFRE Private Trust to the extent of value of the property which is provided as collateral. Rate of interest: 1YRS MCLR + 1.35% p.a Repayment terms: 60 equal monthly instalments.	-	3.33
(c) Term loans from banks: HDFC Bank - Loan 3 Security: -Extension of second charge over primary and secondary securities including mortgage created in favour of bank. -ECLGS Loan is 100% guaranteed by National Credit Guarantee Trustee Company Limited (NCGTC) (Ministry of Finance, Government of India). Rate of interest: 1YRS MCLR + 1.35% p.a. Repayment terms: 60 equal monthly instalments.	-	41.50
(d) Term loans from banks: Axis Bank - Loan 1 Security: -Hypothecation on entire plant and machinery purchased out of term loan, both present and future. Rate of interest:REPO+3.40% p.a. Repayment terms: 60 equal monthly instalments.	-	144.78
(e) Term loans from banks: Axis Bank - Loan 2 Security: - Hypothecation of plant & machinery, collateral security over parcel of land owned by Aequs SEZ Pvt Ltd(restricted to the value of the land) , ECLGS Loan is 100% guaranteed by NCGTC (Ministry of Finance, Government of India) Rate of interest:REPO+4.85% p.a. (capped at 9.25% p.a.) Repayment terms: 48 equal monthly instalments.	-	21.12
(f) Term loans from banks: Axis Bank - Loan 3 Security: - Hypothecation on entire current assets of the borrower both present and future, ECLGS Loan is 100% guaranteed by NCGTC (Ministry of Finance, Government of India) Rate of interest:REPO+4.85% p.a. (capped at 9.25% p.a.) Repayment terms: 48 equal monthly instalments.	6.63	46.40
(g) Term loan from Oxyzo Financial Services Limited Security: - Hypothecation on entire plant and machinery of Aequs Toys Private Limited, both present and future, Security cheque/s,NACH Mandate, Lien for an amount of INR 50.00 in favour of OXYZO Financial Services Limited Rate of interest: Floating @12.4 % (14.8% (OBLR) -2.4%(Discount)) p.a. Repayment terms: 5 Quarterly instalments	201.95	-

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	As at March 31, 2026	As at March 31, 2025
Note 15(i) - Borrowings (continued)		
(A) Details of security and terms of repayment for borrowings:		
(ii) Aerostructures Manufacturing India Private Limited (ASMIPL)		
(h) Term loan from Vivriti Capital Limited Security: - A second ranking pari passu and continuing charge by way of hypothecation over all current assets of the Company (whether present or future) - A first ranking exclusive and continuing charge by way of hypothecation over entire plant and machinery of Borrower 2 (Koppal Toys Molding COE Private Limited) and Borrower 3 (Aequs Force Consumer Products Private Limited) (whether present or future) - A first ranking exclusive charge on cash collateral of 20% of the facility amount (in proportion to the drawdown amount) in the form of an interest free security deposit with a lien and set off marked in favour of the lender and placed with the lender. Rate of interest:11.80% p.a. Repayment terms: 45 monthly instalments	487.33	-
(i) Working capital loan from HDFC Bank Working capital facilities taken by the Company includes Export Packing Credit (EPC) and Pre-shipment Credit in Foreign Currency (PCFC) and Cash Credit (CC) Security: - Hypothecation of raw material, semi-finished goods, finished goods, existing and future receivables (excluding receivables from related parties) and other current assets. Collateral security includes, parcel of land owned by Aequs SEZ Private Limited and hypothecation charges on unencumbered plant and machineries and other fixed assets of the Company. - Personal guarantee given by Mr. Aravind S Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company - Corporate guarantee given by Aequs Limited (formerly known as Aequs Private limited), Aequs SEZ Private Limited and MFRE Private Trust. Rate of Interest: CC:3 month repo+2.70% p.a. PCFC:SOFR+200bps p.a.	482.00	742.13
(j) Working capital loan from Axis Bank Working capital facilities taken by the Company includes Export Packing Credit (EPC) and Pre-shipment Credit in Foreign Currency (PCFC) and Cash Credit (CC) Security: - Hypothecation of raw material, semi-finished goods, finished goods, existing and future receivables (excluding receivables from related parties) and other current assets. Collateral security includes, parcel of land owned by Aequs SEZ Private Limited and hypothecation charges on unencumbered plant and machineries and other fixed assets of the Company. - Personal guarantee given by Mr. Aravind S Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company - Corporate guarantee given by Aequs Limited (formerly known as Aequs Private limited), Aequs SEZ Private Limited and MFRE Private Trust. Rate of Interest: CC:3 month repo+2.70% p.a. PCFC:SOFR+200bps p.a.	264.57	811.22
(iii) Aerostructures Assemblies India Private Limited (AAI)		
Working capital facilities taken by the Company includes Export Packing Credit (EPC) and Pre-shipment Credit in Foreign Currency (PCFC) and Cash Credit (CC) Security: - Hypothecation of stock and book debts; further collaterally secured by charge on existing plant and machinery and movable assets - Corporate guarantee: Aequs Limited (Formerly known as Aequs Private Limited) Rate of Interest: CC:3 month repo+2.50% p.a. PCFC:SOFR+200bps	119.42	71.62

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Note 15(i) - Borrowings (continued)	As at March 31, 2026	As at March 31, 2025
(A) Details of security and terms of repayment for borrowings:		
(iv) Aequs Engineered Plastics Private Limited		
(a) Term loans from banks: Axis Bank - Loan 1 Security: - Hypothecation of entire primary security available for existing Securities, Collateral : Extension of Second Charge on existing security situated at Aequs SEZ, 437/A, Hattargi Village, Hukkeri Taluk, Belgaum in the name of Aequs SEZ Private Limited. The loan has 100 % guarantee from National Credit guarantee trustee Company (NCGTC). Rate of interest: REPO+4% (Capped @9.25%) p.a. Repayment terms: 36 equal monthly instalments.	10.56	22.00
(b) Working capital loan Axis Bank Working capital facilities taken by the Company includes Export Packing Credit (EPC) and Pre-shipment Credit in Foreign Currency (PCFC) and Cash Credit (CC) Security: - Present and future hypothecation of entire stocks of raw material, stock in process, finished goods, spares and receivables and other current assets. Collateral security includes registered mortgage on SEZ Land situated at Aequs SEZ, 437/A, Hattargi Village, Hukkeri Taluk, Belgaum in the name of Aequs SEZ Private Limited. - Corporate guarantee by Aequs SEZ Private Limited Rate of Interest: CC:3 month repo+3.90% p.a. PCFC:6 Month SOFR+200bps	131.64	130.07
(v) Aequs Force Consumer Products Private Limited		
(a) Term loan from Vivriti Capital Limited Security: - A second ranking pari passu and continuing charge by way of hypothecation over all current assets of Borrower 1 (whether present or future) and as more particularly stated in the Deed of Hypothecation; - A first ranking exclusive and continuing charge by way of hypothecation over entire plant and machinery of Borrower 2 and Borrower 3 (whether present or future) and as more particularly defined in the Deed of Hypothecation; - A first ranking exclusive charge on cash collateral of 20% (Twenty Percent) of the Facility Amount (in proportion to the Drawdown amount) in the form of an interest free security deposit with a lien and set off marked in favour of the Lender and placed with the Lender. - Security Breach Cash Collateral, if furnished in accordance with Clause 33 (Security Covenant Breach and Security Breach Cash Collateral) of this Sanction Letter; \ Rate of interest:11.80% p.a. Repayment terms: 45 Monthly Instalments	19.22	-
(vi) Aequs Consumer Products Private Limited		
(a) Term loans from banks: HDFC Bank - Loan 1 Security: - Secured by hypothecation of plant & machinery, collateral security over parcel of land & building owned by M/S Aequs SEZ Private Limited (to the extent of value of Land provided as Collateral), Personal guarantee of Mr. Aravind Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company - Corporate guarantee given by M/S Aequs SEZ Private Limited (to the extent of value of Land provided as Collateral) and the Parent Company Rate of interest:3 Month T-bill+8.95% p.a. Repayment terms: 21 quarterly repayments.	-	1,012.67
(b) Term loans from banks: Karnataka Bank Security: - Hypothecation of plant & machinery, collateral security over parcel of land & building owned by Aequs SEZ Private Limited (to the extent of value of Land provided as Collateral), - Personal guarantee of Mr. Aravind S Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company - Corporate guarantee given by M/S Aequs SEZ Private Limited (to the extent of value of Land provided as Collateral) and the Parent Company Rate of interest: 6 Month T-bill+2.77% p.a. Repayment terms: 21 quarterly repayments	-	484.99

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

	As at March 31, 2026	As at March 31, 2025
Note 15(i) - Borrowings (continued)		
(A) Details of security and terms of repayment for borrowings:		
(vi) Aequs Consumer Products Private Limited		
(c) Term loans from banks: HDFC Bank - Loan 3 Security: -Plant and Machinery - Exclusive charge on the present & future Plant & Machinery of the company. Stocks and Book Debts - Second Pari-Passu charge on the present & future Current Assets of the Company with Karnataka Bank / Federal Bank. Industrial Property - First Pari-Passu charge on land & building "Quest Towers" with 4 storied building, Bearing No. 55, Khata No. 511, land measuring 12,884 sq. ft. with built up area of 44,568 sq. ft. situated in Whitefield Main Road, Mahadevapura village, KR Pura Hobli, Bangalore - 560048 owned by MFRE Private Trust. - Corporate Guarantee - Corporate guarantee from Aequs Limited (Formerly known as Aequs Private Limited) for entire TL limit of ₹ 1,500,000 and MFRE Private Trust (to the extent of property value of approx. ₹ 300,000). Fixed Deposits - DSRA FD of 1 quarter of ₹ 100,000 for the entire TL limit of ₹ 1,500,000. DSRA to be taken on TL drawdown proportionate basis. Rate of interest: 1 Month Repo+3% p.a. Repayment terms: 20 quarterly repayments.	742.50	-
(d) Working Capital With HDFC Bank Security: - Stocks and Book Debts – First Pari-Passu charge on the present & future Current Assets of the Company with Karnataka Bank. Industrial Property – First Pari-Passu charge on land (Survey No. 427 measuring 5 Acres and Survey No. 439 measuring 20 Acres 1 Guntas) situated at Aequs SEZ, 437/A, Hattargi, Village, Belgaum, Karnataka - 591243 valued at ₹ 300,000 with Karnataka Bank. The land is owned by Aequs SEZ Private Limited. - Corporate Guarantee – CG from Aequs Limited (Formerly known as Aequs Private Limited) for entire Working Capital limits of ₹ 600,000 and Aequs SEZ Pvt Ltd (to the extent of land value ₹ 300,000). - Personal Guarantee of of Mr. Aravind S Melligeri, Executive Chairman and Chief Executive Officer of the Parent Company Rate of Interest: CC:3 month Repo+2.75% p.a. PCFC:SOFR+200bps p.a.	261.72	-
(e) Non convertible debentures issued to Twin and Bull Opportunities Fund-1 Security-Not Applicable Corporate Guarantee: Rate of Interest: 13% p.a. payable on half year basis Repayment terms: 24 Months	371.57	-
(vii) Aequs Aero Machines		
(a) Term loans from ENGs Commercial Finance, U.S. Bank Equipment Finance and Newlane Finance. Security: Respective machinery for which the loans were sanctioned. Rate of Interest: Ranging between 4.73% to 6.18% p.a. Repayment terms: 60 to 84 monthly installments.	7.93	15.30

