August 04, 2026

To

National Stock Exchange of India Ltd. NSE: UNIMECH	**BSE Limited** BSE: 544322

Subject: Submission of Annual Report for the Financial Year 2025-26 and Notice of the 10th Annual General Meeting (AGM) of the Company

Dear Sir/ Ma'am,

We wish to inform you that, the 10th Annual General Meeting (AGM) of the Company will be held on Friday, August 28, 2026, at 11:00 A.M. IST through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM').

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report including Notice of 10th Annual General Meeting of the Company for the financial year 2025-26.

Further, in accordance with Regulation 36(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has initiated sending a letter to the Shareholders whose e-mail addresses are not registered with the Company/RTA/DPs, providing a web-link from where the Annual Report can be accessed on the website of the Company.

The Annual Report containing the notice is also uploaded on the Company's website www.unimechaerospace.com.

Please take the above information on record.

Thanking You,
For **Unimech Aerospace and Manufacturing Limited**

RASHMI GUPTA Digitally signed by RASHMI GUPTA Date: 2026.08.04 16:48:21 +05'30'

Rashmi Gupta
Company Secretary and Compliance Officer
M. No.: A25382

Encl: As above

unimech

Powering Critical Industries

Precision. Integration. Growth.

Annual Report **2025-26**

Across the Pages

Disclaimer:

This document contains statements about expected future events and financials of Unimech Aerospace and Manufacturing Limited ('Unimech' or 'The Company'), which are 'forward-looking'. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Corporate Information

For more investor-related information, please visit: https://www.unimechaerospace.com/investorrelations

Or simply scan the QR code below

Board of Directors

Mr. Anil Kumar Puttan
Chairman and Managing Director

Mr. Ramakrishna Kamojhala
Whole-Time Director and CFO

Mr. Mani Puttan
Whole-Time Director (Co-Founder & Head of Precision Components & Assemblies Business Unit)

Mr. Rajanikanth Balaraman
Whole-Time Director (Co-Founder, Chief Growth & Technology Officer)

Mr. Preetham Venkatesh Shimoga
Whole-Time Director (Co-Founder & Head of Tooling Business Unit)

Mr. Mukund Srinath
Independent Director

Mr. Ashok Tandon
Independent Director

Mrs. Vidya Rajarao
Independent Director

Mr. Pavan Krishnamurthy
Independent Director

Mr. Sridhar Ranganathan
Independent Director

Key Managerial Personnel

Mr. Anil Kumar Puttan
Chairman and Managing Director

Mr. Ramakrishna Kamojhala
Whole-Time Director and CFO

Mr. Mani Puttan
Whole-Time Director

Mr. Rajanikanth Balaraman
Whole-Time Director

Mr. Preetham Venkatesh Shimoga
Whole-Time Director

Ms. Rashmi Gupta
Company Secretary and Compliance Officer

Statutory Auditors

MSKA and Associates LLP
Chartered Accountants

Secretarial Auditors

Mr. Vijayakrishna K T
Practicing Company Secretaries

Registered and Corporate Office

Unimech Aerospace and Manufacturing Limited

Registered Office: Plot No. 167, Sy. No. 74/1 and 74/2 Hitech Defense and Aerospace Park Industrial Area, Arebinnamangala Village, Jala Hobli, Bengaluru North Taluk, Bengaluru - 562 149
CIN: L30305KA2016PLC095712
Website: www.unimechaerospace.com
Tel: +91 63649 00858

Corporate Office: Plot No.3, Sy. No. 2l-P, Aerospace SEZ Sector, Hitech Defence and Aerospace Park, Kavadadasanahalli, Channarayapatna, Bengaluru Rural, Devanahalli, Bengaluru - 562 135
Tel: +91 63649 00858

Registrar and Transfer Agent

KFin Technologies Limited

Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032

Contact Details:

Email ID: einward.ris@kfintech.com;
Contact Number: 1800-309-4001

Our Facilities

Unimech Aerospace and Manufacturing Limited - Central Fabrication Unit

Plot No. 30-A, IT Sector Hi-Tech Defence and Aerospace Park, Bengaluru Rural, Karnataka - 562 149

Innomech Aerospace Toolings Private Limited

(100% Subsidiary of Unimech Aerospace and Manufacturing Limited) Plot No.3, Sy. No. 2l-P, Aerospace SEZ Sector, Hitech Defence & Aerospace Park, Kavadadasanahalli, Channarayapatna, Bengaluru Rural, Devanahalli, Bengaluru - 562 135

Prelude

Powering Critical Industries

Precision. Integration. Growth.

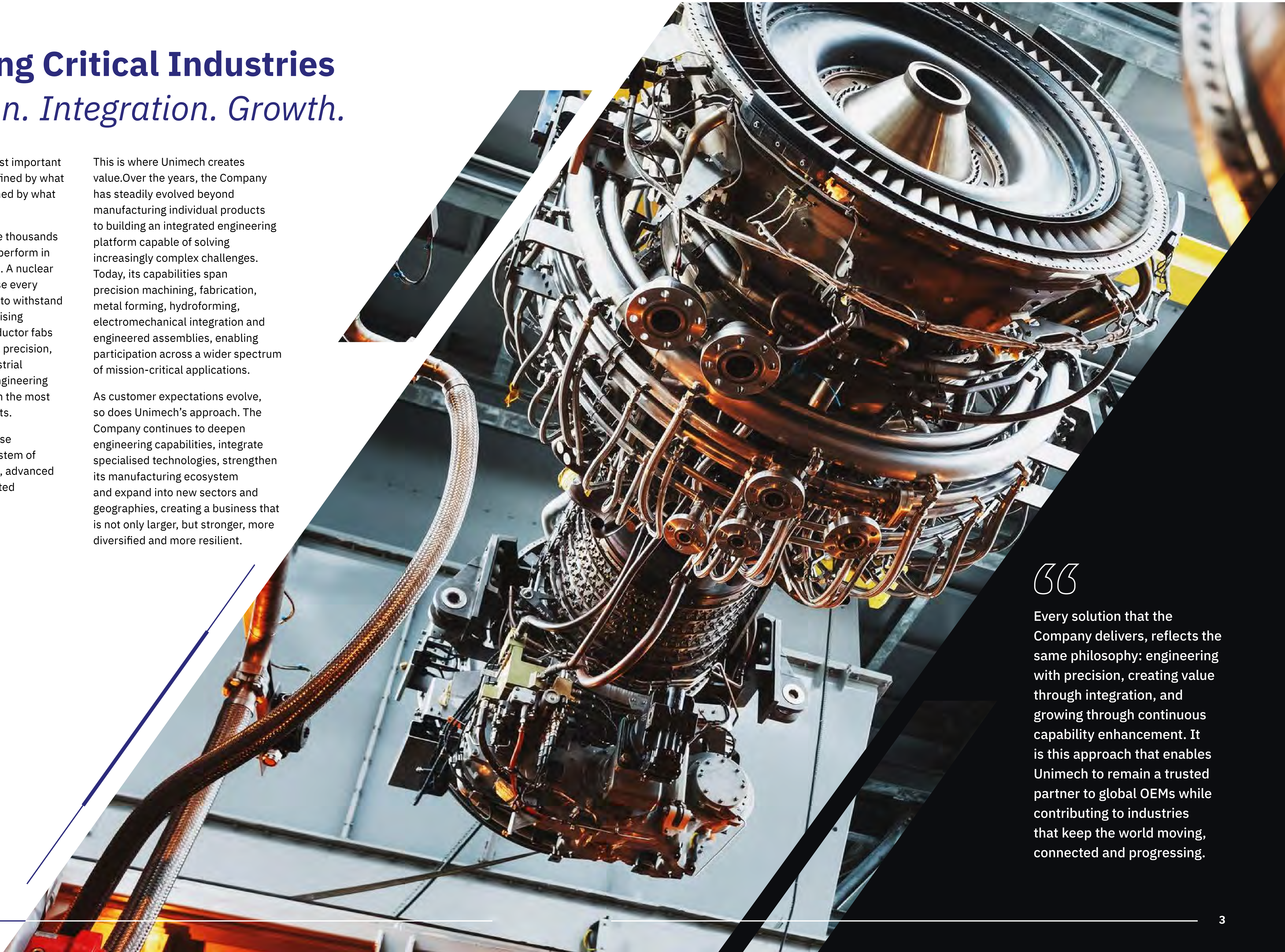
Some of the world's most important industries are rarely defined by what is visible. They are defined by what enables them.

An aircraft flies because thousands of engineered systems perform in perfect synchronisation. A nuclear facility operates because every component is designed to withstand decades of uncompromising performance. Semiconductor fabs depend on micron-level precision, while defence and industrial applications demand engineering that delivers certainty in the most demanding environments.

Behind every one of these industries lies an ecosystem of specialised engineering, advanced manufacturing and trusted partnerships.

This is where Unimech creates value.Over the years, the Company has steadily evolved beyond manufacturing individual products to building an integrated engineering platform capable of solving increasingly complex challenges. Today, its capabilities span precision machining, fabrication, metal forming, hydroforming, electromechanical integration and engineered assemblies, enabling participation across a wider spectrum of mission-critical applications.

As customer expectations evolve, so does Unimech's approach. The Company continues to deepen engineering capabilities, integrate specialised technologies, strengthen its manufacturing ecosystem and expand into new sectors and geographies, creating a business that is not only larger, but stronger, more diversified and more resilient.



> Every solution that the Company delivers, reflects the same philosophy: engineering with precision, creating value through integration, and growing through continuous capability enhancement. It is this approach that enables Unimech to remain a trusted partner to global OEMs while contributing to industries that keep the world moving, connected and progressing.

Note from Our Chairman and MD

Building for the Next Phase of Growth

> Our engineering capabilities have expanded, our manufacturing platform has grown, and our presence across industries continues to widen.

Dear Shareholders,

When I look back at FY 2025-26, I see a year of important progress for Unimech, a year that reinforced the foundation we have built and strengthened my confidence in the opportunities ahead.

Over the years, Unimech has steadily expanded its capabilities, deepened customer relationships and established itself as a trusted partner in some of the world's most demanding industries. FY 2025-26 was another important step in that journey.

What gives me confidence today is that the Company has emerged stronger and better positioned for the future. Our engineering capabilities have expanded, our manufacturing platform has grown, and our presence across industries continues to widen.

The progress we have made is the result of years of disciplined execution and an unwavering commitment to quality, precision and reliability.

The year was not without challenges. Global trade uncertainties and tariff-related disruptions influenced customer ordering patterns across parts of the aerospace supply chain. Despite this, our response remained consistent. We continued investing in capabilities, customer relationships and future growth opportunities rather than focusing on short-term volatility.

Today, Unimech is evolving beyond its origins as an aerospace tooling company. It is emerging as an integrated precision engineering platform serving critical sectors such as aerospace, defence, nuclear energy, semiconductors and industrial manufacturing.

Positioned for Long-term Growth

The global manufacturing landscape continues to evolve as companies diversify supply chains and seek reliable engineering partners. India is increasingly emerging as a preferred manufacturing destination, supported by strong economic growth, infrastructure investments and a growing focus on advanced manufacturing.

Many of the sectors we serve are benefitting from powerful structural tailwinds. Global passenger traffic has surpassed pre-pandemic levels, while aircraft manufacturers continue to maintain record order backlogs. Increasing fleet utilisation is driving growth in maintenance, repair and overhaul activities.

At the same time, investments in defence modernisation, semiconductor manufacturing, energy infrastructure and nuclear power are creating significant opportunities for precision engineering companies. These sectors demand high levels of quality and reliability. We believe Unimech is well positioned to participate in these opportunities through its differentiated engineering capabilities, strengthened business platform equally supported with strong customer relationships.

Strengthening the Foundations of Future Growth

FY 2025-26 was a year of strategic investments and capability building. For much of the year, customer ordering patterns remained subdued as global trade uncertainties impacted procurement activity across parts of the aerospace ecosystem. While these conditions weighed on demand visibility, they also highlighted the resilience of our business model and the progress made in diversifying the Company.

Throughout the year, we remained focused on strengthening Unimech's long-term competitive position. We added capacity, expanded our international footprint, deepened customer engagement across aerospace, defence, semiconductor and energy sectors, and continued investing in talent, infrastructure and engineering excellence.

Our qualified product ecosystem expanded to more than 5,900 SKUs, reflecting the breadth of our engineering capabilities and participation across customer programmes. Our workforce grew to 853 employees. At the same time, our manufacturing platform now comprises more than 150 CNC machines with installed capacity exceeding 6.8 Lakh machine hours annually.

However, the true strength of our business lies in the trust we have earned over years. Long qualification cycles, deep technical collaboration, and a consistent focus on execution have enabled us to become an integral part of our customers' supply chains. This foundation of customer confidence continues to support both the resilience and long-term visibility of our business.