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

	As at March 31, 2026	As at March 31, 2025
Note 15(i) - Borrowings (continued)		
(A) Details of security and terms of repayment for borrowings:		
(vii) Aequs Aerospace France SAS (AAF Corp)		
(a) Term loans from BPI Finance, HSBC and credit Cooperatif and Codefi and Region Security: '-Guaranteed for 80% by the National Guarantee Fund of the High Balance Enhancement Loans and loans from Codefi and Region are loans without Guarantee. Rate of Interest: Ranging between 2.03% to 2.25% p.a. Repayment terms: 5 to 7 years.	52.77	69.04
(b) Working capital facility comprises of factoring arrangements taken on a recourse basis.	268.27	200.36
(c) Working capital facility from HSBC Security: - Guarantee Commitment (SBLC) from HSBC India up to EUR 1,000,000 on behalf of Aequs Limited (Formerly known as Aequs Private Limited) Rate of interest: 5.584% p.a. (3-months EURIBOR + 3.5% p.a.)	79.30	
(viii) Aequs Aerospace LLC, USA		
(a) Loan from Melligeri Investment LLC (MILLC) Rate of interest: 13% p.a. Repayment terms: repayable on demand	18.11	16.33
(ix) Aequs Aerospace BV		
(a) Loan from Aequs Manufacturing Investments Private Limited (AMIPL) Rate of interest: 13% p.a. Repayment terms: repayable on demand	284.34	256.38
(x) Koppal Toys Molding Private Limited		
(a) Term loan from Vivriti Capital Limited Security: - A second ranking pari passu and continuing charge by way of hypothecation over all current assets of Borrower 1 (AeroStructures Manufacturing India Private Limited) (whether present or future) and as more particularly stated in the Deed of Hypothecation; -A first ranking exclusive and continuing charge by way of hypothecation over entire plant and machinery of the Company and Borrower 3 (Aequs Force Consumer Products Private Limited) (whether present or future) and as more particularly defined in the Deed of Hypothecation; -A first ranking exclusive charge on cash collateral of 20% (Twenty Percent) of the Facility Amount (in proportion to the Drawdown amount) in the form of an interest free security deposit with a lien and set off marked in favour of the Lender and placed with the Lender. - Security Breach Cash Collateral, if furnished in accordance with Clause 33 (Security Covenant Breach and Security Breach Cash Collateral) of this Sanction Letter; Rate of interest:11.80% p.a. Repayment terms: 45 Monthly Instalments	19.22	-

(B) Quarterly stock statements of current assets filed by the company with the bank and reconciliation with books of account

For year ended March 31, 2026
HDFC Bank

Quarter	Particulars of Securities Provided	Amount as per books of account (net of provision)	Amount as reported in the quarterly return/ statements	Amount of difference	Reason for discrepancies
Jun-25	Inventories	2,508.00	2,544.00	(36.00)	Refer Note a
	Trade receivables	1,412.00	1,420.00	(8.00)	Refer Note a
	Trade payables	1,338.00	1,348.00	(10.00)	Refer Note a
Sep-25	Trade receivables	1,623.51	1,624.52	(1.01)	Refer Note a & b
	Trade payables	1,570.00	1,539.00	31.00	Refer Note a
Mar-26	Inventories	3,089.51	2,926.00	163.51	Refer Note a
	Trade receivables	2,277.57	2,277.59	(0.02)	Refer Note a
	Trade payables	1,658.49	1,499.00	159.49	Refer Note a

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

Note 15(i) - Borrowings (continued)

(B) Quarterly stock statements of current assets filed by the company with the bank and reconciliation with books of account

For year ended March 31, 2026

Axis Bank

Quarter	Particulars of Securities Provided	Amount as per books of account (net of provision)	Amount as reported in the quarterly return/ statements	Amount of difference	Reason for discrepancies
Jun-25	Inventories	2,816.36	2,852.36	(36.00)	Refer Note a & b
	Trade receivables	1,375.60	1,076.07	299.53	Refer Note a & b
	Trade payables	1,511.86	1,374.78	137.08	Refer Note a & b
Sep-25	Inventories	2,619.00	2,618.00	1.00	Refer Note a
	Trade receivables	1,556.09	1,194.04	362.05	Refer Note a & b
	Trade payables	1,794.27	1,573.00	221.27	Refer Note a & b
Dec-25	Inventories	2,838.00	2,837.00	1.00	Refer Note a
	Trade receivables	1,786.14	1,239.00	547.14	Refer Note a & b
	Trade payables	2,167.32	1,824.60	342.72	Refer Note a & b
Mar-26	Inventories	3,089.51	2,926.00	163.51	Refer Note a
	Trade receivables	2,140.72	1,550.67	590.05	Refer Note b
	Trade payables	1,854.04	1,531.00	323.04	Refer Note b

(a) Reclass and true up of balances after submitting stock statement

(b) Inter company balances and receivables more than 120 days are not included in stock statement

(C)Net debt reconciliation

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	3,014.89	609.43
Bank balances other than above	551.63	188.48
Lease liabilities	(2,973.53)	(3,479.85)
Non convertible debentures	(371.57)	-
Non-current borrowings	(1,567.11)	(1,886.17)
Current borrowings	(2,097.11)	(2,484.45)
Net debt	**(3,442.80)**	**(7,052.56)**

	Cash and cash equivalents and other bank balances	Liabilities from financing activities				Total
		Lease obligations	Non convertible debentures	Non-current borrowings	Current borrowings	
Net debt as at March 31, 2024	**2,520.11**	**(4,070.50)**	**-**	**(1,073.91)**	**(1,845.08)**	**(4,469.38)**
Proceeds from long-term leases and borrowings	-	(199.77)	-	(1,107.91)	-	**(1,307.69)**
Interest expense	-	(275.63)	-	(31.86)	(164.40)	**(471.89)**
Interest paid	-	346.18	-	123.43	142.52	**612.13**
Repayments of long-term leases and borrowings	-	561.63	-	345.06	(0.00)	**906.70**
Cashflows (net)	(1,761.32)	-	-	-	(641.82)	**(2,403.14)**
Foreign exchange adjustments	39.12	(37.46)	-	(45.55)	6.60	**(37.29)**
Other non-cash adjustments	-	195.70	-	(95.43)	17.73	**118.00**
As at March 31, 2025	**797.91**	**(3,479.85)**	**-**	**(1,886.17)**	**(2,484.45)**	**(7,052.56)**
Net debt as at March 31, 2025	**797.91**	**(3,479.85)**	**-**	**(1,886.17)**	**(2,484.45)**	**(7,052.56)**
Proceeds from long-term leases and borrowings	-	(160.74)	(350.00)	(2,761.01)	-	**(3,271.75)**
Interest expense*	-	(270.99)	(18.09)	(135.22)	(249.31)	**(673.61)**
Interest paid	-	291.23	-	204.71	231.16	**727.10**
Repayments of long-term leases and borrowings	-	800.66	-	3,031.65	-	**3,832.31**
Cashflows (net)	2,708.41	-	-	-	498.23	**3,206.64**
Foreign exchange adjustments	60.20	(133.62)	-	40.96	(110.40)	**(142.86)**
Other non-cash adjustments	-	(20.22)	(3.48)	(62.03)	17.66	**(68.07)**
As at March 31, 2026	**3,566.52**	**(2,973.53)**	**(371.57)**	**(1,567.11)**	**(2,097.11)**	**(3,442.80)**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Note 15(i) - Borrowings (continued)		
(D) Assets pledged as security		
The carrying amount of assets pledged as security for current and non-current borrowings as below. The amounts are as disclosed without adjusting for inter-company elimination.		
Current		
A. Financial assets:		
- Trade receivables	2,277.30	1,608.96
- Other assets	25.80	57.00
B. Non financial assets:		
- Inventories	4,863.37	3,349.91
- Contract assets	17.71	-
- Other assets	158.79	123.54
Total current assets pledged as security	**7,342.97**	**5,139.41**
Non current		
A. Non financial assets:		
Property, plant and equipment and capital work in progress		
- Plant and machinery	7,125.66	1,028.90
- Capital work-in-progress	825.33	3,950.30
Total non-current assets pledged as security	**7,950.99**	**4,979.20**
Total assets pledged as security	**15,293.96**	**10,118.61**
Note 15 (ii) Other financial liabilities		
Non current:		
Guarantee liability	57.43	64.75
	57.43	**64.75**
Current:		
Capital creditors	299.57	195.74
Guarantee liability	2.10	4.93
Dues to related parties	3.39	2.06
Employees related liability	250.78	157.43
Other financial liabilities	92.10	40.09
	647.94	**400.25**
Note 15 (iii) - Trade payables		
Dues to micro enterprise and small enterprises	28.76	65.70
	28.76	**65.70**
Dues to other than micro enterprise and small enterprises		
- Dues to related parties (refer note 34)	242.48	300.71
- Other trade payables	2,952.10	1,942.46
	3,194.58	**2,243.17**
Total	**3,223.34**	**2,308.87**

Ageing of trade payables as on March 31, 2026

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - micro and small enterprises	24.16	4.60	-	-	-	**28.76**
(ii) Undisputed dues -Others	139.90	2,183.06	22.91	19.86	32.49	**2,398.22**
Unbilled	796.36	-	-	-	-	**796.36**
	960.42	**2,187.66**	**22.91**	**19.86**	**32.49**	**3,223.34**

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Note 15 (iii) - Trade payables

Ageing of trade payables as on March 31, 2025

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - micro and small enterprises	23.08	42.59	0.03	-	-	**65.70**
(ii) Undisputed dues -Others	264.52	813.07	57.55	5.06	33.68	**1,173.88**
Unbilled	1,069.29	-	-	-	-	**1,069.29**
	1,356.89	**855.66**	**57.58**	**5.06**	**33.68**	**2,308.87**

Dues to micro, small and medium enterprises

The information as required under MSMED Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Group.

Particulars	March 31, 2026	March 31, 2025
(i) Principal amount due to the suppliers registered under MSMED Act and remaining unpaid at the end of each accounting year	28.76	73.56
(ii) Interest due to suppliers registered under MSMED Act and remaining unpaid as at the end of each accounting year	0.01	1.38
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	221.87	131.09
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	3.41	2.12
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	0.72
(vii) Further interest remaining due and payable for earlier years	0.00	0.00

	As at March 31, 2026	As at March 31, 2025
Note 16 - Other liabilities		
Non current		
Deferred government grant	34.49	45.00
	34.49	**45.00**
Current		
Statutory dues payable	195.82	142.14
Deferred government grant	10.69	10.69
	206.51	**152.83**

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

	As at March 31, 2026	As at March 31, 2025
Note 17 - Provision for employee benefits		
Non-Current		
Provision for gratuity	157.86	117.63
Provision for other retirement benefits	50.61	44.16
	208.47	**161.79**
Current		
Provision for gratuity	-	4.23
Provision for leave benefits	71.29	61.34
	71.29	**65.57**

(i) Leave obligation

The amount of the provision is presented as current. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

	As at March 31, 2026	As at March 31, 2025
Leave obligation not expected to settled within next 12 months	64.43	46.77

(ii) Defined contribution plans

India

The Group in India has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of wages as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹185.60 (March 31, 2025: ₹169.34).

United States of America

The Group maintains a defined contribution employee retirement plan through its PEO Insperity, pursuant to Section 401(a) of the Internal Revenue Code, which includes a 401(k) feature which enables the employee to make a pre-tax or post-tax(ROTH) salary reduction contribution to the plan. The Company has a match of employee contributions of 25% of employee contribution up to 1% of eligible compensation. Substantially all employees who have completed six months of service are eligible to participate in the plan. The Company did not make a discretionary contribution for the years ended March 31, 2026 and March 31, 2025.

(ii) Defined benefit obligations

Gratuity

India

The Group provides for gratuity for employees in India. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity payable on retirement/termination is the employees last drawn wages computed proportionately for 15 days multiplied for the no.of years of service.

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

France

The French pension system is operated on a "pay as you go" basis. Each employee is entitled to receive a basic pension from the Social Security plus a complementary pension from defined contribution schemes ARRCO and AGIRC. Moreover, retiring allowances (lump sums) must, by law be paid by the employer when employees retire. The allowances to be paid to Group's employees are defined by the Collective Bargaining Agreement of the Metallurgical Industry. This retiring allowances scheme is not externally funded through an insurance contract.

All permanent employees are being covered on this scheme. Normal Retirement Age in France is 62 but 41.50 years of employment is required. Benefit rights are not vested before Normal Retirement Age. The pensionable salary is equal to the average over the last 12 months of the gross paid salaries. Should an employee wants to retire at his/her own initiative; the allowance is subject to social charges.

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

Note 17 - Provision for employee benefits (continued)

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Total amount recognised in statement of profit or loss		
Current service cost	31.12	24.00
Past service cost	37.93	-
Interest on defined obligation	9.30	7.54
Net actuarial (gain) / loss recognized during the year	(20.18)	(4.55)
Total amount recognised in statement of profit or loss (A)	**58.17**	**26.99**
(b) Total amount recognised in other comprehensive income		
Actuarial (gains)/losses arising from changes in		
-financial assumptions	(7.75)	3.29
-demographic assumptions	(0.44)	3.38
-experience adjustments	(12.33)	(11.22)
-return on plan assets	0.34	-
Total amount recognised in other comprehensive income (B)	**(20.18)**	**(4.55)**
Total amount recognised in statement of profit and loss and other comprehensive income (A+B)	**37.99**	**22.44**

(c) Changes in the defined benefit obligation during the year

	Year ended March 31, 2026	Year ended March 31, 2025
Obligations as at the beginning of the year	121.86	100.03
Current service cost	31.42	24.00
Past service cost	37.93	-
Interest cost	9.76	7.54
Benefits paid	(5.94)	(5.99)
Liabilities (transferred) / assumed	(1.48)	0.83
Remeasurement (gains)/ losses		
- arising from changes in financial assumptions	(7.75)	3.29
- arising from changes in demographic assumptions	(0.44)	3.38
- arising from changes in experience adjustments	(12.33)	(11.22)
Defined benefit obligation at the end of the year	**173.03**	**121.86**
(d) Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	0.31	0.31
Interest on plan assets	0.46	-
Contributions	20.69	5.90
Benefit payments from plan assets	(5.94)	(5.90)
Actual return on plan assets	(0.35)	-
Fair value of plan assets at the end of the year	**15.17**	**0.31**

	As at March 31, 2026	As at March 31, 2025
(e) Net (asset) / liability		
Present value of funded defined benefit obligation	173.03	121.55
Fair value of plan assets	15.17	0.31
Net defined benefit liability/(asset) recognized in balance sheet	**157.86**	**121.86**
(f) Classification		
Current	-	4.23
Non current	157.86	117.63
	157.86	**121.86**
(g) Investment details of plan assets		
Pooled asset with an insurance company	15.17	0.31
Total	**15.17**	**0.31**
(h) Actual return on plan assets	(0.35)	0.05

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Note 17 - Provision for employee benefits (continued)

Actuarial assumptions

	As at March 31, 2026	As at March 31, 2025
Significant actuarial assumptions		
Discount rate per annum	6.85%-7.5%	6.85%-7.05%
Salary escalation rate per annum	10.00%	10.00%
Other actuarial assumptions		
Attrition rate	9% to 18% at 21 to 30 years age and reducing to 0% to 8% at older ages according to graduated scale.	9% to 18% at 21 to 30 years age and reducing to 0% to 8% at older ages according to graduated scale.
Retirement age	58	58

Assumptions regarding mortality are based on published rates under the Indian Assured Lives Mortality (2012-14) table.

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

Changes in assumption	As at March 31, 2026	As at March 31, 2025
Discount rate		
Defined benefit obligation (DBO) on increase in 50 bps	163.70	115.49
Discount rate +50 basis points impact (%)	3.70%	-5.23%
Defined benefit obligation (DBO) on decrease in 50 bps	185.88	132.11
Discount rate -50 basis points impact (%)	7.88%	7.88%
Salary increase rate		
Defined benefit obligation (DBO) on increase in 50 bps	183.91	131.24
Impact of increase in 50 bps on DBO	7.16%	7.16%
Defined benefit obligation (DBO) on decrease in 50 bps	165.13	116.13
Impact of decrease in 50 bps on DBO	5%	5%

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

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

Maturity profile of the defined benefit obligations.

Expected future cashflows (in million) [Undiscounted]	As at March 31, 2026	As at March 31, 2025
Less than one year	10.87	5.00
Between one and five year	33.48	24.23
After five year	494.32	347.39
Total	**538.67**	**376.62**
Weighted average duration of the defined benefit obligation in years	11.25	11.25

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

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

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

(iii) Annual risk
Salary increase assumption
Actual salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

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

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

	Year ended March 31, 2026	Year ended March 31, 2025
Note 18 - Revenue from operations		
Revenue from contracts with customers		
Manufactured goods	11,950.92	8,949.54
Rendering of services	29.77	30.09
	11,980.69	**8,979.63**
Other operating income		
Scrap sales	323.67	266.43
	323.67	**266.43**
	12,304.36	**9,246.06**
Note:		
(i) Aggregate amount of transaction price allocated towards performance obligations unfulfilled as at reporting date.	87.54	58.14
(ii) Trade receivables are non-interest bearing and generally carry credit period of 0 to 90 days.		

	Year ended March 31, 2026	Year ended March 31, 2025
Note 19 - Other income		
Government grant	10.69	94.96
Liabilities no longer required written back	25.08	21.07
Gain on derecognition of lease	-	18.59
Interest income	120.71	89.12
Unwinding of discount on security deposit	20.30	19.72
Financial guarantee income	11.05	9.46
Gain on mutual funds	-	23.74
Net gain on disposal of property, plant and equipment	-	0.42
Exchange difference (other than on borrowings)	426.28	52.27
Miscellaneous income	39.68	16.72
	653.79	**346.07**

Note:
Government grant income includes income which has been recognized on account of capital subsidy of ₹ 10.69 (March 31, 2025: ₹32.06) towards investment made in property, plant ans equipment in previous financials years. There is corresponding Government grant receivable recognized in other financial asset ₹ 59.68 (March 31, 2025: ₹91.80) and deferred grant income of ₹ 45.18 (March 31, 2025: ₹55.69)

	Year ended March 31, 2026	Year ended March 31, 2025
Note 20 - Cost of materials consumed		
Opening stock	2,051.54	1,684.37
Less: Provision for slow moving inventory	(164.42)	(169.55)
Add: Purchases during the year	6,149.14	4,454.90
Less: Closing stock	2,986.80	2,051.54
Less: Provision for slow moving inventory	(173.62)	(164.42)
	5,223.08	**4,082.60**
Note 21 - Change in inventories of work-in-progress and finished goods		
Inventory at the end of the year (a)		
Work-in-progress	1,499.21	1,211.12
Finished goods	1,160.82	1,095.98
	2,660.03	**2,307.10**
Add: Inventories pertaining to entities acquired (b)	-	(15.13)
Inventory at the beginning of the year (c)		
Work-in-progress	1,211.12	1,140.00
Finished goods	1,095.98	856.66
	2,307.10	**1,996.66**
Less: Movement in provision for slow moving inventory (d)	(71.85)	(136.22)
	(424.77)	**(189.35)**
Exchange difference (e)	149.56	28.75
Change in inventories of work -in-progress and finished goods(c-a+b-d+e)	**(275.21)**	**(160.60)**
Note 22 - Employee benefit expenses		
Salaries, wages and bonus	1,713.32	1,295.49
Contribution to provident and other funds	216.75	169.34
Employee stock option expense (refer notes 13B and 34)	43.30	8.77
Leave compensation	13.70	8.84
Gratuity (refer note 17)	44.33	31.52
Staff welfare expenses	90.37	73.45
	2,121.77	**1,587.41**

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

	Year ended March 31, 2026	Year ended March 31, 2025
Note 23 - Other expenses		
Consumption of spares and components	949.52	475.02
Subcontracting expenses	1,690.83	1,183.82
Insurance	78.60	60.18
Power and fuel	309.01	241.13
Repairs and maintenance		
Machinery	196.84	115.74
Building	73.23	73.73
Others	177.75	147.37
Legal and professional fees	265.44	180.52
Payment to auditors	10.51	9.24
Rental charges	60.61	39.47
Printing and stationery	6.38	5.80
Freight & forwarding	178.47	148.40
Rates and taxes	75.20	50.76
Travelling and conveyance	93.78	76.94
Communication	15.16	20.02
Advertising and sales promotion	42.22	40.04
Bank charges	20.04	54.33
Loss on sale/disposal of property, plant and equipment	1.32	3.12
Share issue expenses of subsidiaries	5.63	3.68
Provision for doubtful advances & advances written off	18.81	8.07
Corporate Social Responsibility (CSR) expenses (refer note i)	7.55	4.22
Miscellaneous expenses	78.19	57.27
Total	**4,355.09**	**2,998.87**

*Eligible expenses relating to IPO have been debited to securities premium.