Delivering a Resilient Financial Performance

Despite the challenges encountered during the year, the Company delivered a resilient financial performance while continuing to invest for the future.

Revenue from operations for FY 2025-26 stood at approximately INR 240.5 Crores. Growth remained muted due to temporary disruptions in customer procurement cycles and shipment schedules. However, our focus on operational discipline and margin management helped preserve profitability.

EBITDA for the year stood at approximately INR 75.1 Crores, while Profit after tax was approximately INR 63.3 Crores. Gross margins remained strong at nearly 70%, reflecting the specialised nature of our products, engineering expertise and value-added capabilities.

Importantly, business momentum improved meaningfully during the fourth quarter as customer confidence strengthened and ordering patterns began to normalise. In our view, the softer demand environment witnessed through much of the year was temporary and does not alter the long-term opportunity before us.

Expanding Customer Relationships and Creating New Growth Engines

One of the most satisfying aspects of the year was the continued expansion of our customer engagement across industries and geographies.

Today, Unimech serves approximately 35 customers across North America, Europe and India. During the year, we strengthened our participation within existing customer programmes. We also added new engagements across aerospace, energy, semiconductor and industrial applications.

A significant milestone was securing a USD 4 Million Ground Support Equipment (GSE) order under the LEAP engine programme, one of the largest orders in our aero-tooling business history. This achievement reflects the confidence global customers place in our technical capabilities, execution standards and commitment to quality.

In parallel, we continued to strengthen our manufacturing footprint by commissioning a dedicated precision components & assemblies facility and a fabrication facility in October. These capacity additions were undertaken to address the growing demand across our target industries while expanding our capabilities beyond tooling into higher-value precision components, assemblies, and fabricated products.

We also took meaningful steps to strengthen our global presence through the Kanoo-Unimech Joint Venture in Saudi Arabia. It positioned us to participate in opportunities emerging across the Middle East and further strengthen our proximity to customers.

> A significant milestone was securing a **USD 4 Million Ground Support Equipment (GSE)** order under the LEAP engine programme, one of the largest orders in our history.

Another important milestone during the year was the acquisition of Hobel Bellows. This capability-led acquisition expands our presence beyond precision-machined components into higher-value engineered assemblies and subsystems, significantly strengthening our technology portfolio and broadening our addressable market. The acquisition adds complementary capabilities in metal forming, bellows manufacturing, fabrication, and assembly solutions, enhancing our ability to participate in a larger share of our customers' value chain. We have already identified strong commercial and operational synergies, which will enable us to offer more integrated solutions and larger work packages to our existing customers while creating new cross-selling opportunities across both businesses.

During the year, we further increased our stake in Dheya Technologies, reinforcing our commitment to advanced defence and propulsion technologies. We made significant progress in its deep-tech journey, securing an initial order from Defence Tier-1 for engine testing and validation, with the potential for meaningful scale-up upon successful qualification. The Company also successfully completed multiple validation tests of its DET500 engine, achieving performance in line with design expectations. Looking ahead, Dheya is focused on commercial deployment of its propulsion platform subject to certifications and validations, expanding customer adoption, developing next-generation higher-thrust engines, and establishing dedicated testing infrastructure to accelerate certification and commercialisation.

Together, these initiatives are creating multiple growth engines that will underpin the Company's next phase of expansion.

Building a Strong Position in Nuclear and Emerging Industries

Among the many opportunities ahead, I am particularly excited about the potential emerging within the nuclear energy sector.

India's ambition to increase installed nuclear capacity to approximately 100 GW in next two decades, coupled with investments in new reactors and refurbishment programmes, is creating meaningful opportunities for companies with expertise in precision manufacturing and complex assemblies.

During the year, we secured approximately INR 87 Crores of nuclear orders while building a broader opportunity pipeline in this segment. We believe the nuclear sector can become an important contributor to our future growth and remain committed to strengthening our capabilities in this area.

We are equally encouraged by the opportunities emerging within the semiconductor ecosystem. As global supply chains increasingly diversify towards India, demand for high-precision engineered components and assemblies continues to grow.

Through sustained investments in advanced manufacturing capabilities, capability development, and we are steadily strengthening our position with leading global semiconductor equipment OEMs. We expect these efforts to translate into meaningful revenue contributions and support our growth trajectory in FY 2026-27 and beyond.

India's ambition to increase installed nuclear capacity to approximately 100 GW in next two decades.

Looking Ahead with Confidence

As we enter FY 2026-27, we do so with greater confidence and stronger visibility.

The strategic investments made over the past few years are now maturing, and the benefits of these efforts are becoming increasingly visible across the business. We have enhanced our manufacturing platform, expanded our engineering capabilities, diversified our customer base and created multiple avenues for future growth.

Importantly, we closed FY 2025-26 with a consolidated order book of over INR 200 Crores, the highest in our history. Customer engagement levels remain healthy across key segments, and we are seeing encouraging momentum across aerospace, defence, nuclear energy, semiconductors and industrial applications.

The easing of tariff-related uncertainties in our largest export markets and the gradual normalisation of customer ordering patterns are encouraging developments. Growing demand visibility across key sectors provides a favourable backdrop for future growth. At the same time, our international expansion initiatives, FTWZ strategy and capability-led acquisitions are expected to strengthen customer stickiness and improve long-term durability of business.

While we remain mindful of evolving geopolitical and global trade dynamics, I firmly believe Unimech is today strategically stronger, operationally more resilient and better positioned than ever before.

None of this would have been possible without the dedication of our employees, the trust of our customers, the support of our business partners and the confidence of our shareholders. I extend my sincere gratitude to all of you for being part of our journey.

We have built a strong foundation. We have diversified our growth drivers. Most importantly, we have created a platform capable of supporting sustainable long-term growth.

The journey ahead is filled with opportunity, and I look forward to sharing the next chapter of Unimech's growth story with all of you.

Warm regards,

Anil Kumar Puttan
Chairman and Managing Director

About Us

Engineering for Critical Industries

Unimech Aerospace and Manufacturing Limited ('Unimech' or 'The Company') is an integrated precision engineering and manufacturing platform serving critical industries, including aerospace, defence, energy, and semiconductors.

The Company specialises in the design, manufacture, and supply of high-precision products and systems, including aero tooling, ground support equipment, precision engineered components, electro-mechanical sub-assemblies, and turnkey solutions for mission-critical applications. Drawing on advanced engineering, machining, fabrication, assembly, and testing capabilities, Unimech serves global OEMs and industry leaders through both build-to-print and build-to-specification models.

Vision

To be a globally recognised leader in precision manufacturing, setting the gold standard in high-complexity tooling, electro-mechanical turnkey systems, and precision components. By combining advanced digital infrastructure, build-to-print and build-to-specification capabilities, customer-focused solutions, and strategic investments, we aim to shape a future of innovation, operational excellence, and sustainable growth.

Mission

To deliver transformative precision manufacturing solutions for the aerospace, defence, energy, and semiconductor industries through unmatched expertise in tooling, precision components, and electro-mechanical turnkey systems. By excelling in build-to-print and build-to-specification capabilities, leveraging cutting-edge design-to-manufacturing expertise, a robust digital infrastructure for quality and traceability, and a global manufacturing footprint, we empower our customers to achieve exceptional outcomes while creating sustainable value for all stakeholders.

Values

At Unimech, we value integrity, safety, and accountability. We are committed to delivering high-quality products, embracing innovation, and continuously improving. Our goal is to exceed expectations and follow best practices in all we do.

Business Offerings

Unimech's business portfolio is anchored in precision engineering and caters to customers operating in highly regulated and mission-critical industries. The Company's critical business offerings under its precision engineering platform are:

Aero Tooling/MRO Tooling

Manufactures specialised tooling systems, machine assemblies, and ground support equipment used across engine assembly, aircraft production, and testing, maintenance, repair, and overhaul (MRO) activities for leading global aerospace OEMs and Tier-1 suppliers. The Company's solutions support critical aerospace manufacturing and aftermarket operations and are widely deployed across high-demand engine programmes, including LEAP, Pratt & Whitney, and Rolls-Royce platforms.

Precision Components & Assemblies

Manufactures high-precision engineered components, assemblies, and sub-systems for critical applications across high-growth end markets such as aerospace, defence, energy, semiconductors, and other emerging industries, leveraging advanced manufacturing capabilities and stringent quality standards.




Industries Served

Aerospace: Complex aero-tooling, MRO tooling, and precision engineered components for flying and non-flying aerospace applications.

Energy: Precision engineered components and systems for nuclear energy, including reactor modernisation and new-build projects, as well as oil & gas applications.

Defence and Space: Precision components for defence applications and advanced propulsion systems.

Semiconductors: Precision components and assemblies for semiconductor equipment manufacturers.

Industrials: Engineered products such as metallic bellows and exhaust manifold systems for locomotive and power generation applications.

Emerging Industries: High-precision solutions for medical devices and robotics applications.

5,923
Total SKUs

5,63,000 sq. ft.
Capacity of All Manufacturing Units

25,000 sq. ft.
of Free Trade Warehouse

4,718
Tooling SKUs

5
Manufacturing Units (Bengaluru, Vishakapatnam, Saudi Arabia)

7
Countries Presence

1,205
Precision Parts SKUs

35+
Total Clients

Milestones

Tracing a Journey of Progress

Since its inception in 2016, Unimech has progressed with a clear focus on precision, capability expansion, and global integration. From infrastructure scale-up and certification achievements to strategic partnerships and customer additions, each milestone has expanded the Company's capabilities and strengthened its position in high-precision manufacturing.

2015-16

- Incorporated as Unimech Aerospace and Manufacturing Private Limited

2016-17

- Acquired the business and assets of M/s. Unimech Consulting Engineers
- Achieved AS9100 D certification

2017-18

- Incorporated subsidiary, Innomech Aerospace Toolings Private Limited

2019-20

- Achieved ISO 45001:2018, ISO 9001:2015 and AS9100D certifications
- Commenced operations from SEZ unit

2021-22

- Expanded our offerings to energy sector

2022-23

- Ceased to consolidate Unimech Healthcare Private Limited as a subsidiary

2023-24

- Expanded customer base with the addition of leading airframe and engine OEMs

2024-25

- Consolidated Unimech Global Manufacturing Solutions Inc. as a wholly owned subsidiary
- Signed an exclusive manufacturing agreement with Dheya Engineering Technologies Private Limited
- Listed on NSE and BSE
- Expanded manufacturing footprint to 2,13,000 sq. ft.

2025-26

- Added 2 new facilities – Precision Components and Assembly Unit and Central Fabrication Unit
- Expanded manufacturing footprint to 2,73,000 sq. ft.
- Qualified for Engine Stands and secured a USD 4 Million order, the largest contract in the Company's history
- Entered the nuclear segment with NPCIL EMCCR orders, with the outstanding nuclear order book reaching INR 87 Crores
- Formed a joint venture with the Kanoo Group, marking entry into Saudi Arabia
- Enhanced capabilities through the acquisition of a Visakhapatnam SEZ-based manufacturing business

Strategic Investments and Expansion

Expanding Global Presence and Technological Depth

As part of its long-term growth strategy, Unimech is strengthening its global presence, enhancing technological depth and expanding participation across high-value industrial sectors. Supported by a capital raise of INR 2,500 Million, the Company is pursuing a disciplined growth strategy through investments, partnerships, joint ventures and acquisitions.

Kanoo Unimech Advanced Manufacturing Solutions LLC

Strategic Entry into Saudi Arabia and the GCC

In January 2026, Unimech entered into a 51:49 joint venture with Yusuf Bin Ahmed Kanoo Company Limited to establish Kanoo Unimech Advanced Manufacturing Solutions LLC in Saudi Arabia.

The venture is establishing an advanced manufacturing and remanufacturing facility focused on directional drilling components. These components will serve the oil & gas, utilities and mining sectors. Aligned with Saudi Arabia's Vision 2030 and IKTVA localisation programmes, the initiative provides access to a large and growing industrial ecosystem.

Strategic Value

- Establishes Unimech's first manufacturing base in the Middle East
- Creates access to localisation-led opportunities in Saudi Arabia
- Expands presence across the GCC region
- Expands the business into energy and industrial applications
- Creates a scalable platform for long-term regional growth

Hobel Bellows Co.

Expanding Advanced Manufacturing Capabilities

Unimech acquired a 100% stake in Hobel Bellows, a specialised engineering business operating from the Visakhapatnam SEZ. The transaction was completed in April 2026. This capability-led acquisition significantly expands Unimech's manufacturing ecosystem. It also strengthens its participation in precision-engineered industrial applications.

The acquisition adds specialised competencies in metal forming, hydroforming, sheet metal fabrication, tube assemblies and pipe bending, while adding a machine critical application like bellows providing access to a highly export-oriented manufacturing platform serving global OEMs.