(i).Details of corporate social responsibility expenses		
(i) Amount required to be spent by the Company during the period	7.37	4.22
(ii) Amount approved by the board to be spent during the period	7.55	4.22
(iii) Amount spent during the period		
(a) On purposes other than (a) above	7.55	4.22
(v) Nature of activities	Promoting education	Promoting education

Note 24 - Finance costs		
Interest expense on working capital borrowings	153.60	130.50
Interest expense on term loans	135.22	66.24
Interest expense on lease liabilities	271.00	276.94
Interest expense - others	113.92	43.37
Exchange differences (on borrowings)	196.61	57.38
Financial guarantee expense	53.19	14.58
	923.54	**589.01**

Note 25 - Depreciation and amortisation expenses		
Depreciation of property, plant and equipment (refer note 4)	744.72	368.98
Amortisation of intangible assets (refer note 6)	30.79	40.22
Depreciation on Right-of-use assets (refer note 5)	601.40	624.86
	1,376.91	**1,034.06**

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	Year ended March 31, 2026	Year ended March 31, 2025
Note 26 - Exceptional items		
Statutory impact of new Labour Codes [Refer note (i)]	37.93	-
Share capital issuance expense [Refer note (ii)]	39.02	-
Impairment loss on Goodwill [Refer note(iii)]	-	482.65
Total	**76.95**	**482.65**

Note:

(i) On November 21, 2025, the Government of India notified the four Labour Codes - The Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour and Employment published Central Rules and FAQs to enable assessment of the financial impact due to the changes in regulations. The Group has assessed and disclosed the incremental impact of these changes on the basis of actuarial opinion obtained and the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact under 'Exceptional items' in the Consolidated Statement of Profit and Loss. The incremental impact on gratuity of ₹ 37.93 Mn primarily arising due to change in wage definition.

(ii) During the year ended March 31, 2026, the Parent Company has incurred ₹ 476.22 Mn towards Initial Public Offer ('IPO') expenses including Pre-IPO. Of this, ₹ 39.02 Mn has been expensed off to the Consolidated Statement of Profit and Loss as an exceptional loss and the balance ₹ 437.20 Mn has been reduced from Securities Premium as cost of fresh issue.

(iii) During the year ended March 31, 2025, the Group has recognized an impairment on goodwill of ₹ 482.65, allocated towards AFCPPL.

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Note 27 - Fair value measurement

Financial instruments by category

	Fair value hierarchy	Classification	As at March 31, 2026	As at March 31, 2025
Financial assets				
Investments	-	Amortised cost	0.99	0.85
Trade receivables	-	Amortised cost	2,646.07	1,566.04
Cash and cash equivalents	-	Amortised cost	3,014.89	609.43
Other bank balances	-	Amortised cost	551.63	188.48
Other financial assets	-	Amortised cost	855.51	834.96
Total financial assets			**7,069.09**	**3,199.76**
Financial liabilities				
Borrowings		Amortised cost	4,035.78	4,370.62
Lease liabilities		Amortised cost	2,973.53	3,479.85
Trade payables		Amortised cost	3,223.34	2,308.87
Other financial liabilities		Amortised cost	705.37	465.00
Total financial liabilities			**10,938.02**	**10,624.34**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognised and measured at fair value.

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

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

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(ii) Fair value of financial assets and liabilities measured at amortised cost

The fair values for interest free security deposits were calculated based on cash flows discounted using a risk free rate of interest.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

The lease liabilities are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, as in the case of lease of buildings, the Group's incremental borrowing rate is used.

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

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents and other bank balances, loans, other financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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Note 28 - Financial risk management

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

A Credit risk

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

(i) Credit risk management

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

(ii) Provision for expected credit loss

The Group's financial assets primarily comprise trade receivables, and other financial assets including deposits. The assessment of ECL is done as follows

1) Deposits :

Deposits comprises of mainly refundable security deposits made on buildings (leased premises). Deposits have negligible or nil risk based on past history of defaults and reasonable forward looking information. Hence, no provision for expected credit losses are made in the financial statements.

2) Deposits with bank :

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

3) Trade receivables and other dues from related parties

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

Reconciliation of loss allowance provision - Trade receivables

	Amount
As at April 01, 2024	**26.28**
Charged to profit and loss	4.16
Utilisation/ reversal in loss allowance	-
As at March 31, 2025	**30.44**
Charged to profit and loss	-
Utilisation/ reversal in loss allowance	(11.08)
As at March 31, 2026	**19.36**

B Liquidity risk

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

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

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:	**As at March 31, 2026**	**As at March 31, 2025**
A. Expiring within one year	1,687.41	1,724.51
B. Expiring beyond one year (bank loans)	750.00	-
	2,437.41	**1,724.51**

(ii) Maturities of financial liabilities

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

Contractual maturities of financial liabilities as at March 31, 2026

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	3,033.27	1,002.52	-	4,035.79
Trade payables	3,223.34	-	-	3,223.34
Lease liabilities	774.92	2,326.52	725.19	3,826.63
Other financial liability	647.94	34.92	22.51	705.37
Total non derivative liabilities	**7,679.47**	**3,363.96**	**747.70**	**11,791.13**

Contractual maturities of financial liabilities as at March 31, 2025

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	2,904.96	1,424.39	-	4,329.35
Trade payables	2,308.87	-	-	2,308.87
Lease liabilities	953.80	2,458.40	1,028.67	4,440.87
Other financial liability	400.25	41.77	22.98	465.00
Total non derivative liabilities	**6,567.88**	**3,924.56**	**1,051.65**	**11,544.09**

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Note 28 - Financial risk management (continued)

C Market risk

Market risk is a risk where the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Foreign currency risk

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

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

(a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as against respective foreign currency are as follows as at March 31, 2026

	GBP	USD	EUR	HKD	JPY	CHF
Financial asset						
Trade receivable	-	2,719.29	37.00	-	-	-
Cash and cash equivalents	-	20.73	-	-	-	-
Other financial assets	-	-	0.18	-	-	-
Net exposure to foreign currency risk (assets)	**-**	**2,740.02**	**37.18**	**-**	**-**	**-**
Financial liability						
Trade payables	11.07	1,141.71	50.85	0.87	-	1.09
Borrowings	-	284.34	-	-	-	-
Lease liabilities	-	-	487.75	-	-	-
Other financial liabilities	-	82.34	-	-	-	-
Net exposure to foreign currency risk (liabilities)	**11.07**	**1,508.39**	**538.60**	**0.87**	**-**	**1.09**

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as against respective foreign currency are as follows as at March 31, 2025

	GBP	USD	EUR	HKD	JPY	CHF
Financial asset						
Trade receivable	-	1,706.74	2.03	-	-	-
Cash and cash equivalents	-	57.05	-	-	-	-
Other financial assets	-	-	0.18	-	-	-
Net exposure to foreign currency risk (assets)	**-**	**1,763.79**	**2.21**	**-**	**-**	**-**
Financial liability						
Trade payables	20.44	810.97	65.15	0.07	-	7.08
Bank Borrowings	-	272.71	-	-	-	-
Lease liabilities	-	-	757.24	-	-	-
Other financial liabilities	-	34.17	1.85	-	74.39	0.26
Net exposure to foreign currency risk (liabilities)	**20.44**	**1,117.85**	**824.24**	**0.07**	**74.39**	**7.34**

(b) Sensitivity

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

	Impact on profit after tax	
	As at March 31, 2026	As at March 31, 2025
USD Sensitivity		
INR/USD - Increase by 5%	43.65	23.31
INR/USD - decrease by 5%	(43.65)	(23.31)
GBP Sensitivity		
INR/GBP - Increase by 5%	(0.39)	(0.74)
INR/GBP - decrease by 5%	0.39	0.74
EUR Sensitivity		
INR/EUR - Increase by 5%	(17.77)	(29.67)
INR/EUR - decrease by 5%	17.77	29.67
HKD Sensitivity		
INR/HKD - Increase by 5%	(0.03)	(0.00)
INR/HKD - decrease by 5%	0.03	0.00
JPY Sensitivity		
INR/JPY - Increase by 5%	-	(2.68)
INR/JPY - decrease by 5%	-	2.68
CHF Sensitivity		
INR/CHF - Increase by 5%	(0.04)	(0.26)
INR/CHF - decrease by 5%	0.04	0.26

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Note 28 - Financial risk management (continued)

(iii) Interest rate risk	**As at March 31, 2026**	**As at March 31, 2025**
(a) The exposure of Group's borrowings to interest rate changes at the end of the reporting period		
Variable rate borrowings	3,299.77	3,985.92
Fixed rate borrowings	3,275.98	3,864.55
Total borrowings	**6,575.75**	**7,850.47**
(b) Profit & loss is sensitive to higher/lower interest expense from borrowings as a result of change in		
Interest rates - increase by 50 basis points	(11.69)	(14.39)
Interest rates - decrease by 50 basis points	11.69	14.39

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Note 29 - Capital management

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

The Group's objectives when managing capital are to:

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

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

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

(i) Net debt to equity ratio	**As at March 31, 2026**	**As at March 31, 2025**
Net debt (Refer note 15)	2,500.49	7,052.56
Total Equity	14,855.46	7,159.78
Net debt to equity ratio	**0.17**	**0.99**

Note 30 - Contingent liabilities

	As at March 31, 2026	**As at March 31, 2025**
Labour related matters (Refer note (i))	69.00	68.33
Tax matters (Refer note (ii))	80.58	861.22

(i) A few cases have been filed against the Group in District Labour court, Belagavi. If the Labour Court passes an award against the Group, the probable compensation would amount to March 31, 2026: INR 69.00 (March 31, 2025: INR 68.33). The Group is however confident of winning this case based on the counsel advice and hence the same has not been provided by the Group in the consolidated financial statements.

(ii) The Parent Company has received demand order u/s 156 of the Income Tax Act, 1961 amounting to INR 25.23 for the FY 2016-17 (AY 2017-18) and has appealed the said order before Commissioner Appeals and the Parent Company believes it has strong merits in its case.

(iii) The Parent Company has received an order during the year ended March 31, 2022 under Section 143(3) of the Income Tax Act, 1961 relating to financial year 2017-18 (assessment period / year 2018-19) with a demand of INR 779.56. The Company had filed a writ petition with the Hon'ble High Court of Karnataka against the Order and the Company has received High court order whereby the assessment order raising demand has been set aside and the matter has been remanded back to AO for fresh assessment.

(iv) Income tax refund claimed by the Parent Company (pertaining from FY 18-19 to 24-25 amounting to INR 39.82) has been adjusted by Tax department against the outstanding demand. The said adjustment is not accepted by the Parent Company and is treated as payments made under protest.

(v) In Aerostructure Manufacturing India Private Limited, income tax matters under dispute amounting to INR 39.00, mainly include disputed claims arising out of various adjustments carried out pursuant to assessment proceedings and additions on account of transfer pricing adjustments made by the Tax Authorities under Section 92CA of the Income Tax Act,1961. The Company is of the view that it has a good defence in respect of the disallowances and adjustments made.

(vi) In Aerostructures Assemblies India Private Limited, income tax matters under dispute amounting to INR 16.36, mainly include disputed claims arising out of adjustments against the benchmarking analysis of manufacturing segment carried out pursuant to assessment proceedings and additions on account of transfer pricing adjustments made by the Tax Authorities under Section 143(3) of the Income Tax Act,1961. The Company is of the view that it has a good defence in respect of the disallowances and adjustments made.

(vii) The Group has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Company expects that the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements. Further, the Company has complied with the above judgement and has revised the wages of its employees with effect from April 01, 2019.

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

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

(x) Refer note 34 for Corporate guarantees given to third parties by the Group for loans taken by related parties of the group.

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Note 31 - Commitments

Capital commitments

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

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Property, plant and equipment	210.11	311.26
	210.11	**311.26**

Note 32 - Earnings per share

	Year ended March 31, 2026	Year ended March 31, 2025
Earning per share		
(a) Earnings per share (basic and diluted)		
-From continuing operations	(1.87)	(1.80)
-From discontinued operations	0.00	0.00
Total basic and diluted earnings per share attributable to the equity holders of the company	**(1.87)**	**(1.80)**
(b) Loss attributable to the equity share holders used in calculating basic and diluted earnings per share		
-From continuing operations	(1,132.91)	(1,024.15)
-From discontinued operations	0.42	0.69
Loss attributable to equity share holders of the Company	**(1,132.49)**	**(1,023.46)**
(c) Weighted Average number of equity shares in calculating basic and diluted EPS	**606,198,382**	**567,485,326**

Diluted earning per share

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

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Note 33 - Business combination and other acquisitions and disposals-transfer of business undertaking

On July 11, 2024, one of the Group's subsidiary company - Aequs Consumer Products Private Limited (ACPPL) has entered into an agreement with Aequs Cookware Private Limited (ACPL) and transferred certain assets and liabilities relating to its Consumer Durable Goods business unit effective from October 1, 2024. The consideration of ₹ 300.53 is receivable after two years from the effective date of transfer and interest of 12% p.a. on the outstanding consideration amount is receivable quarterly from the effective date of transfer.

The assets and liabilities have been transferred at the values as given in the below table:

Category	As at September 30, 2024
Property, plant and equipment	142.92
Capital work-in-progress	1.45
Intangible assets	0.48
Right-of-use assets	167.74
Inventory	69.68
Trade receivables	101.95
Financial assets	22.64
Cash and cash equivalents	21.93
Other bank balances	3.79
Other assets	86.88
Total Assets	**619.46**
Financial liabilities	5.56
Trade payables	89.41
Employee benefit obligations	6.76
Other liabilities	2.28
Contract liabilities	31.68
Lease liabilities	183.24
Total Liabilities	**318.93**
Net Assets	**300.53**
Purchase consideration receivable	**300.53**

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Note 34 - Related Party Disclosures

Names of related parties and related party relationship

Relationship	Name of the related party
Related parties where control exists	
Ultimate holding company	Aequs Inc, Cayman Islands (100% beneficially owned and controlled by the Melligeri Foundation) (up to December 10, 2025)
Holding company	Aequs Manufacturing Investments Private Limited, Mauritius ('AMIPL') (up to December 10, 2025)
Related parties with whom transactions have taken place during the year	
Associates	Aequs Foundation, India (w.e.f. March 27, 2026)
Joint ventures	Aerospace Processing India Private Limited ('API') SQuAD Forging India Private Limited ('SQuAD') Aequs Cookware Private Limited ('ACPL') (w.e.f. September 30, 2024) Ajna Aerospace and Defence Private Limited ('Ajna') (w.e.f. March 6, 2026)
Subsidiaries	AeroStructures Manufacturing India Private Limited ('ASMIPL') Aequs Aerospace BV ('AABV') Aerospace Manufacturing Holdings Private Limited ('AMHPL') Aequs Oil and Gas LLC ('AOGLLC') Aequs Engineered Plastics Private Limited ('AEPPL') Aequs Force Consumer Products Private Limited ('AFCPPL') Aequs Consumer Products Private Limited ('ACPPL') Aequs Toys Private Limited ('ATPL') Aerostructures Assemblies India Private Limited ('AAI') Aequs Material Management Private Limited ('AMMPL') (Struck off w.e.f. June 29, 2024) Subsidiary of ASMIPL Aequs Aerospace LLC ('AALLC') Subsidiary of Aequs Aerospace LLC ('AALLC') Aequs Aero Machine Inc ('AAM') Subsidiary of AABV Aequs Holdings France SAS ('AHF') Subsidiary of AHF Aequs Aerospace France SAS ('AAF Corp') Subsidiaries of Aequs Engineered Plastics Private Limited ('AEPPL') Aequs Toys Hong Kong Private Limited, Hong Kong ('ATHPL') Subsidiaries of Aequs Force Consumer Products Private Limited ('AFCPPL') Aequs Force Technology Company Limited ('AFTCL'), deregistered w.e.f. (August 8, 2024) Subsidiaries of Aequs Consumer Products Private Limited ('ACPPL') Aequs Home Appliances Private Limited ('AHAPL'), (struck off w.e.f. June 27, 2025) Subsidiaries of Aequs Toys Private Limited Koppal Toys Molding COE private Limited ('KTMCPL') Koppal Toys Tooling COE Private Limited ('KTTCPL'), (struck off w.e.f. November 30, 2024) Aequs Rajas Extrusion Private Limited ('AREPL')
Directors/ Key management personnel	Mr. Rajeev Kaul, Co-Founder and Managing Director Mr. Aravind S Melligeri, Executive Chairman and Chief Executive Officer Dr. Ajay Aravind Prabhu, Director Dr. Eberhard Klaus Richter, Independent Director Dr. Shubhada Rao, Director (ceased to be director w.e.f. December 31, 2024) Ms. Vidhya Sarathy, Independent Director (Appointed as an additional director w.e.f January 31, 2025 and Independent director w.e.f April 25, 2025) Mr. Dinesh Iyer, Chief Financial Officer Dr. Anup Wadhawan, Independent Director (w.e.f. April 25, 2025) Mr. Ravi Mallikarjun Hugar, Company Secretary and Compliance officer
Enterprises in which individuals owning interest in the Group, or their relatives have control, joint control or significant influence	Aequs SEZ Private Limited ('ASEZ') Automotive End Solution Private Limited('AESPL') Melligeri Investments LLC ('MILLC') Industrial Knowledge Centre Private Limited ('IKC') MFRE Texas Holding LLC, USA MFRE Taris, LLC MFRE Private Trust MFRE Estate Private Limited ('MFREEPL') Altum Trust ('Altum') QuEST Global Engineering Services Private Limited ('QGESPL') Aequs Stock Option Plan Trust ('ESOP Trust') MFO IP Holdings Private Limited [formerly known as Aequs Limited, Malta ('ALM')] ('MFO IP') Hubballi Durable Goods Cluster Private Limited ('HDGCPL')

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

Note 34 - Related party disclosures- Transactions	Year ended March 31, 2026	Year ended March 31, 2025
Holding Company - AMIPL		
Interest expense -others	34.41	32.77
ESOPT		
Share options exercised during the year	-	23.10
Associates		
Aequs Foundation		
Expenses incurred on behalf of related entity	-	0.32
Investments in equity shares	0.01	-
Joint Ventures - Transactions		
SQuAD		
Expenses incurred on behalf on related entity	0.02	0.28
Fair value of financial guarantee issued	0.90	0.90
Financial guarantee income	1.20	2.40
Sale of goods	0.05	55.61
Sale of asset	-	0.01
Expenses incurred by related party	-	0.05
Services provided	98.84	10.80
Purchase of goods and consumables	162.90	42.53
Services received	0.06	0.39
API		
Expenses incurred on behalf on related party	0.04	0.03
Expenses incurred by related party	0.03	0.01
Sale of goods	-	0.07
Services received	441.31	323.55
Services provided	21.12	19.20
Financial guarantee income	0.90	0.90
Purchase of goods and consumables	0.70	0.13
ACPL		
Expenses incurred on behalf of related party	0.04	0.43
Services provided	-	-
Expenses incurred by related party	1.94	2.27
Interest on deferred consideration recoverable	34.26	18.03
Deferred consideration recoverable	-	300.53
Financial guarantee Income	6.43	3.20
Fair value of financial guarantee issued	-	64.29
Sale of asset	0.39	-
Sale of goods	0.03	-
Investments in equity shares	-	41.50
AJNA		
Services provided	0.30	-
Investments in equity shares	1.00	-
Investments in Compulsorily Convertible Preference Shares (CCPS)	99.10	-

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Note 34 - Related party disclosures- Transactions (continued)

Enterprises in which individuals owning interest in the Group, or their relatives have control, joint control or significant influence - Transactions

	Year ended March 31, 2026	Year ended March 31, 2025
IKC		
Expenses incurred on behalf of related party	-	0.37
Services received	-	1.48
ASEZ		
Deposit given	12.78	14.43
Expenses incurred on behalf on related entity	1.28	8.72
Expense incurred by related party	2.67	1.23
Financial guarantee expense	58.49	10.21
Interest expense on lease liability	211.90	246.38
Repayment of lease liability	307.22	256.99
Surrender of lease liability	-	63.05
Services received	328.37	444.89
Fair value of financial guarantee received	14.79	8.22
MILLC		
Interest on loan taken	2.19	2.10
QGEPL		
Services received	27.62	10.03
MFRE Private Trust		
Fair value of the guarantee received	26.73	-
Financial guarantee expense	0.29	-
Services received	2.57	
AESPL		
Expenses incurred on behalf on related entity	0.86	-
MFO IP		
Branding expenses	10.00	10.00
HDGCPL		
Deposit given	10.31	-
Services received	176.69	239.81
Repayment of lease liability	18.94	18.82
Transfer due to slump sale	-	183.24
Interest expenses on lease liability	42.02	53.04
Expenses incurred by related party	0.03	0.03
MFRE Taris, LLC		
Services received	15.37	-
Note: All transactions were made on commercial terms and conditions.		
Key managerial personnel and their relatives		
Managerial remuneration		
Mr. Aravind S. Melligeri	92.74	43.89
Mr. Rajeev Kaul	17.97	18.36
Mr. Ravi Mallikarjun Hugar	7.80	7.23
Mr. Dinesh Iyer	17.34	17.02
Mrs. Vidhya Sarathy	2.50	0.42
Mr. Ajay Aravind Prabhu	-	1.45
Dr. Anup Wadhawan	4.50	-
Mr. Eberhard Klaus Richter	3.90	-
Short term employee benefits	145.94	83.90
Post employee benefits	0.81	0.75
Share-based payment	0.91	3.71

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

Note 34 - Related party disclosures- Balances as at year-end	As at March 31, 2026	As at March 31, 2025
Holding Company - AMIPL		
Loans from related parties (unsecured)	284.34	256.37
Interest accrued but not due on borrowings	58.43	19.36
Associates		
AF		
Investment in equity shares	0.01	-
Trade receivables from related parties	0.01	-
Joint ventures		
SQuAD		
Investment in share capital	746.23	746.23
Impairment of investments	234.39	234.39
Fair value of financial guarantee	41.23	40.33
Trade receivables	18.13	7.61
Dues from related parties	0.00	0.06
Trade payables	18.51	1.06
API		
Investment in share capital	89.52	89.52
Fair value of financial guarantee	6.32	6.32
Trade receivables	-	0.07
Dues from related parties	-	0.01
Trade payables	151.90	108.52
Dues to related parties	-	-0.01
AJNA		
Trade receivables	0.30	-
Investment in equity shares	100.10	-
ACPL		
Trade receivables from related parties	-	-
Investment in Equity shares	41.50	41.50
Fair value of financial guarantee	64.29	64.29
Business purchase receivable	352.82	318.56
Dues to related parties	0.07	0.02
Enterprises in which individuals owning interest in the Group, or their relatives have control - Balances		
IKC		
Dues from related parties	-	0.03
Trade payables	-	0.11
MILLC		
Dues from related parties	0.06	-
Unsecured borrowings	18.11	16.33
Interest payable	0.58	8.92
ESOPT		
Unsecured loan	147.62	241.99