Strategic Value

- Adds specialised metal forming and tube bending capabilities
- Deepens engineering expertise across precision manufacturing
- Expands participation across industrial, transportation and energy sectors
- Enhances export-oriented manufacturing capabilities
- Broadens product offerings and customer diversification

Dheya Engineering Technologies

Advancing into Design-led Aerospace Technologies

During the year, the Company increased its stake in Dheya Engineering Technologies Private Limited to ~30%, reinforcing its commitment to advanced aerospace and defence technologies. Through this partnership, Unimech has secured exclusive global manufacturing rights for Micro Gas Turbine (MGT) engines and associated subsystems, while also advancing the development of Electronic Control Units (ECUs), enabling an integrated propulsion and control systems offering.

Dheya achieved significant technical milestones during the year, including successful validation testing of the DET500 engine at up to 90% load capacity, with over 500 minutes of runtime and more than 100 test cycles completed without major operational failures. The Company also secured an initial order from Defence Tier-1 for engine testing and validation, with the potential for substantial scale-up upon successful qualification. Progress was also made in ECU development, certification activities, and advanced combustor technologies through collaborations with leading research institutions.

Looking ahead, the focus remains on commercial deployment of the DET platform, customer adoption, certification milestones, and development of next-generation higher-thrust engines. This partnership represents a strategic evolution from traditional build-to-print manufacturing towards higher-value build-to-design opportunities in advanced propulsion systems, UAVs, and defence applications.

Strategic Value

- Marks entry into advanced propulsion and aerospace technologies
- Secures exclusive manufacturing rights for MGT engines and subsystems
- Enables an integrated MGT and ECU offering under a single platform
- Strengthens participation in UAV and defence applications
- Accelerates movement up the engineering value chain

Business Offerings

Delivering through Specialised Offerings

With a focused approach to intricate manufacturing and application-specific solutions, Unimech delivers tailored offerings across diverse sectors. These offerings enable efficiency, adaptability, and consistent performance in demanding environments.

Its critical business offerings are built around Aero Tooling & MRO Tooling and Precision Components & Assemblies, creating a diversified and resilient business portfolio.

Aero Tooling and MRO Tooling

Enabling Precision across the Aircraft Lifecycle

Aero Tooling and MRO Tooling represents the Company's primary business offering. It comprises specialised tooling solutions in engine and aircraft manufacturing, assembly, testing, maintenance and overhaul operations.

Engineered to meet stringent aerospace quality standards, these products help global OEMs and MRO operators enhance accuracy, safety, and operational efficiency.

Product Portfolio


Engine stands and transportation systems


Engine lifting and balancing equipment

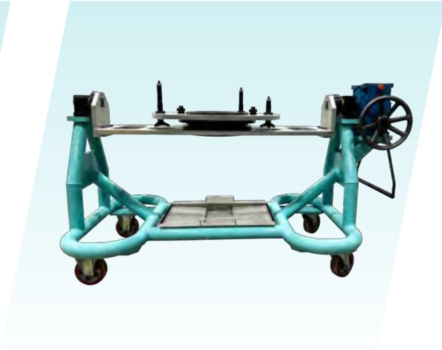

Turbine assembly fixtures


Hydraulic tooling solutions


High-precision drilling jigs and fixtures


Airframe assembly tooling


Ground support equipment


Maintenance, Repair and Overhaul (MRO) tooling

Key Initiatives

- Qualified for Engine Stands as a new aerospace tooling commodity group
- Secured the largest tooling order in the Company's history, valued at approximately USD 4 Million
- Enhanced manufacturing capabilities to support larger and more complex tooling programmes
- Expanded engagement with leading airframe and engine OEMs

Growth Priorities

- Expand participation in higher-complexity tooling programmes
- Increase wallet share with existing customers through integrated offerings
- Strengthen long-term customer engagements
- Enhance execution capabilities and turnaround efficiency
- Pursue capability-led expansion opportunities

Revenue Contribution:

90%

Precision Components and Assemblies

Expanding Presence across High-value Engineering Applications

The Precision Components & Assemblies segment focuses on the manufacture of high-precision components, assemblies and engineered sub-systems serving aerospace, defence, energy, semiconductor, industrial and emerging technology applications.

These offerings will see a compounding growth as we successfully prove our parts and components. Strengthening the Company's participation in complex, engineering-intensive programmes while progressively moving up the manufacturing value chain.

Precision Machined Components

- Aerospace structural components
- Defence precision-engineered components
- Semiconductor equipment components
- Nuclear industry components
- Oil & gas precision components

Fabricated and Engineered Assemblies

- Electro-mechanical assemblies
- Precision fabricated structures
- Welded assemblies
- Complex engineered assemblies

Integrated Sub-systems

- Nuclear sub-systems and assemblies
- Defence assemblies
- Semiconductor modules
- Turnkey engineered solutions

Advanced Technology Products

- Micro Gas Turbine (MGT) Systems
- Electronic Control Units (ECUs)
- Advanced propulsion-related assemblies

Key Initiatives

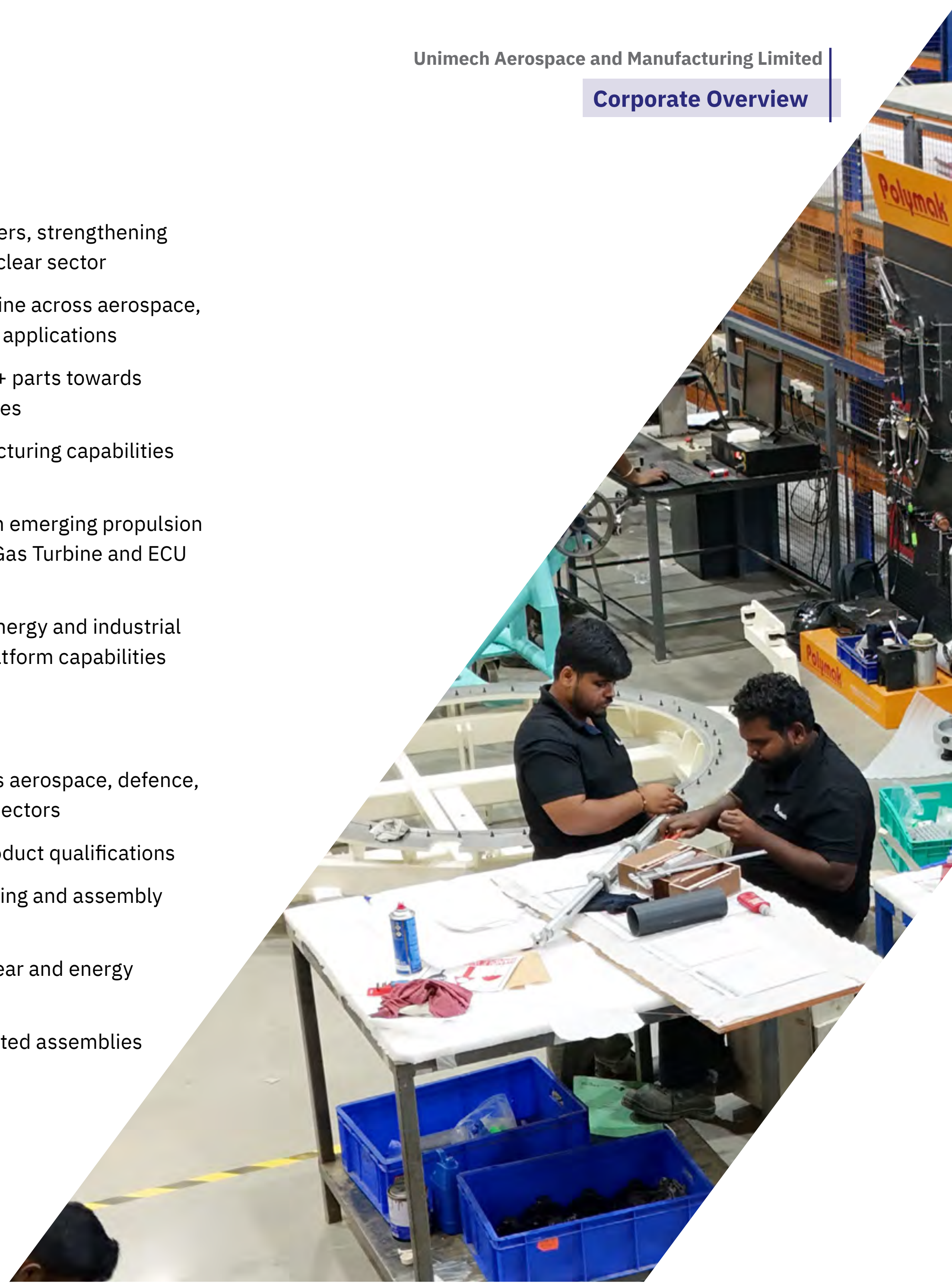
- Secured Nuclear EMCCR orders, strengthening presence in the domestic nuclear sector
- Expanded qualification pipeline across aerospace, defence, and semiconductor applications
- Successfully worked on 200+ parts towards qualifications across industries
- Enhanced advanced manufacturing capabilities through strategic additions
- Strengthened participation in emerging propulsion technologies through Micro Gas Turbine and ECU manufacturing programmes
- Expanded opportunities in energy and industrial applications through new platform capabilities

Growth Priorities

- Increase participation across aerospace, defence, energy, and semiconductor sectors
- Accelerate customer and product qualifications
- Expand complex manufacturing and assembly capabilities
- Strengthen presence in nuclear and energy applications
- Increase the share of integrated assemblies and sub-systems

Revenue Contribution:

10%



R&D Initiatives

Advancing through Engineering Capabilities

At Unimech, research and development is focused on advancing engineering capabilities. It also supports the development of differentiated technologies and solutions for increasingly complex applications.

The Company invests continuously in product development, advanced manufacturing technologies, and strategic collaborations. These efforts help address evolving requirements across aerospace, defence, and other precision engineering sectors.

Advanced Aerospace Technologies

Building capabilities in next-generation propulsion and control systems through focused technology development initiatives.

Micro Gas Turbine (MGT) Platform

- Exclusive manufacturing rights through the Dheya Engineering partnership
- Development of indigenous propulsion technologies
- Applications across aerospace, defence and unmanned platforms
- Expansion into hydrogen propulsion systems

Indigenous ECU Development

- Development of Electronic Control Units (ECUs)
- Advanced engine control and monitoring capabilities
- Integrated propulsion and control system solutions

Engineering Excellence

Strengthening engineering capabilities through advanced design, simulation and manufacturing technologies.

Capability Enhancements

- Build-to-design engineering capabilities
- Advanced product development and prototyping
- Design-for-manufacturing optimisation
- Enhanced engineering validation processes

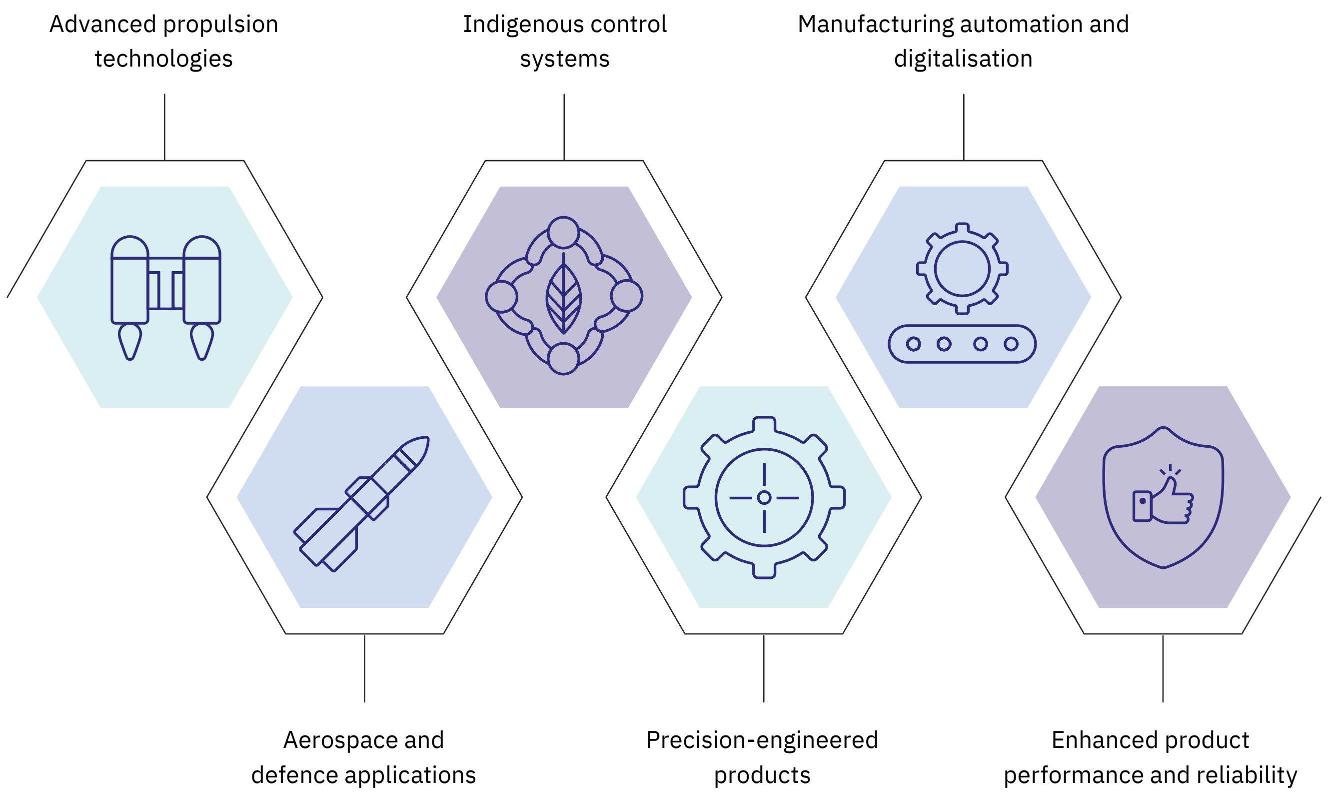
Digital and Process Innovation

The Company has established a digitally integrated manufacturing ecosystem. It connects engineering, planning, production, quality and delivery processes through a unified technology platform. This enables greater operational visibility, process traceability, resource optimisation and execution excellence across the manufacturing value chain.