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

Note 34 - Related party disclosures - Balances as at year-end (continued)

	As at March 31, 2026	As at March 31, 2025
ASEZ		
Fair value of financial guarantee received	25.69	22.31
Unamortized fair value of the guarantee	3.61	46.19
Security deposit	425.23	397.01
Dues from related parties	1.28	3.46
Dues to related parties	2.10	0.02
Trade payables	37.41	33.44
AESPL		
Trade payables	0.17	0.15
Dues to related parties	1.19	0.33
Dues from related parties	17.25	17.25
Impairment on dues from related parties	17.24	-
QGEPL		
Trade payables	7.68	3.45
Altum		
Dues from related parties	0.00	0.00
MFREEPL		
Dues from related parties	0.01	0.01
Fair value of financial guarantee received	-	-
MFRE Private Trust		
Dues from related parties	1.97	-
MFO IP		
Trade payables	10.00	66.19
HDGCPL		
Dues from related parties	0.01	0.01
Dues to related parties	0.03	-
Security deposit	38.43	64.59
Trade Payables	16.80	5.89
Key managerial personnel and their relatives		
Short-term employee benefits	72.22	9.92
Post employee benefits	0.81	0.75
Disclosure as required under Section 186(4) of Companies Act, 2013.		
i. Loans outstanding		
Aequs Rajas	7.40	-
i. Investments in associates and joint ventures (Refer Note 7)	1,054.74	768.12

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

35 Income tax expense

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax		
Current tax on profits of the year	400.27	148.88
Total current tax expense (A)	**400.27**	**148.88**
Deferred tax		
Deferred tax expense/(benefit) for the year	17.28	(65.48)
Total deferred tax expense/(benefit) (B)	**17.28**	**(65.48)**
Income tax expense (A+B)	**417.55**	**83.40**

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Tax expenses under general provision of income tax		
Loss from continuing operations before income tax expense	(715.36)	(940.79)
Tax rate	27.82%	27.82%
Tax at the above rate	(199.01)	(261.73)
Tax impact of permanent differences	65.82	45.66
Tax impact of income not chargeable to tax	(85.34)	(34.25)
Tax impact of entities in tax holidays	(20.80)	(74.45)
Tax impact of business loss and other items on which no deferred tax has been recognized*	443.88	278.76
Tax impact due to differential tax rates applicable to subsidiaries	215.62	121.15
Others	(2.62)	8.26
Total tax expense	**417.55**	**83.40**

* The Group has recognised deferred tax asset on carried forward losses and unabsorbed tax losses during the year and previous years with respect to the Parent Company and Aerostructure Manufacturing India Private Limited and Aerostructures Assemblies India Private Limited on the basis of projections to the extent it is probable that sufficient taxable profit will be available against which the unused tax losses can be utilized by the respective entities. In respect of other entities, the Group has not recognised the deferred tax asset in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available for set off.

Tax losses for which no deferred tax was recognised expire as follows.

	Year ended March 31, 2026	Expiry date	Year ended March 31, 2025	Expiry date
Expire	1,585.70	2034-35	3,041.20	2033-34
Never expire	5,426.46	-	2,545.41	-

Deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Property, plant and equipment and intangible assets	-	(40.32)
Right-of-use assets	(127.65)	(142.10)
	(127.65)	**(182.42)**
Deferred tax assets		
Property, plant and equipment and intangible assets	16.40	-
Tax losses carried forward	24.30	72.68
MAT credit entitlement	38.76	37.26
Lease liabilities	176.93	207.32
Inventories	60.33	52.75
Others	128.34	144.11
	445.06	**514.12**
Deferred tax assets (net)	**317.41**	**331.70**

Deferred tax asset/ (liabilities)

(a) Movement in deferred tax balances for the year ended March 31, 2026

Deferred tax asset/ (liabilities)	Balance as at April 1, 2025	Recognized in profit or loss	MAT credit utilisation	As at March 31, 2026		
				Deferred tax asset	Deferred tax liability	Net
Deferred tax asset/ (liabilities)						
Property, plant and equipment and intangible assets	(40.32)	56.72	-	16.40	-	**16.40**
Right-of-use assets	(142.10)	14.45	-	-	(127.65)	**(127.65)**
Tax losses carried forward	72.68	(48.38)	-	24.30	-	**24.30**
MAT credit entitlement	37.26	-	1.50	38.76	-	**38.76**
Lease liabilities	207.32	(30.39)	-	176.93		**176.93**
Inventories	52.75	7.58		60.33		**60.33**
Others	144.11	(15.77)		128.34	-	**128.34**
Net deferred tax asset/ (liabilities)	**331.70**	**(15.79)**	**1.50**	**445.06**	**(127.65)**	**317.41**

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

35 Income tax expense (continued)

Deferred tax asset/ (liabilities)

(b) Movement in deferred tax balances for the year ended March 31, 2025

Deferred tax asset/ (liabilities)	Balance as at April 1, 2024	Recognized in profit or loss	MAT credit utilisation	As at March 31, 2025		
				Deferred tax asset	Deferred tax liability	Net
Deferred tax asset/ (liabilities)						
Property, plant and equipment and intangible assets	(42.49)	2.17		-	(40.32)	**(40.32)**
Right-of-use assets	(215.17)	73.07		-	(142.10)	**(142.10)**
Tax losses carried forward	122.32	(49.64)		72.68		**72.68**
MAT credit entitlement	95.83	-	(58.57)	37.26		**37.26**
Lease liabilities	221.52	(14.20)		207.32		**207.32**
Inventories	42.44	10.31		52.75		**52.75**
Others	100.02	44.09		144.11		**144.11**
Net deferred tax asset/ (liabilities)	**324.47**	**65.80**	**(58.57)**	**514.12**	**(182.42)**	**331.70**

The tax impact for the above purpose has been arrived at by applying tax rate of 27.82% (2025: 27.82%) being the substantively enacted prevailing tax rate for Indian Companies under the Income Tax Act.

(a) Transfer pricing:

The Finance Act, 2001, has introduced, with effect from assessment year 2002-03 (effective April 1, 2001), detailed Transfer Pricing Regulations (the regulations) for computing the taxable income and expenditure from 'international transactions 'between 'associated enterprises' on an 'arm's length' basis. Further, the Finance Act, 2012 has widened the ambit of transfer pricing provisions to cover specified domestic transactions. The regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an accountant within the due date of filing the return of income.

For the year ended March 31, 2025, the Group had undertaken a study to comply with the said transfer pricing regulations for which the prescribed certificate of the accountant has been obtained which does not envisage any tax liability. For the year ended March 31, 2026, the Company would be carrying out a study to comply with transfer pricing regulations for which the prescribed certificate of accountant will be obtained. In the opinion of management, no adjustment is expected to arise based on completion of Transfer Pricing Study.

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Note 36 - Segment information

Description of segments and principal activities

The Group's Chief Operating Decision Maker (CODM) is identified to be the Chairman and Chief Executive Officer of the Parent Company, who plans the allocation of resources and assess the performance of the segments.

Particulars	For the year ended March 31, 2026					For the year ended March 31, 2025				
	Aerospace	Consumer	Total Segment	Eliminations	Total	Aero	Consumer	Total Segment	Eliminations	Total
Revenue										
Gross revenue	11,620.05	1,993.56	13,613.61	-	13,613.61	9,092.54	1,075.08	10,167.62	-	10,167.62
Intra segment revenue	(1,156.30)	(152.95)	(1,309.25)	-	(1,309.25)	(846.13)	(75.43)	(921.56)	-	(921.56)
Net external revenue	**10,463.75**	**1,840.61**	**12,304.36**	-	**12,304.36**	**8,246.41**	**999.65**	**9,246.06**	-	**9,246.06**
Result										
Segment result	2,812.69	(782.73)	2,029.96	(243.06)	1,786.90	1,597.75	(286.71)	1,311.04	(101.59)	1,209.45
Add / (Less)										
Finance costs	(582.45)	(550.59)	(1,133.04)	209.50	(923.54)	(387.75)	(238.70)	(626.45)	37.44	(589.01)
Depreciation and amortisation expense	(637.44)	(739.47)	(1,376.91)	-	(1,376.91)	(611.40)	(422.66)	(1,034.06)	-	(1,034.06)
Segment Result before share of net profit/(loss) of associate and joint ventures, exceptional items allocated to segment, unallocated corporate expense net of unallocated income and income taxes	**1,592.80**	**(2,072.79)**	**(479.99)**	**(33.56)**	**(513.55)**	**598.60**	**(948.07)**	**(349.47)**	**(64.15)**	**(413.62)**
Share of net profit / (loss) of joint ventures accounted for using the equity method, net of tax	217.08	(99.54)	117.54		117.54	113.06	(27.82)	85.24	-	85.24
Exceptional item allocated to segment.	(70.05)	(6.90)	(76.95)		(76.95)	-	(482.65)	(482.65)	-	(482.65)
Unallocated corporate expense net of unallocated income	-	-	-	-	(242.40)	-	-	-	-	(129.76)
Profit / (loss) before tax	**1,739.83**	**(2,179.23)**	**(439.40)**	**(33.56)**	**(715.36)**	**711.66**	**(1,458.54)**	**(746.88)**	**(64.15)**	**(940.79)**
Income taxes	-	-	-	-	(417.55)	-	-	-	-	(83.40)
Profit / (loss) after tax	**1,739.83**	**(2,179.23)**	**(439.40)**	**(33.56)**	**(1,132.91)**	**711.66**	**(1,458.54)**	**(746.88)**	**(64.15)**	**(1,024.19)**

Other information

Particulars	As at March 31, 2026					As at March 31, 2025				
	Aerospace	Consumer	Total Segment	Eliminations	Total	Aero	Consumer	Total Segment	Eliminations	Total
Segment assets	13,783.42	12,868.60	26,652.02	(71.73)	26,580.29	10,148.71	8,701.64	18,850.35	(602.69)	18,247.66
Unallocated corporate assets										
Deferred tax assets	-	-	-	-	317.41	331.70	-	331.70	-	331.70
Current tax assets	-	-	-	-	7.00	19.04	-	19.04	-	19.04
Total assets	**13,783.42**	**12,868.60**	**26,652.02**	**(71.73)**	**26,904.70**	**10,499.45**	**8,701.64**	**19,201.09**	**(602.69)**	**18,598.40**
Segment liabilities	4,741.99	7,202.93	11,944.92	(74.29)	11,870.63	6,893.90	5,147.00	12,040.90	(602.28)	11,438.62
Unallocated corporate liabilities	-	-	-	-	178.61	-	-	-	-	-
Total liabilities	**4,741.99**	**7,202.93**	**11,944.92**	**(74.29)**	**12,049.24**	**6,893.90**	**5,147.00**	**12,040.90**	**(602.28)**	**11,438.62**