Key Capabilities

- ERP-driven production planning and execution
- Digital quotation and resource planning systems
- 3D CAD-based engineering and process development
- ERP-enabled make-or-buy optimisation
- Automated CNC programming for enhanced productivity and accuracy
- Real-time vendor coordination and monitoring
- Digital quality assurance and inspection workflows
- End-to-end traceability across manufacturing processes

Strategic Focus Areas



Building Future-ready Solutions

The Company continues to strengthen its innovation ecosystem through investments in product development, advanced technologies and engineering excellence. This enables the development of differentiated solutions for next-generation aerospace, defence and high-precision industrial applications.

Scaling through Manufacturing Excellence

Anchored in robust facilities and integrated systems, the Company continues to scale its manufacturing platform. Ongoing capacity enhancement and improved utilisation reinforce its ability to deliver consistent outcomes across demanding industrial applications.

Integrated Manufacturing Footprint

2,73,000 sq. ft. of manufacturing infrastructure across three specialised facilities in Bengaluru

Aero Tooling Unit

1,50,000 sq. ft. | Devanahalli Aerospace SEZ, Bengaluru

A dedicated facility manufacturing specialised aero-engine and airframe tooling for global aerospace programmes.

High Precision Components and Assembly Unit

93,000 sq. ft. | Devanahalli Industrial Area, Bengaluru

Established to support the growing demand for high-precision components, assemblies and mission-critical engineering solutions. The facility was commissioned with 33,000 sq. ft. in October 2025 and expanded by an additional 60,000 sq. ft. in January 2026.

Central Fabrication Unit

30,000 sq. ft. | Devanahalli Industrial Area, Bengaluru

A dedicated fabrication hub that strengthens manufacturing integration and enhances operational agility. It also supports efficient project execution across business segments.

Together, these facilities form a unified manufacturing platform. It supports complex, high-mix, low-volume production requirements across aerospace, defence, energy, semiconductor and emerging industries.

Hobel Bellows - Engineered Components Unit

2,00,000 sq. ft. | Duvvada SEZ, Visakhapatnam

A dedicated facility to serve the industrial segment, offering engineered solutions for critical applications across power generation, locomotives, and industrial infrastructure. The expansion is further supported by an additional 20,000 sq. ft. of warehousing space, enhancing operational efficiency, inventory management, and scalability to meet growing customer demand.

Kanoo Unimech Advanced Manufacturing Solutions Unit

90,000 sq. ft. | Modon Industrial Area, Saudi Arabia

Commissioning a facility to establish an advanced precision manufacturing and remanufacturing facility in Dammam, Saudi Arabia. The facility is being developed within the Modon Industrial Area and will serve the oil & gas, energy, industrial, and engineered products sectors across the Kingdom and the broader GCC region.

Capacity and Expansion

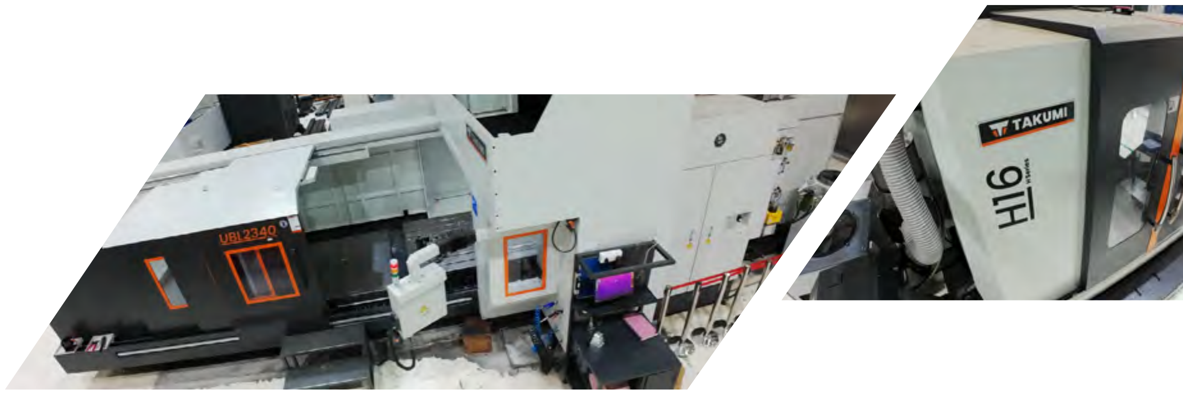
Installed Capacity:
6.8 Lakh machine hours (FY 2025-26)

Capacity Utilisation:
52%

Future Ready:
4-acre land available to scale operations and enable strategic partnerships

Core Manufacturing Strengths

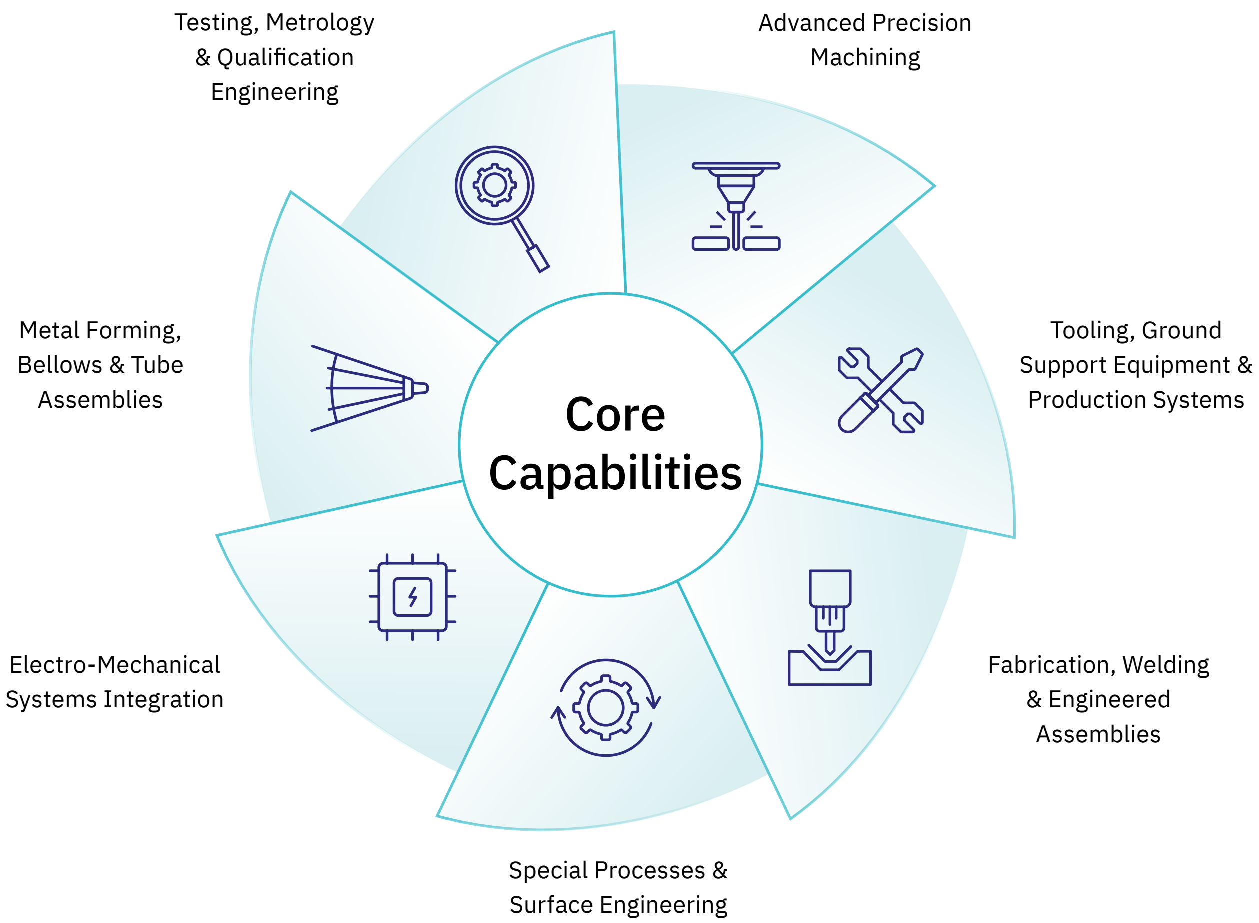
- Comprehensive capabilities across 3, 4, 5-axis machining double column milling, turning, EDM, and electro-mechanical integration
- High-precision manufacturing with consistent scalability across complex, low-volume, high-mix production
- Significant capacity augmentation through advanced VMCs, HMCs, and boring machines



End-to-End Manufacturing Capabilities

The Company delivers integrated solutions across the entire manufacturing value chain, enhancing efficiency, optimising resources, and strengthening customer retention through a single-window execution model.

Core Capabilities



Building Trust through Global Certifications

In today's aerospace and precision manufacturing industry, certifications are far more than compliance requirements; they are strategic enablers that strengthen customer confidence, reinforce operational excellence and unlock access to highly regulated global markets. They reflect our commitment to internationally recognised standards across quality, environmental stewardship, workplace safety, technical competence, information security and industry-specific excellence.

Together, our certifications strengthen customer confidence and audit readiness, improve process discipline, operational excellence and consistency, enhance compliance, traceability and enterprise-wide risk management, and expand our capabilities across aerospace, defense, oil & gas and other regulated industries. They also reduce operational risks, support sustainable growth and improve our competitiveness for high-value domestic and international opportunities, reinforcing our position as a trusted, future-ready manufacturing partner.

AS9100 (Including ISO 9001)

The Foundation of Aerospace Quality

ISO 14001

Advancing Sustainable Manufacturing

ISO 45001

Strengthening Workplace Safety

ISO 17025 (Planned)

Enhancing Measurement and Inspection Excellence

API Q1 (Planned)

Expanding Capabilities into the Energy Sector

NADCAP Accreditation (Planned)

Advancing Aerospace Special Process Capability

ISO 27001 (Planned)

Securing Digital Manufacturing

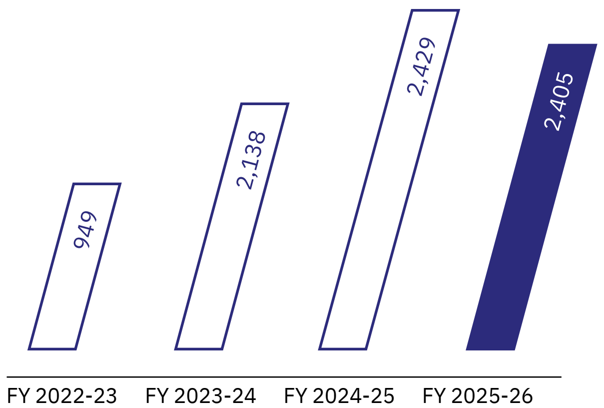
Financial Excellence

Growing with Monetary Discipline

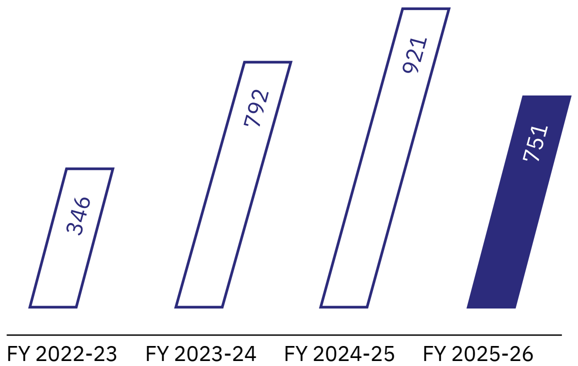
Amid evolving market conditions and a softer demand environment, Unimech remained resilient through disciplined execution, export strength and prudent capital management. The Company continued to strengthen strategic capabilities and expand its product portfolio. It also invested in future growth opportunities, reinforcing the foundation for long-term value creation.

Financial Snapshot

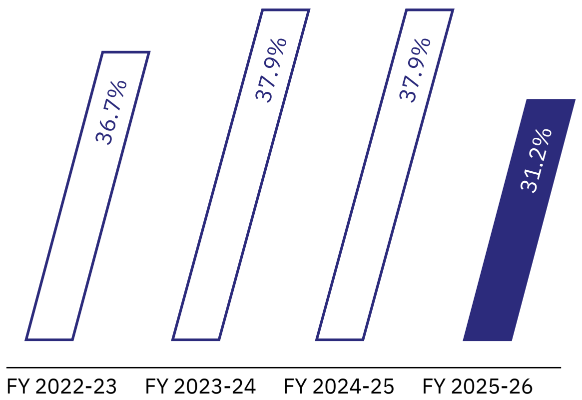
Revenue from Operations (INR Million)



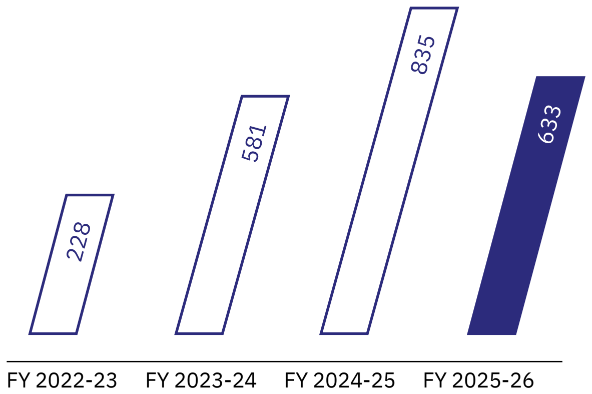
EBITDA (INR Million)



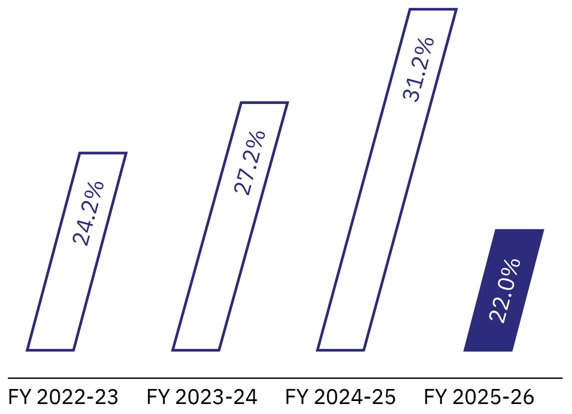
EBITDA Margin (%)



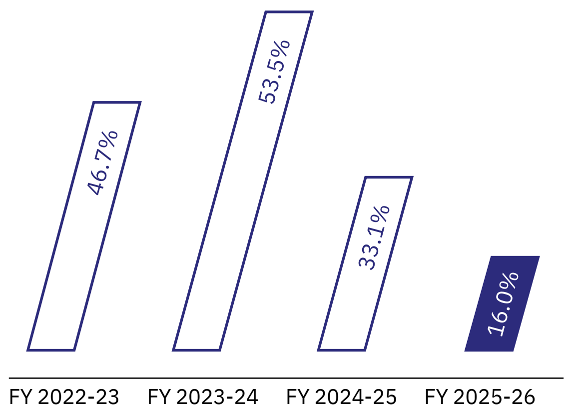
PAT (INR Million)



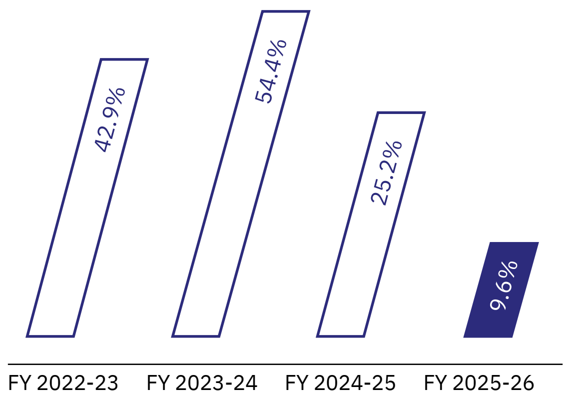
PAT Margin (%)



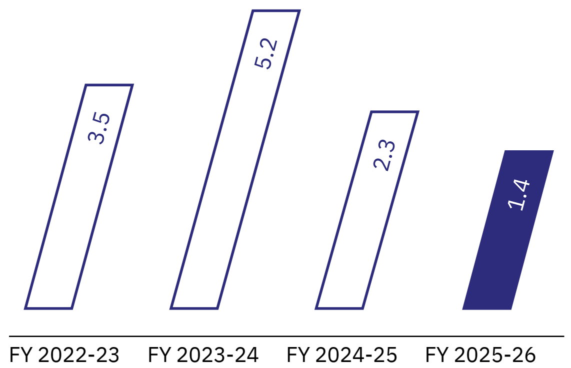
ROE (%)



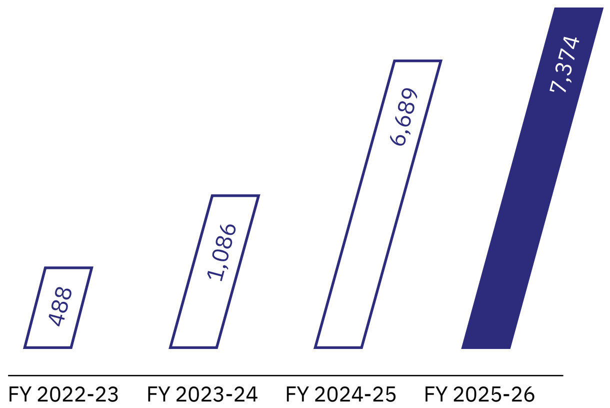
ROCE (%)



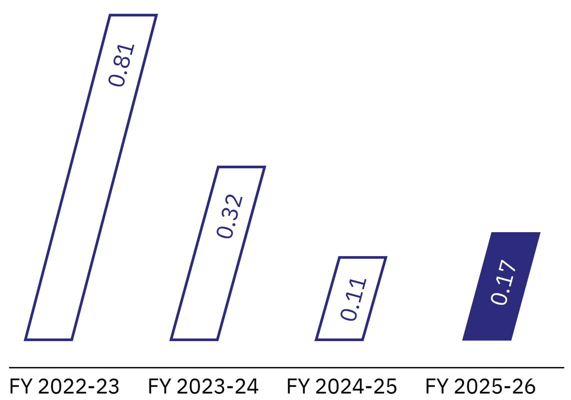
Fixed Asset Turnover (x)



Net Worth (INR Million)



Net Debt/Equity (x)



Strategies

Accelerating towards Global Recognition

Unimech is broadening its growth drivers by expanding global presence, strengthening customer integration, and entering high-growth sectors. This approach is strengthening a resilient, multi-industry platform and creating new opportunities for long-term growth.

Key Growth Strategies

Global Reach

Expand international presence and strengthen customer proximity across strategic markets to capture a larger share of global precision engineering opportunities.

The Company is focused on expanding its presence across key international markets through a robust delivery network, strong customer relationships and enhanced market access initiatives. This strategy is aimed at strengthening global competitiveness while improving responsiveness to customer requirements.

- Presence across seven countries
- Positioning across the USA, Europe, Canada, UK, Saudi Arabia and other strategic markets
- Export contribution of 90% to total revenue
- Global delivery network supporting seamless execution across geographies

Market Deepening

Increase wallet share from existing customers by expanding participation across programmes, products and lifecycle requirements.

The Company seeks to leverage established customer relationships and domain expertise to deepen engagement across existing accounts. This enables programme participation while supporting growth across target sectors.

- Focus on increasing wallet share from existing customers
- Expansion of opportunities in the MRO tooling segment
- Engagement with aerospace OEMs and licensed manufacturers
- Participation in nuclear and energy-related projects

New Growth Engines

Create future growth platforms through expansion into high-value, precision-driven industries and applications.

Building on its core engineering strengths, the Company is expanding into sectors with high entry barriers, stringent quality requirements and long-term growth potential.

- Expansion of high-precision products for aerospace and defence applications
- Development of capabilities for semiconductor component manufacturing
- Entry into the oil & gas sector through a strategic joint venture
- Exploration of opportunities in the medical devices segment

Scaling Capacity

Strengthen manufacturing scale and operational readiness to support rising demand and growing product complexity.

The Company continues to invest in advanced infrastructure, specialised equipment and process enhancement initiatives to support future growth while maintaining operational excellence.

- Installed capacity exceeding 6.8 lakh machine hours
- Manufacturing footprint of over 5,63,000 sq. ft.
- More than 150 specialised machines across facilities
- Planned addition of special process capabilities in FY 2026-27

Capability Enhancement

Build differentiated capabilities through technology, specialised processes, partnerships and strategic initiatives.

The Company is strengthening its competitive position by enhancing technical expertise, expanding manufacturing capabilities and pursuing strategic collaborations. These initiatives support entry into new markets and applications.

- Development of advanced and specialised manufacturing capabilities
- Strategic partnerships to strengthen customer engagement and market access
- Capability expansion aligned with emerging industry opportunities
- Pursuit of inorganic and collaborative growth opportunities

This framework supports the Company's vision of building a globally competitive, multi-industry precision engineering platform with diversified growth drivers and sustainable value creation.

ESG Commitment and Governance

Embedding Responsibility for Long-term Value

At Unimech, sustainability is embedded into how the Company operates, scales, and creates long-term value. Through environmental responsibility, inclusive workforce practices, and strong governance frameworks, the Company is building a resilient and future-ready organisation.

Environmental

Reducing Impact. Enhancing Efficiency.

Unimech continues to strengthen its environmental performance through clearly defined and measurable goals. The Company has set a target to achieve a 60% reduction in greenhouse gas emissions and overall waste generation by 2030. This reflects its commitment to sustainable manufacturing.

Key operational initiatives include:

Zero Liquid Discharge (ZLD) systems across all facilities

- 100% recycling of treated water for non-potable use
- 30% reduction in freshwater consumption

Energy efficiency interventions

- VFD-enabled compressors (T~10% power savings)
- Advanced VRF cooling systems
- High-efficiency CNC-based machinery

Together, these initiatives enhance resource efficiency while supporting the Company's broader decarbonisation roadmap.

Social

Empowering People. Building Capability.

The Company's social approach is centred on building a skilled, inclusive, and future-ready workforce. With a target to upskill up to 3,000 students by 2030, Unimech is actively contributing to strengthening the talent pipeline for advanced manufacturing.

Key focus areas include:

Diversity and inclusion

- Target of at least 50% representation from underrepresented groups

Learning and development ecosystem

- In-house technical training and workshops
- Simulator-based learning modules
- Apprenticeship programmes under the Apprentices Act, 1961

Employee well-being remains a core priority. Supported by regular training, safety audits, and proactive risk mitigation measures, the Company's Occupational Health and Safety (OHS) framework promotes a safe working environment. This has helped maintain its goal of zero major incidents.

Governance

Driving Integrity. Ensuring Accountability.

Unimech's governance framework reflects a strong commitment to ethical conduct, transparency, and long-term value creation. The Company is guided by a ten-member Board, with 50% Independent Directors, ensuring balanced oversight and regulatory compliance.

Governance practices are supported by:

Structured Board committees

- Audit, Risk Management, CSR, and Remuneration oversight

Robust ethical framework

- Code of Business Conduct and Ethics
- Whistle-Blower Policy and Vigil Mechanism

Strong compliance track record

- No regulatory sanctions or default classifications

This disciplined approach reinforces stakeholder trust while supporting sustainable growth.

Board of Directors

Corporate Stewardship
Driving Excellence

Board of Directors

Mr. Anil Kumar Puttan

Chairman and Managing Director

As Chairman and Managing Director, Mr. Anil Kumar plays a pivotal role in shaping every facet of the Company's success. Armed with a B.Tech in Mechanical Engineering and extensive leadership experience in top MNCs, Anil leads with vision and expertise.

With over 23 years of rich and diverse experience in Business Development, Administration, and Aerospace, his leadership continues to guide the company to new heights. His relentless drive and innovative thinking are central to the Company's growth and market leadership.