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Note 36 - Segment information (continued)

Geographical information

Revenue

Geography	As at March 31, 2026		As at March 31, 2025	
	Amount	**%**	**Amount**	**%**
India	1,459.97	11.87%	985.96	10.74%
The United States of America	2,866.41	23.30%	2,130.92	23.02%
France	2,547.15	20.70%	2,044.82	22.11%
Hong Kong	1,070.45	8.70%	622.14	6.72%
Sweden	723.87	5.88%	904.57	9.77%
United Kingdom	1,242.97	10.10%	817.64	8.83%
Germany	1,469.39	11.94%	1,135.12	12.28%
Others	924.15	7.51%	604.89	6.53%
	12,304.36	**100.00%**	**9,246.06**	**100.00%**

Non-current assets

Geography	As at March 31, 2026	As at March 31, 2025
India	12,182.91	9,551.55
France	511.51	380.13
USA	187.45	194.62
Total	**12,881.87**	**10,126.30**

Information about major customers

Particulars	As at March 31, 2026			As at March 31, 2025		
	Segment	**Revenue**	**% of total revenue**	**Segment**	**Revenue**	**% of total revenue**
Customer 1	Aerospace	2,814.38	22.87%	Aerospace	2,198.00	23.74%
Customer 2	Aerospace	2,347.05	19.07%	Aerospace	1,834.99	19.82%
Customer 3	Aerospace	723.88	5.88%	Aerospace	904.53	9.78%
Customer 4	Aerospace	1,248.99	10.15%	Aerospace	883.09	9.55%

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37. Interest in other entities

(a) Subsidiaries

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

Name of the entity	Principle place of business and place of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities as at March 31, 2026
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	
Indian Subsidiaries						
AeroStructures Manufacturing India Private Limited (ASMIPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aerospace Manufacturing Holdings Private Limited (AMHPL)	India	100.00%	100.00%	0.00%	0.00%	Investment holding
Aequs Force Consumer Products Pvt. Ltd. (AFCPPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aequs Engineered Plastics Private Limited (AEPPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aequs Consumer Products Private Limited (ACPPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aequs Home Appliances Private Limited (AHAPL)	India	100.00%	100.00%	0.00%	0.00%	Liquidated w.e.f. June 27, 2025
Aequs Toys Private Limited (ATPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Koppal Toys Moulding COE Private Limited (KTMCPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Koppal Toys Tooling COE Private Limited (KTTCPL)	India	100.00%	100.00%	0.00%	0.00%	Liquidated w.e.f. November 30, 2024
Aerostructures Assemblies India Private Limited (AAIPL)	India	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aequs Rajas Extrusion Private Limited (AREPL)	India	100.00%	100.00%	0.00%	0.00%	Inactive company
Aequs Material Management Private Limited (AMMPL)	India	100.00%	100.00%	0.00%	0.00%	Liquidated w.e.f. June 29, 2024
Foreign Subsidiaries						
Aequs Aerospace France SAS (AAF SAS)	France	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aequs Aerospace BV (AABV)	Netherlands	100.00%	100.00%	0.00%	0.00%	Investment holding
Aequs Aerospace LLC (AALLC)	USA	100.00%	100.00%	0.00%	0.00%	Investment holding
Aequs Holdings France, SAS (AHF)	France	100.00%	100.00%	0.00%	0.00%	Investment holding
Aequs Aero Machine Inc. (AAM)	USA	100.00%	100.00%	0.00%	0.00%	Contract manufacturing
Aequs Oil and Gas LLC (AOGLLC)	USA	95.00%	95.00%	5.00%	5.00%	Discontinued operations
Aequs Force Technology Company limited (AFTCL)	Hong Kong	100.00%	100.00%	0.00%	0.00%	Liquidated w.e.f. August 8, 2024
Aequs Toys Hong Kong Private Ltd.(ATHPL)	Hong Kong	100.00%	100.00%	0.00%	0.00%	Discontinued operations

(b) Non-controlling interest (NCI)

The non controlling interest pertaining to Aequs Oil and Gas LLC of ₹ (1.34) (March 31,2025 ₹ (1.34)) is not disclosed as the same is pertaining to discontinued operations.

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Aequs Limited ★

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

37. Interest in other entities (continued)

(c) Interests in joint ventures

Set out below are the joint ventures of the Group as at March 31, 2026 which, in opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely to equity shares, which are held directly by the Group. The country of incorporation or registration is also their financial place of business, and the proportion of ownership interests is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership	Relationship	Accounting method	Carrying amount	
					March 31, 2026	March 31, 2025
SQuAD Forging India Private Limited (SQuAD)	India	50%	Joint Venture	Equity Method	643.39	497.15
Aerospace Processing India Private Limited (API)	India	50%	Joint Venture	Equity Method	314.55	238.96
Aequs Cookware Private Limited (ACPL)	India	50%	Joint Venture	Equity Method	-	32.01
Ajna Aerospace and Defence Private Limited (AJNA)	India	33%	Joint Venture	Equity Method	96.79	-
Total					**1,054.73**	**768.12**

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

(b) Refer note 7 for amount recognised as financial liability in excess of Group's share of losses over its investments.

ii) Commitments in respect of joint ventures

Particulars	API		SQuAD		ACPL		Ajna	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Commitments of JVs and Associates.	1.35	4.92	19.06	37.66	81.07	130.15	-	NA

iii) Summarized financial information of joint ventures

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

Summarised balance sheet	API		SQuAD		ACPL		Ajna	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Current assets								
Cash and cash equivalents	159.04	31.34	60.99	14.18	0.00	41.36	10.21	
Trade receivables	228.18	185.15	228.79	115.94	30.39	43.91	-	
Other financial assets	-	-	91.29	25.48	3.50	21.29	285.28	
Other assets(including inventories)	74.41	62.42	495.23	440.30	192.52	169.05	0.03	
Total current assets	**461.63**	**278.91**	**876.30**	**595.90**	**226.41**	**275.61**	**295.52**	
Total non-current assets	**653.03**	**721.28**	**907.37**	**792.59**	**547.05**	**481.00**	**0.01**	
Current liabilities								
Trade payables	67.45	47.29	183.71	139.97	76.60	59.35	5.82	NA
Financial liabilities (excluding trade payables)	87.56	98.44	60.12	130.78	350.98	81.31	0.92	
Other liabilities	22.44	11.08	148.35	9.67	27.79	64.44	0.37	
Total current liabilities	**177.45**	**156.81**	**392.18**	**280.42**	**455.37**	**205.10**	**7.11**	
Total non-current liabilities	**349.46**	**406.60**	**10.98**	**21.53**	**463.13**	**502.24**	-	
Financial liabilities (excluding trade payables)	320.18	375.89	10.98	13.67	459.79	499.26	-	
Other liabilities	29.28	30.71	-	7.86	3.34	2.98	-	
Total non current liabilities	**349.46**	**406.60**	**10.98**	**21.53**	**463.13**	**502.24**	-	
Net assets	**587.75**	**436.78**	**1,380.51**	**1,086.54**	**(145.04)**	**49.27**	**288.42**	

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

37. Interest in other entities (continued)

Summarised statement of profit and loss

	API		SQuAD		ACPL		Ajna	
	For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Revenue	808.22	653.65	1,118.73	850.33	396.89	160.05	-	NA
Interest income /Other income	24.50	8.18	41.35	12.49	6.39	33.69	-	
Operating expenses	(486.78)	(422.02)	(867.05)	(693.03)	(464.16)	(187.73)	(10.18)	
Depreciation and amortisation	(94.79)	(55.83)	(42.84)	(45.00)	(55.79)	(27.66)	(0.00)	
Finance cost/(Income)	(39.25)	(12.10)	(13.61)	(20.88)	(82.51)	(33.20)	0.25	
Exceptional items loss	(2.48)	-	(2.60)	-	(0.91)	-		
Income tax expense	(61.00)	(50.43)	54.93	-	-	-	-	
Profit/(loss) for the year	**148.42**	**121.45**	**288.91**	**103.91**	**(200.09)**	**(54.85)**	**(9.93)**	
Other comprehensive income/(loss)	2.32	(0.16)	1.12	0.34	1.01	(0.22)	-	
Total comprehensive income/(loss)	**150.74**	**121.29**	**290.03**	**104.25**	**(199.08)**	**(55.07)**	**(9.93)**	
Contingent liabilities of JVs								
Income tax matters	0.00	0.00	5.73	5.73	-	-	-	-
Labour law matters	0.00	0.00	-	-	-	-	-	-

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Aequs Limited ★

Aequs Limited (Formerly known as Aequs Private Limited)

Notes to consolidated financial statements

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

Note 38 - Additional information pursuant to paragraph 12.3 of Schedule III to the Companies Act, 2013- 'General Instructions for the preparation of consolidated financial statements' of Division II of Schedule III