Mr. Ramakrishna Kamojhala

Co-Founder and Chief Financial Officer

With a remarkable career spanning over 25+ years, Mr. Ramakrishna Kamojhala is a dynamic leader and a Fellow Member of the Institute of Chartered Accountants of India, the Institute of Cost and Works Accountants of India, and the Institute of Company Secretaries of India.

He holds an MBA from the National Institute of Business Management, Chennai, and has completed the prestigious Middle Management Programme at IIM Ahmedabad. His deep expertise in finance, treasury, legal, and corporate affairs has been a driving force in establishing and nurturing our commitment to world-class corporate governance. His invaluable contributions continue to shape the Company's strategic direction and drive sustainable growth.

Mr. Mani Puttan

Co-founder and Head of Precision Components and Assemblies Business Unit

Mr. Mani is a powerhouse of operational excellence and strategic foresight. Holding a B.Tech in Mechanical Engineering (Computer Integrated Manufacturing) and an MBA from Toulouse Business School, France, he brings a unique blend of technical expertise and global business acumen to his role.

Over the past three decades, Mani has been instrumental in driving business operations, managing projects, and spearheading growth initiatives. His vision and hands-on leadership in Operations, Business Development, and Administration continue to propel the Company forward.

Mr. Rajanikanth Balaraman

Co-Founder, Chief Growth and Technology Officer

Rajanikanth Balaraman is the Co-Founder, Chief Growth & Technology Officer of Unimech Aerospace and Manufacturing Limited, where he leads global business growth, strategic partnerships, mergers & acquisitions, technology commercialisation, and corporate strategy.

With over 30 years of leadership experience spanning technology, engineering, and international business, he has been instrumental in expanding Unimech's presence across the aerospace, defence, semiconductor, energy, and industrial sectors. He has helped build long-term partnerships with leading global OEMs while driving the Company's organic and inorganic growth initiatives.

Rajanikanth is also leading strategic investments in emerging technologies, including indigenous propulsion systems and clean energy, reinforcing India's capabilities in advanced manufacturing and high-value engineering.

Mr. Preetham Venkatesh Shimoga

Co-Founder and Head of Tooling Business Unit

A visionary in people management and business growth, Mr. Preetham is dedicated to fostering a culture of innovation and excellence. Holding a bachelor's degree in industrial production engineering, he brings over 20+ years of expertise in manufacturing, customer relations, and key account management.

Preetham's strategic oversight and leadership in Operations, Technical Functions, and People Management have been instrumental in driving the company's sustained growth. His unwavering commitment to excellence and customer satisfaction continues to shape the Company's future.

Independent Directors

Mr. Mukund Srinath

Mr. Mukund Srinath is a seasoned corporate professional with over 35 years of expertise in Legal and Corporate Secretarial matters. A Fellow Member of the Institute of Company Secretaries of India, a law graduate, and a postgraduate in Commerce, he has held leadership roles at prominent organisations, including Capgemini Technology Services India Limited, iGATE Group, SmithKline Pharmaceuticals Limited, BPL Limited, and DISA Limited.

Currently a Corporate Consultant, Mr. Srinath brings unparalleled experience in corporate governance and legal affairs. His wealth of knowledge and strategic insights are an invaluable asset to our board, ensuring legal compliance and best practices in corporate governance.

Mr. Ashok Tandon

Mr. Ashok Tandon is a renowned management professional with over four decades of rich experience at the board level in industries spanning Aerospace and Defence, Mining and Metal Fertiliser, Sugar, and Machine Tool sectors. A law graduate and Fellow Member of the Institute of Company Secretaries, Mr. Tandon served as the Executive Director (Company Secretary) at Hindustan Aeronautics Limited (HAL) before retiring.

Mrs. Vidya Rajarao

An extraordinary leader in the field of forensic accounting, Mrs. Vidya Rajarao is a Chartered Accountant and a Certified Fraud Examiner from the Association of Certified Fraud Examiners (ACFE), USA. With over 25 years of experience, Mrs. Rajarao has played a pivotal role in numerous forensic accounting assignments, fraud investigations, and regulatory proceedings across India, the USA, UK, and Germany.

She was the first Indian elected to the Board of Regents of the ACFE and recently served as Vice-Chair of the Board. Additionally, she is an Independent Director for many reputed companies and was recently nominated to the Technical Advisory Committee of the National Financial Reporting Authority. Her unparalleled expertise strengthens our board with insights into compliance, governance, and fraud prevention.

Mr. Pavan Krishnamurthy

Pavan Krishnamurthy is an experienced venture investor, Board member, and advisor with over 25 years of experience across venture capital, family offices, and advisory services. He is the Co-founder of Ojas Ventures and was previously associated with the Nadathur Family Office, Ernst & Young, and PricewaterhouseCoopers. A qualified Chartered Accountant from ICAI and a graduate in Mathematics, Statistics, and Economics, Pavan advises venture funds, family offices, family businesses, and entrepreneurs on investment strategy, growth, and value creation.

Mr. Sridhar Ranganathan

Mr. Sridhar Ranganathan is the Co-Founder of MedXPanse, and Jokesapart and a Director in Pristine Concepts. He also serves as an advisor to several growth-oriented companies across healthcare, technology, and innovation-led sectors.

He previously served as Managing Director for India and South Asia at Allergan and was based in the United Kingdom as Associate Vice President in Allergan's International Business. He also served on the Steering Committee in the Department of Biotechnology, Ministry of Science & Technology, Government of India.

With over 35 years of leadership experience, Mr. Ranganathan has led strategic business initiatives spanning product launches, market development, customer engagement, public affairs, and stakeholder partnerships. He is recognised for his contributions to leadership development, mentoring, and business transformation. He was among the youngest Managing Directors in India's healthcare industry. His experience in building businesses and developing leaders brings valuable strategic perspective to the Company's growth, innovation, and long-term value creation initiatives.

BOARD'S REPORT

To
The Members
Unimech Aerospace and Manufacturing Limited

Dear Members,

Your Directors have pleasure in presenting the 10th (Tenth) Annual Report on the business and operations of your Company, together with the Audited Standalone and Consolidated Financial Statements, and the Report of the Statutory Auditors thereon, for the Financial Year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the Financial Year ended March 31, 2026, compared with the previous Financial Year ended March 31, 2025, is summarised as below:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Total Income	8,478.72	6,394.26	28,745.97	26,769.25
Total Expenses	5,449.72	3,762.24	20,702.44	16,579.72
Earnings before interest, tax, depreciation and amortisation less other income	15.45	780.67	7,511.52	9,206.14
Profit before Tax (PBT)	3,029.00	2,632.02	8,043.53	10,189.53
Tax expense	807.34	723.86	1,674.36	1,837.32
Profit after Tax (PAT)	2,221.66	1,908.16	6,328.30	8,345.65

Note: The above figures are extracted from the Financial Statements of the Company.

STATE OF AFFAIRS

During the financial year under review, your Company recorded a Total Income of Rs. 8,478.72 Lakhs on a Standalone basis, comprising Revenue from Operations of Rs. 4,391.59 Lakhs and Other Income of Rs. 4,087.13 Lakhs, as compared to a Total Income of Rs. 6,394.26 Lakhs in the preceding financial year. The Standalone Profit After Tax (PAT) for the financial year reached to Rs. 2,221.66 Lakhs reflecting an increase of 16.43% Y-o-Y. Consequent to this operational performance, the Standalone Net Worth of the Company expanded to Rs. 55,108.40 Lakhs as of March 31, 2026, against Rs. 52,318.82 Lakhs as of March 31, 2025.

On a Consolidated basis, reflecting the operational footprint of your Company along with its subsidiaries, the Total Income for Financial Year 2025-26 stood at Rs. 28,745.97 Lakhs, comprising Revenue from Operations of Rs. 24,049.04 Lakhs and Other Income of Rs. 4,696.93 Lakhs, compared to Rs. 26,769.25 Lakhs in Financial Year 2024-25. The Consolidated Profit After Tax (PAT) for this financial year concluded at Rs. 6,328.30 Lakhs, registering a decrease of 24.17 % Y-o-Y.

In terms of Sections 129, 133 and other applicable provisions of the Companies Act, 2013 ('the Act'), read with the rules made thereunder, the Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2026, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and the relevant disclosure mandates of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

DIVIDEND

With a view to conserve resources for the ongoing business operations and to finance strategic future growth initiatives, your Board has deemed it prudent not to recommend any dividend on the Equity Shares of the Company for the Financial Year ended March 31, 2026.

In terms of Regulation 43A of the Listing Regulations, the Company has formulated a 'Dividend Distribution Policy' and the same is available on the Company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/04-Dividend-Distribution-Policy.pdf.

BOARD'S REPORT (CONTD.)

RESERVES

In respect of the financial year under review, your Board has not proposed to transfer any amount to the General Reserve, and the entire balance of profit after tax has been retained in the Surplus / Retained Earnings account of the Company.

BORROWINGS

As of March 31, 2026, there are no long-term borrowings (non-current financial liabilities) and short-term borrowings (current financial liabilities) of your Company on a standalone basis.

INTERNAL FINANCIAL CONTROL AND ADEQUACY

In terms of Section 134(5)(e) of the Act, the Company has implemented a comprehensive Internal Financial Controls framework that is adequate and operating effectively, commensurate with the scale of its operations. This framework includes robust institutionalised policies and procedures ensuring the orderly and efficient conduct of business, strict adherence to management policies, safeguarding of corporate assets, proactive prevention and detection of frauds and errors, and the absolute accuracy of accounting records for the timely preparation of reliable financial disclosures. During the year under review, no material weaknesses or significant deficiencies were reported in the design or operation of these internal controls.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), all dividend amounts remaining unpaid or unclaimed for a consecutive period of seven years, along with the underlying shares, are statutorily required to be transferred to the Investor Education and Protection Fund (IEPF). During the financial year under review, no amounts or shares were due for transfer, and consequently, the Company was not required to transfer any funds or equity shares to the Demat account of the IEPF Authority.

SHARE CAPITAL

As of March 31, 2026, the Authorised Share Capital of the Company stood at Rs. 30,00,00,000 (Rupees Thirty Crores only), while the Issued, Subscribed, and Paid-up Equity Share Capital stood at Rs. 25,42,84,415 (Rupees Twenty-Five Crores Forty-Two Lakhs Eighty-Four Thousand Four Hundred and Fifteen only), comprising 5,08,56,883 Equity Shares of face value of Rs. 5 each. During the financial year under review, the Company did not issue any equity shares with differential rights, sweat equity, bonus shares, or employee stock options (ESOPs), and consequently, there was no change in the paid-up equity share capital of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the Financial Year 2025–26, in accordance with the Share Subscription and Shareholders' Amendment Agreement dated November 25, 2025, the Company acquired an additional 2,625 Series Seed Compulsorily Convertible Preference Shares (CCPS) of Dheya Engineering Technologies Private Limited. This acquisition, completed for an aggregate consideration of Rs. 552.51 Lakhs, brings the Company's total stake to 29.99%.

Furthermore, pursuant to the Joint Venture Shareholders' Agreement executed with Yusuf Bin Ahmed Kanoo Company Limited ('YBAK'), the Company has initiated the establishment of YBAK Unimech Advanced Manufacturing Solutions LLC in Dammam, Saudi Arabia, with a defined equity holding of 51%, the balance 49% being held by YBAK.

In compliance with the mandates of Section 134(3)(g) of the Act, the requisite particulars of loans extended, guarantees given, or investments made under Section 186 of the Act are detailed under Note Nos. 7 & 8 to the Standalone Financial Statements.

SUBSIDIARY/ ASSOCIATE/ JOINT VENTURE COMPANIES

As on March 31, 2026, your Company has Two (2) Wholly Owned Subsidiary Companies and One (1) Associate Company.

SUBSIDIARY COMPANIES

In accordance with Section 129(3) of the Act, read with Rule 8 of Companies (Accounts) Rules, 2014, the Company has prepared its Consolidated Financial Statements including the subsidiaries and associates which forms a part of this Report. A statement containing the salient features of the Financial Statements of the said subsidiaries in the prescribed format Form AOC-1 is appended as **Annexure-1** to this Report.

In accordance with Section 136 of the Act, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and audited accounts of each of its subsidiaries, are being made available on our website at https://www.unimechaerospace.com/subsidiary-financials. These documents will also be available for inspection during business hours at the corporate office in Bengaluru, India.

Innomech Aerospace Toolings Private Limited

Innomech Aerospace Toolings Private Limited was incorporated as a private limited company under the Companies Act, 2013 on October 26, 2018. Its corporate identification number is U29200KA2018PTC118006. It has its registered office at Plot No.3, Sy. No. 2l-P, Aerospace SEZ Sector, Hitech Defence & Aerospace Park, Kavadadasanahalli, Devanahalli Taluk, Bengaluru – 562 135, Karnataka, India. It is engaged in the business of manufacturing products and components to be used in aerospace sector and to construct facility and set up plant and machinery capable of manufacturing of aerospace sector and to deal in, trade, market, purchase, import, sell, distribute and export parts, components, accessories, equipment, systems and sub-systems and products to be used in aerospace sector or other related sectors as it may deem fit.

The operations of the Company during the Financial Year ended March 31, 2026 resulted in a total revenue of Rs. 20,346.96 Lakhs as compared to Rs. 21,471.76 Lakhs during the Financial Year ended March 31, 2025. The profit after tax for the year is Rs. 4,133.77 Lakhs during the Financial Year ended March 31, 2026 as compared to Rs. 6,459.83 Lakhs during the Financial Year ended March 31, 2025.

Unimech Global Manufacturing Solutions Inc.

Unimech Global Manufacturing Solutions Inc. was incorporated under the Delaware General Corporation Law in the USA on May 29, 2024. It has its registered office at 16192 Coastal Highway, Lewes, Delaware 19958, County of Sussex, Delaware. During the period under review, the subsidiary did not engage in any commercial or business activities. Furthermore, no capital infusion or investment was made by the Company into this entity during the current financial year.

RELATED PARTY TRANSACTIONS

As per the Company's Policy on the 'Related Party Transactions' and pursuant to the Section 134(3)(h) of the Act, the details of the transactions are disclosed in Form AOC-2 which is enclosed as **Annexure-2** to this Report.

The Policy on Related Party Transactions as approved by the Board may be accessed on the Company's Website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/09-RPT.pdf.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for the Financial Year ended March 31, 2026 in relation to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is appended as **Annexure-3** forming part of this Report.

DECLARATION BY INDEPENDENT DIRECTORS

Declarations from Independent Directors of the Company have been received, confirming that the Independent Directors meet the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

BOARD EVALUATION

Pursuant to the requirements of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, its Committees and of individual Directors.

Further, the Independent Directors, at their exclusive Meeting held on February 27, 2026, reviewed the performance of the Board, its Chairman and Non Independent Directors and other items as stipulated under the Listing Regulations.

The Independent Directors have maintained the highest standards of integrity in their dealings with the Company. They also possess the requisite expertise and experience (including proficiency) necessary for acting as Independent Directors of the Company.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

As per Regulation 17 of the Listing Regulations, the composition of the Board of the Company shall have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than fifty percent of the Board of Directors shall comprise of Non-executive Directors. Accordingly, the Company is in compliance with the said regulations along with the provisions of the Act.

The Policy of the Company for evaluating the performance of the Board of Directors, including criteria for determining qualifications, positive attributes, independence of directors

BOARD'S REPORT (CONTD.)

and other matters as required under Section 178(3) of the Act is available on the Company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/04-Evaluation-of-Performance-of-Board-of-Directors.pdf

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company. Details of Policy on Directors' appointment and remuneration forms part of the report on Corporate Governance.

ASSOCIATE COMPANY

Dheya Engineering Technologies Private Limited

Dheya Engineering Technologies Private Limited is engaged in *inter-alia* the design, development, manufacturing, sales and servicing of micro gas turbines. Your Company has approved an investment in Dheya Engineering Technologies Private Limited, pursuant to which it became an Associate Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

a. In the preparation of the Annual Accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. The Directors have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the Financial Year ended March 31, 2026 and of the profit and loss of the Company for that period;

c. The Directors have ensured appropriate and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared the Annual Accounts on a going concern basis;

e. The Directors, have laid down the Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD OF DIRECTORS' COMMITTEES & MEETINGS

The details of composition of the Board and its Committees are disclosed in the Report on Corporate Governance forming part of this Report. In compliance with the Act and the Listing Regulations, the Company has Six (6) Committees of the Board as on March 31, 2026 i.e. Audit Committee (AC), Nomination and Remuneration Committee (NRC), Stakeholders' Relationship Committee (SRC), Corporate Social Responsibility Committee (CSR), Risk Management Committee (RMC) and Strategic and Investment Committee (SAIC).

During the Financial Year 2025-26, Five (5) Board Meetings were held. The details of the Meetings of the Board and its Committee meetings are exhibited in the Corporate Governance Report. As prescribed by the provisions of Secretarial Standard-1 issued by the Institute of Company Secretaries of India (the 'ICSI') and Regulation 17 of the Listing Regulations the maximum gap between any two meetings of the Board did not exceed 120 days.

Pursuant to provisions of the Act, and the Articles of Association of the Company, Mr. Mani Puttan (DIN: 08042129) retires by rotation at the ensuing 10th Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

KEY MANAGERIAL PERSONNEL

The list of Key Managerial Personnel (KMP) as on March 31, 2026, is as below:

S. No	Name of the KMP	Designation
1	Mr. Anil Kumar Puttan	Chairman and Managing Director
2	Mr. Ramakrishna Kamojhala	Whole Time Director and Chief Financial Officer
3	Mr. Mani Puttan	Whole Time Director
4	Mr. Rajanikanth Balaraman	Whole Time Director
5	Mr. Preetham Venkatesh Shimoga	Whole Time Director
6	Mr. Krishnappayya Desai*	Company Secretary and Compliance Officer
7	Mr. Akash Shetty*	Company Secretary and Compliance Officer

*Mr. Krishnappayya Desai and Mr. Akash Shetty, resigned from the position of Company Secretary and Compliance Officer of the Company with effect from closure of business hours on April 05, 2025 and March 03, 2026, respectively.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to the provisions of Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendment thereof, the Company has undertaken various activities during the year as per its CSR Policy. The projects/ programmes/ activities taken up are in line with Schedule VII of the Act. The thrust areas under CSR are Education, Skill Development, etc. The Company has spent an amount of Rs. 22,89,809/- including Govt. Contribution of Rs. 2,14,205/- under CSR for the Financial Year ended March 31, 2026, against the CSR obligation of Rs. 20,24,196/-.

The Corporate Social Responsibility Policy, composition of the Committee and CSR projects/Activities of the Company is available on the Company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/16-Unimech-CSR-Policy-revised.pdf. The CSR report is appended as **Annexure-4** to this report.

RISK MANAGEMENT

A policy on Risk Management has been developed and implemented by the Company which oversees the risks that the Company may face such as strategic, commercial, safety, operations, compliance, internal control and finance, cyber risk etc. More details on Risk Management indicating development including identification of elements of risk and their mitigation are covered under Management Discussion and Analysis.

The Board has constituted a Risk Management Committee, which oversees the implementation, monitoring, evaluating the adequacy and reviewing the Risk Management Policy on periodical basis considering the changing industry dynamics and as required in the Listing Regulations. The Risk Management Policy is made available on the Company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/11-Risk-Management-Policy.pdf.

PARTICULARS OF EMPLOYEES

The information as required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-5** to this Board's Report. The particulars of employees drawing remuneration in excess of limits set out in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure-6** to this Board's Report.

AUDITORS

STATUTORY AUDITORS

Messrs. MSKA & Associates LLP, Chartered Accountants (FRN: 105047W/W101187) were appointed as Statutory Auditors of the Company for a period of five years commencing from the conclusion of the 8th Annual General Meeting until the conclusion of the 13th Annual General Meeting of the Company to be held in the year 2029.

The Auditors' Report on the Financial Statements for the Financial Year 2025-26 does not contain any qualification, reservation or adverse remark. There have been no instances of fraud committed against the Company by its officers or employees during the year reportable by the Auditors in terms of Section 143(12) of the Act.

SECRETARIAL AUDITOR

In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the Listing Regulations, the Board of Directors appointed Mr. Vijayakrishna K T, Company Secretary in Practice, as the Secretarial Auditor for a fixed term of five consecutive financial years, from FY 2025-26 to FY 2029-30.

The Secretarial Auditor's Report for the Financial Year 2025-26 does not contain any qualification, reservation or adverse remark nor any instances of fraud committed against the Company by its officers or employees during the year. The Secretarial Auditor's Report is appended as **Annexure-7** to the Annual Report.

As provided in the Listing Regulations, the certificate on Corporate Governance forms part of the Corporate Governance Report. These certificates are issued by Mrs. Kalaivani S, Practising Company Secretary and do not contain any qualification, reservation or adverse remarks.

COST AUDITOR, COST ACCOUNTS AND RECORDS

The provision of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, is not applicable to your Company. Hence, the Company has not appointed any Cost Auditors.

INTERNAL AUDITORS

The Company has appointed Messrs. RSM India, Chartered Accountants, as Internal Auditors of the Company for the Financial Year 2025-26.

ANNUAL RETURN

In accordance with Section 92(3) read with 134(3) of the Act, the Annual Return as of March 31, 2026 in the prescribed format is made available on the website of the

BOARD'S REPORT (CONTD.)

Company at https://www.unimechaerospace.com/annual-reports-returns.

EMPLOYEE STOCK OPTIONS

The Company had received shareholder approval for the Unimech Employee Stock Option Plan, 2024 ('ESOP') through a postal ballot process, in accordance with Regulation 12 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the year under review, the Company has granted 98,526 options to identified employees under the ESOP.

The disclosure as per Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, is available on the Investor Section of the Company's website, at https://www.unimechaerospace.com/esop-disclosures. The said details, also forms part of the Notes to Accounts of the Financial Statements in this Annual Report.

The Secretarial Auditor's certificate on the implementation of share-based schemes in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, will be placed at the ensuing AGM for inspection by the Members.

MANAGEMENT DISCUSSION AND ANALYSIS

As per Regulations 34(2)(e) of the Listing Regulations, the Management Discussion and Analysis (MDA) forms part of the Annual Report and is appended as **Annexure-8** to this report.

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 read with Schedule V of the Listing Regulations, a report on Corporate Governance along with a Compliance Certificate issued by Practising Company Secretary is appended as **Annexure-9** and forms an integral part of this Report (hereinafter referred to as "Corporate Governance Report").

Brief statement on the Company's philosophy on Code of Governance, Familiarisation Programme of Directors, Whistle Blower Policy/Vigil mechanism and Nomination and Remuneration Policy forms part of the Corporate Governance Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

The BRSR in terms of Regulation 34(2) of the Listing Regulations is appended as **Annexure-10** of this report. The said report has been prepared in accordance with SEBI Guidelines for Business Responsibility and Sustainability Reporting. The said report indicates the Company's performance against the nine principles of the National Guidelines on Responsible Business Conduct**.**

MATERIAL CHANGES & COMMITMENTS

There are material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate to and the date of this report.

1. **Hobel Bellows Private Limited**

   The Company has approved an investment for an amount up to Rs. 450 Crores, along with its Wholly Owned Subsidiary namely 'Innomech Aerospace Toolings Private Limited' towards the acquisition of 'Hobel Bellows Co.', a Partnership Firm, through 'Hobel Bellows Private Limited'. Unimech Aerospace and Manufacturing Limited and Innomech Aerospace Toolings Private Limited has acquired 24% and 76% of the shareholding respectively in 'Hobel Bellows Private Limited', thereby making it a step-down subsidiary of the Company.

2. **Uniflux Renewable Energy Private Limited**

   The Company has incorporated a Wholly Owned Subsidiary in the name and style of 'Uniflux Renewable Energy Private Limited' on April 27, 2026. It has been established to spearhead the Company's foray into the renewable energy sector, focusing on manufacturing, engineering innovation, and the execution of Engineering, Procurement, and Commissioning (EPC) projects for clean energy solutions.

COMPLIANCE UNDER THE MATERNITY BENEFIT ACT, 1961

Pursuant to the Companies (Accounts) Second Amendment Rules, 2025 dated May 30, 2025, the Company has complied with the provisions of the Maternity Benefit Act, 1961 read with the Karnataka Maternity Benefit Rules, 1966, as amended from time to time. The Company is committed to providing maternity benefits and related facilities to eligible women employees in accordance with the applicable statutory requirements.

NUMBER OF EMPLOYEES AS ON THE CLOSURE OF FINANCIAL YEAR:

S. No.	Employees Details	Number
1	Female	10
2	Male	93
3	Transgender/Others	0

GENERAL

Your Directors state as follows:

1. No significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.
2. There was no issue of Equity Shares with differential rights, as to voting, dividend or otherwise.
3. There were no deposits covered under Chapter V of the Act.
4. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act').
5. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the year under review, no incidents reported/occurred requiring proceedings pursuant to the POSH Act.
6. During the financial year, neither any application nor any proceeding is initiated against the Company under the Insolvency and Bankruptcy Code, 2016.
7. The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions.
8. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the year.
9. There has been no change in the nature of business of the Company during the financial year.