	As at March 31, 2026		As at March 31, 2025		For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2026		For the year ended March 31, 2025	
	Net Assets As %	Net Assets Amount	Net Assets As %	Net Assets Amount	Share in TCI/ (TCL) As %	Share in TCI/ (TCL) Amount	Share in TCI /(TCL) As %	Share in TCI/(TCL) Amount	Share in OCI / (OCL) As %	Share in OCI / (OCL) Amount	Share in OCI / (OCL) - As %	Share in OCI / (OCL) Amount	Share in profit / (loss) - As %	Share in profit / (loss) Amount	Share in profit / (loss) - As %	Share in profit / (loss) Amount
Consolidated	100%	14,873.60	100%	7,118.72	100%	(1,435.77)	100%	(1,141.91)	100%	(321.02)	100%	(119.09)	100%	(1,114.75)	100%	(1,022.82)
Parent Company																
Aequs Limited (Formerly known as Aequs Private Limited)	124.00%	18,442.60	139.47%	9,928.75	18.44%	264.78	8.55%	97.61	0.36%	1.15	-4.22%	5.02	23.65%	263.63	9.05%	92.59
Indian Subsidiaries																
AeroStructures Manufacturing India Private Limited (ASMIPL)	36.53%	5,433.82	34.58%	2,461.58	43.10%	618.81	28.99%	331.05	3.33%	10.68	2.80%	(3.34)	54.55%	608.14	32.69%	334.39
Aerospace Manufacturing Holdings Private Limited(AMHPL)	-0.07%	(10.33)	0.03%	(1.86)	0.29%	4.11	0.20%	2.27	0.00%		0.00%		-0.37%	4.11	0.22%	2.27
Aequs Force Consumer Products Pvt. Ltd. (AFCPPL)	0.20%	30.25	3.72%	264.80	16.34%	(234.62)	18.66%	(213.08)	0.06%	(0.19)	-0.56%	0.67	21.03%	(234.43)	20.90%	(213.75)
Aequs Engineered Plastics Private Limited (AEPPL)	1.32%	196.43	0.15%	10.69	11.96%	(171.66)	24.88%	(284.07)	0.91%	2.92	0.99%	1.18	15.66%	(174.58)	27.89%	(285.25)
Aequs Consumer Products Private Limited (ACPPL)	33.63%	5,001.77	42.44%	3,021.34	101.14%	(1,452.15)	11.02%	(125.79)	-1.67%	5.35	0.36%	(0.43)	130.75%	(1,457.50)	12.26%	(125.36)
Aequs Toys private limited (ATPL)	3.68%	548.00	8.01%	569.91	16.93%	(243.12)	27.03%	(308.61)	0.01%	(0.02)	0.61%	0.73	21.81%	(243.10)	30.24%	(309.34)
Koppal Toys Moulding COE Private Limited (KTMCPL)	1.27%	188.62	4.03%	287.08	6.56%	(94.15)	8.04%	(91.78)	0.00%	(0.00)	0.34%	0.41	8.45%	(94.14)	8.97%	(91.78)
Aerostructures Assemblies India Private Limited (AAIPL)	2.30%	341.73	4.01%	285.45	3.71%	53.32	4.63%	52.90	0.09%	0.28	0.24%	0.29	4.76%	53.03	5.14%	52.61
Aequs Rajas Extrusion Private Limited (AREPL)	0.05%	(7.98)	0.09%	(6.11)	0.13%	(1.82)	0.15%	(1.73)	0.00%		0.00%		0.16%	(1.82)	0.17%	(1.73)
Foreign Subsidiaries																
Aequs Aerospace France SAS, France (AAF Corp)	-0.92%	(136.17)	1.08%	(76.85)	9.64%	(138.38)	1.17%	13.38	27.59%	(88.59)	15.40%	(18.34)	4.47%	(49.80)	3.10%	31.72
Aequs Aerospace BV (AABV)	0.01%	(1.49)	25.77%	(1,834.40)	2.86%	(41.04)	155.70%	(1,777.90)	202.30%	(649.42)	68.36%	(81.41)	54.58%	608.38	165.86%	(1,696.49)
Aequs Aerospace LLC (AALLC)	3.06%	455.09	12.64%	899.65	39.84%	(571.94)	1.42%	(16.16)	19.88%	(63.82)	3.63%	(4.32)	45.58%	(508.13)	1.16%	(11.84)
Aequs Holdings France, SAS (AHF)	0.05%	(8.06)	0.09%	(6.20)	6.77%	97.18	126.05%	1,439.43	30.50%	97.91	12.52%	(14.91)	0.07%	(0.73)	142.19%	1,454.34
Aequs Aero Machine Inc. (AAM)	1.19%	177.48	4.96%	353.02	15.65%	(224.66)	0.88%	(10.10)	7.89%	(25.34)	-5.63%	6.71	17.88%	(199.33)	1.64%	(16.81)
Aequs Oil and Gas LLC (AOGLLC)	0.92%	(136.57)	1.62%	(115.33)	9.10%	(130.61)	2.35%	(26.82)	38.69%	(124.21)	23.19%	(27.62)	0.57%	(6.40)	0.08%	0.80
Aequs Force Technology Company limited (Hk) (AFTCL)	0.00%		0.01%		0.00%		0.06%	0.70	0.00%		-0.59%	0.70	0.00%		0.30%	
Aequs Toys Hongkong Private Limited (ATHPL)	0.00%		0.00%	(0.25)	0.00%		0.21%		0.00%		0.15%		0.00%		0.23%	
Minority Interests																
Aequs Oil and Gas LLC (AOGLLC)	-0.05%	(6.83)	0.08%	(5.77)	0.45%	(6.53)	0.12%	(1.34)	1.93%	(6.21)	1.16%	(1.38)	0.03%	(0.32)	0.00%	0.04
Joint Ventures (Investment as per the equity method)																
Indian																
SQuAD Forging India Private Limited (SQuAD)	4.33%	643.39	6.98%	497.15	10.10%	145.01	4.56%	52.12	-0.17%	0.56	0.14%	0.17	12.96%	144.45	5.08%	51.95
Aerospace Processing India Private Limited (API)	2.11%	314.55	3.36%	238.96	5.25%	75.37	-5.31%	60.65	0.36%	1.16	0.07%	(0.08)	6.66%	74.21	5.94%	60.73
Aequs Cookware Private Limited (ACPL)	0.45%	(66.93)	0.45%	32.01	6.93%	(99.54)	2.41%	(27.53)	0.16%	0.50	0.09%	(0.11)	8.97%	(100.05)	2.68%	(27.42)
Ajna Aerospace and Defence Private Limited (Ajna)	0.00%		0.00%		0.23%	(3.31)	0.00%		0.00%		0%		0.30%	(3.31)	0%	
Associates (Investments as per the equity method)																
Aequs Foundation (AF)	0.00%	0.01	0.00%		0.00%		0.00%		0%		0%		0%		0%	
Add/ (Less): Effect of intercompany and consolidation adjustments/eliminations		(16,543.93)		(9,643.85)		701.46		(198.11)		516.26		82.83		185.20		(281.35)
Consolidated	100%	14,855.46	100%	7,159.78	100%	(1,453.49)	100%	(1,076.69)	100%	(321.01)	100%	(53.23)	100%	(1,132.48)	100%	(1,023.46)

TCI/(TCL): Total comprehensive income/ (total comprehensive loss)

OCI/(OCL): Other comprehensive income/ (other comprehensive loss)

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

Note 39 - Discontinued operations

(a) Description

The Group is in the process of liquidating its step-down subsidiaries Aequs Toys Hongkong Private Limited (ATHPL) and Aequs Oil and Gas LLC (AOGLLC), USA. The associated loss on business are therefore shown separately as discontinuing operations in statement of profit and loss and assets and liabilities are presented as held for sale in consolidated financial statements for the year ended March 31, 2026 and March 31, 2025.

Aequs Force Technology Company Limited (AFTCL), Hongkong got deregistered w.e.f December 27, 2024, and Aequs Home Appliances Private Limited (AHAPL) was struck off w.e.f. June 27, 2025 - hence, incremental disclosures in respect of these have not been made.

(b) Financial performance and cash flow information

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

	For the year ended March 31,2026			For the year ended March 31,2025		
	AOGLLC	ATHPL	Total	AOGLLC	ATHPL	Total
Revenue	-	-	-	-	-	-
Other income	0.43	-	0.43	0.73	-	0.73
Expenses	-	-	-	-	-	-
Profit/(Loss) before Income tax during the year	**0.43**	**-**	**0.43**	**0.73**	**-**	**0.73**
Income tax expense	-	-	-	-	-	-
Profit/(Loss) after Income tax during the year	**0.43**	**-**	**0.43**	**0.73**	**-**	**0.73**
Cash flows						
Net Cash Inflow/(Outflow) from Operating Activities	(0.43)	-	(0.43)	0.73	-	0.73
Net Cash Inflow/(Outflow) from Investing Activities	-	-	-	-	-	-
Net Cash Inflow/(Outflow) from Financing Activities	-	-	-	-	-	-
Net increase/(decrease) in cash generated from discontinued operation	**(0.43)**	**-**	**(0.43)**	**0.73**	**-**	**0.73**

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

	For the year ended March 31,2026			For the year ended March 31,2025		
	AOGLLC	ATHPL	Total	AOGLLC	ATHPL	Total
Assets classified as Held for Sale:						
Property, Plant and Equipment	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Other current assets	0.08	-	0.08	0.09	0.05	0.14
Total assets of disposal group held for sale	**0.08**	**-**	**0.08**	**0.09**	**0.05**	**0.14**
Liabilities directly associated with Assets classified as held for sale:						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	-	-	(0.29)	(0.29)
Other current liabilities	(0.00)	-	(0.00)	-	-	-
Total liabilities of disposal group held for sale	**(0.00)**	**-**	**(0.00)**	**-**	**(0.29)**	**(0.29)**
Net Assets	**0.08**	**-**	**0.08**	**0.09**	**(0.24)**	**(0.15)**

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Aequs Limited ★

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

Note 40 - Additional regulatory information required by Schedule III

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

(ii) Wilful defaulter: The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies:
The Group has entered into below transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2026:

Name of the struck off company	Nature of transaction with struck off company	Balance outstanding as at March 31, 2026	Relationship with the struck off company, if any, to be disclosed.	Balance outstanding as at March 31, 2025	Relationship with the struck off company, if any, to be disclosed.
Matrix Plus Private Limited	Trade Payable		Third party	-	Third party
Shakun and Company Services Private Limited	Advance to suppliers	0.05	Third party	-	Third party
Vani Private Limited	Trade Payable	4.20	Third party	-	Third party

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

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

(vi)(a) During the year ended March 31, 2026 and March 31, 2025, the Group has not advanced or loaned or invested the funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries.

(vi)(b) During the year ended March 31, 2026 and March 31, 2025, the Group has not receive any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) of the company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee or security or the like on behalf of the Ultimate Beneficiaries.

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

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

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

(x) The Group does not own any immovable properties.

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

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

(xiii) The Group was not required to recognise any provision as at March 31, 2026 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long term contracts. The Group did not have any derivative contracts as at March 31, 2026.

(xiv) The Group does not have any Core Investment Group (CIC) as defined in the regulation made by the Reserve Bank of India.

(xv) The Group has borrowings from banks and financial institutions on the basis of security of current assets. Refer note 15(i) for details of quarterly statements of current assets filed by the company with the bank and reconciliation with the books of accounts.

Note 41 - Subsequent events

1. a) The Parent Company, vide its board resolution dated April 23, 2026, has approved the Scheme of Amalgamation of certain wholly owned subsidiaries i.e., AeroStructures Manufacturing India Private Limited, Aequs Engineered Plastics Private Limited and Aequs Force Consumer Products Private Limited with itself. As of the date of adoption of these financial statements, the Scheme and the related applications are yet to be filed with requisite authorities, and necessary approvals are still pending.

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

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

As per our report of even date attached.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm's Registration No. 101248W/W 100022

Sampad Guha Thakurta
Partner
Membership No.: 060573
Place: Chennai
Date: May 26, 2026

for and on behalf of the Board of Directors of
Aequs Limited (formerly known as Aequs Private Limited)
CIN: L80302KA2000PLC026760

Rajeev Kaul
Co-Founder and Managing Director
DIN 01468590
Place: Belagavi
Date: May 26, 2026

Aravind S Melligeri
Executive Chairman and Chief Executive Officer
DIN 00787735
Place: Belagavi
Date: May 26, 2026

Dinesh Iyer
Chief Financial Officer

Place: Belagavi
Date: May 26, 2026

Ravi Mallikarjun Hugar
Company Secretary and Compliance Officer
M. No. A20823
Place: Belagavi
Date: May 26, 2026

Aequs Limited