UTILISATION OF IPO PROCEEDS

Pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the applicable provisions of the Act, the Company successfully completed its Initial Public Offer (IPO) of 63,69,426 Equity Shares of Rs. 5/- each on December 31, 2024 amounting to Rs. 500 Crores. The issue comprised of a Fresh Issue of 31,84,713 Equity Shares of Rs. 5/- each at Rs. 785/- per share amounting to Rs. 250 Crores and Offer for Sale (OFS) of 31,84,713 Equity Shares of Rs. 5/- each at Rs. 785/- per share by the promoter/ promoter group amounting to Rs. 250 Crores.

The Company through postal ballot obtained the shareholders' approval for change in the objects of the issue on December 17, 2025. Hence, there are changes in the utilisation of proceeds of the funds raised through Initial Public Offering to that extent.

The proceeds of funds raised under Fresh Issue during the IPO of the Company are/would be utilised as per the objects of the issue. The details of the utilisation are given below:

Particulars	Amount (in Crores)
Gross Proceeds of the Fresh Issue	250.00
Amount utilised as per the objects of the issue	153.30
Balance Amount (Pending Utilisation)	**96.70**

GREEN INITIATIVE

As part of this initiative, soft copies of the Annual Report and the Notice of 10th Annual General Meeting is being sent to all members whose email addresses are registered with the Company/Depository Participants/Registrar and Share Transfer Agents (RTA).

Further, MCA General Circular No. 03/2025 dated September 22, 2025 read with Regulation 36 of the Listing Regulations, exempts companies from the provision of dispatching hard copies of annual report for this financial year 2025-26. Accordingly, soft copies of the Annual Report 2026 and the Notice of the General meeting will be emailed to shareholders. However, hard copy of full annual report will be sent to those shareholders who request for the same. Members whose email id is not registered with the Company may write to investorrelations@unimechaerospace.com or einward.ris@kfintech.com for obtaining the soft copy of the Annual Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation to all Stakeholders, Investors, Customers, Vendors, Banks, Rating Agency, Central and State Governments, Employees, the Company's valued investors and all other business partners, for their assistance and continued co-operation during the year under review.

Your Directors also place on record their deep sense of appreciation for the dedicated service of the employees of the Company.

For **Unimech Aerospace and Manufacturing Limited**

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

ANNEXURE – 1

FORM AOC – 1

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing the salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures

Part "A"- Subsidiaries

1. Number of Subsidiaries **: 2**

(Rs. in Lakhs)

BLOCK-1			
1	CIN/ any other registration number of subsidiary company	U29200KA2018PTC118006	-
2	Name of the Subsidiary	Innomech Aerospace Toolings Private Limited	Unimech Global Manufacturing Solutions Inc.
3	Date since when subsidiary was acquired	October 26, 2018	May 29, 2024
4	Provisions pertaining to which the Company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))	Section 2(87)(ii)	Section 2(87)(ii)
5	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
6	Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Rs.	Rs. 94.31
7	Share Capital	101.00	-
8	Reserves and Surplus	18,754.11	-
9	Total Assets	40,433.03	-
10	Total Liabilities	21,577.92	-
11	Investments	15,508.77	-
12	Turnover	20,346.96	-
13	Profit/(Loss) before taxation	5,000.79	-
14	Provision for taxation	867.02	-
15	Profit/(Loss) after taxation	4,133.77	-
16	Proposed Dividend	-	-
17	Extent of shareholding (%)	100%	-

2. Number of subsidiaries which are yet to commence operations: **1**

S. No.	CIN/any other registration number	Names of subsidiaries which are yet to commence operations
1	-	Unimech Global Manufacturing Solutions Inc

3. Number of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year: **NIL**

ANNEXURE – 1 (CONTD.)

Part "B"- Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and joint Ventures

4. Number of Associate/Joint Ventures: **1**

Block-1		
1	Name of the Associate	Dheya Engineering Technologies Private Limited
2	Latest audited Balance Sheet Date	March 31, 2026
3	Date on which the Associate or Joint Venture was associated or acquired	November 25, 2025
4	Shares of Associate or Joint Ventures held by the Company on the year end	
	A Number	5,012 equity shares
	B Amount of Investment in Associate or Joint Venture	1,052.49 Lakhs
	C Extent of Holding (in percentage)	29.99%
5	Description of how there is significant influence	Shareholding
6	Reason why the associate/Joint venture ls not consolidated.	NA
7	Net worth attributable to shareholding as per latest audited Balance Sheet	9,01,30,115.31
8	Profit or Loss for the year	-
	A Considered in Consolidation	(1,92,44,672)
	B Not Considered in Consolidation	-

5. Number of Associate or Joint Ventures which are yet to commence operations: **NIL**
6. Number of Associate or Joint Ventures which have been liquidated or have ceased to be Associate or Joint Ventures during the year: **NIL**

For **Unimech Aerospace and Manufacturing Limited**

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

ANNEXURE – 2

FORM AOC – 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangements or transactions at arm's length basis:

Number of material contracts or arrangements or transactions at arm's length basis:

BLOCK 1	
Corporate Identity Number	U29200KA2018PTC118006
Name(s) of the related party	Innomech Aerospace Toolings Private Limited
Nature of relationship	Wholly owned subsidiary
Nature of contracts/ arrangements/ transactions	1. Sale and Purchase 2. Longevity bonus 3. Loans provided to Subsidiary and interest income thereon 4. Loan repayments received 5. Gratuity transfer in/(out) 6. Leave encashment - transfer in/(out) 7. Reimbursement of expenses 8. Interest income from loan provided 9. Guarantee fee income - Guarantee provided for the loans availed by the subsidiary and fee charged for the guarantee 10. ESOP Reimbursement
Duration of the contracts / arrangements/ transactions	These transactions are ongoing in nature
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	1. Sale and Purchase of Rs. 689.50 Lakhs 2. Longevity bonus of Rs. 64.81 Lakhs (Reversal of provision) 3. Loans provided Rs. 3,028.00 Lakhs and Interest income Rs. 679.02 Lakhs 4. Loan repayment received Rs. 643.67 Lakhs 5. Gratuity - transfer in/(out) Rs. 9.28 Lakhs 6. Leave encashment - transfer in/(out) Rs. 15.31 Lakhs 7. Reimbursement of expenses Rs. 41.53 Lakhs 8. Interest income Rs. 679.02 Lakhs 9. Rs. 3,512.00 Lakhs (Guarantee) and Rs. 289.16 Lakhs (Guarantee fee) 10. ESOP Reimbursement Rs. 435.14 Lakhs
Date of approval by the Board (DD/MM/YYYY)	Not Applicable
Amount paid as advances, if any	Not Applicable

For **Unimech Aerospace and Manufacturing Limited**

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

ANNEXURE – 3

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A.	Conservation of Energy	Details as on March 31, 2026
(i)	Steps taken or impact on conservation of energy	In line with the Company's commitment towards sustainable aerospace manufacturing and operational excellence, it continued its efforts during the year to improve energy efficiency across CNC machining lines, utility systems, and supporting infrastructure. The following energy conservation measures were implemented: • Optimised CNC machine operating parameters and idle cycle management to reduce unnecessary power consumption during non-productive hours. • Implemented preventive and predictive maintenance practises for CNC machines, air compressors, chillers, and utility equipment to improve operational efficiency and minimise energy losses. • Replaced conventional lighting systems in production and inspection areas with energy-efficient LED lighting, resulting in reduced electrical consumption and improved workplace illumination. • Installed automatic timer and sensor-based controls for shop floor lighting and utility equipment to avoid excess energy usage during non-operational periods. • Improved compressed air system efficiency through periodic leakage audits, pressure optimisation, and preventive maintenance, thereby reducing compressor loading and power consumption. • Optimised HVAC and ventilation systems in temperature-controlled machining and inspection areas to improve energy utilisation while maintaining aerospace process requirements. • Implemented power factor improvement measures to reduce reactive power losses and enhance electrical system efficiency. • Increased awareness among employees regarding energy-saving practises, machine shutdown discipline, and efficient utility usage across manufacturing operations.
(ii)	Steps taken by the Company for utilising alternate sources of energy	• The Company maintains diesel generator backup systems to ensure uninterrupted operations during power supply interruptions and emergency conditions. • The Company continues to evaluate opportunities for integrating renewable and sustainable energy solutions (Installed solar energy of 550KW System).
(iii)	Capital investment on energy conservation Equipment	• Energy-efficient LED lighting systems • Automated timer controls • Power factor improvement systems
B	**Technology Absorption**	
(i)	The efforts made towards technology absorption	During the reporting period, no specific steps were undertaken toward technology absorption. However, the Company has outlined a forward-looking roadmap aimed at enhancing operational efficiency, sustainability, and technological integration. The proposed initiatives include: • A significant upgrade to convert an existing vertical turning lathe (VTL) double-column machine into a CNC-enabled system, thereby improving precision, automation, and production throughput. • Implementation of automated switching-off protocols for machines and shopfloor lighting during break and lunch hours to conserve energy and enhance efficiency. • To align with the latest environmental norms, the Company will be installing a CPCB IV-compliant DG set, thereby ensuring compliance with regulatory emissions standards and reinforcing our commitment to environmental stewardship.

ANNEXURE – 3 (CONTD.)

		Details as on March 31, 2026
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	The initiatives undertaken have led to measurable improvements in product quality and process efficiency, while simultaneously contributing to energy conservation and a substantial reduction in power consumption. These efforts have also resulted in a corresponding decrease in carbon emissions. Furthermore, several measures have effectively mitigated the risk of unsafe incidents, thereby enhancing workplace safety and operational reliability.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year),	Not Applicable
	a. the details of technology imported;	Not Applicable
	b. the year of import;	
	c. whether the technology been fully absorbed;	
	d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv)	Expenditure incurred on Research and Development	Not Applicable
C	**Foreign Exchange Earnings and Outgo**	
	Earnings in foreign Exchange (Value of Exports on FOB basis)	Rs. 1,233.30 Lakhs
	Total	Rs. 1,233.30 Lakhs
	Foreign Exchange outgo (Expenditure in foreign currency)	Rs. 494.43 Lakhs

For **Unimech Aerospace and Manufacturing Limited**

Place: Bengaluru
Date: May 28, 2026

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

unimech

ANNEXURE – 4

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

1. Brief outline on CSR Policy of the Company:

The Company has formulated a CSR Policy in accordance with Section 135 of the Companies Act, 2013. The Policy aims at giving back to society and focuses on areas such as education and skill development, healthcare, environmental sustainability, social welfare, and community development.

The Company's CSR initiatives focuses on fostering skill development and enhancing employability within the nation. In alignment with this commitment and our responsibilities towards Corporate Social Responsibility, the Company has actively invested in training apprentices under the National Apprenticeship Promotion Scheme (NAAPS). This initiative not only provides valuable on-the-job training and practical skills to young individuals but also contributes to building a skilled workforce, thereby supporting the economic growth and development of our society. We believe that empowering the youth through such programs is a crucial step towards a brighter and more prosperous future.

The Corporate Social Responsibility Policy of the Company is available on the Company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/16-Unimech-CSR-Policy-revised.pdf.

2. Composition of CSR Committee:

S. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ashok Tandon	Chairman	1	1
2	Mr. Sridhar Ranganathan	Member	1	1
3	Mr. Ramakrishna Kamojhala	Member	1	1

3. Weblink(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

(a) Weblink where Composition of CSR Committee is disclosed: https://www.unimechaerospace.com/board-directors-committees

(b) Weblink where CSR Policy & CSR Projects of the Company is disclosed:

https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/16-Unimech-CSR-Policy-revised.pdf

4. Provide the executive summary along with the web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135: Rs. 10,12,09,781

(b) Two percent of the average net profit of the Company as per sub-section (5) of section 135: Rs. 20,24,196

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial year: NIL

(d) Amount required to be set-off for the financial year, if any: NIL

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 20,24,196

6. (a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing project): Rs. 20,75,604

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 20,75,604

ANNEXURE - 4 (CONTD.)

(e) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
20,75,604	Not Applicable				

(f) Excess amount for set-off, if any:

S. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	20,24,196
(ii)	Total amount spent for the Financial Year	20,75,604
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	51,408
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any.	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	51,408

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	FY-1	Not Applicable						
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☑ No

If yes, enter the number of Capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	**Name**	**Registered address**
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Officer/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spent two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

Date: May 28, 2026
Place: Bengaluru

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

Ashok Tandon
Chairman of CSR Committee
DIN: 06534280

ANNEXURE – 5

Details of Ratio of Remuneration of Director [Section 197(12), of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

<table>
<tr><th>S. No.</th><th>Particulars</th><th colspan="3">Details</th></tr>
<tr><td rowspan="6">i.</td><td rowspan="6">The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year</td><td>Name of the Director</td><td>Designation</td><td>Ratio to the Median</td></tr>
<tr><td>1. Mr. Anil Kumar Puttan</td><td>Chairman & Managing Director</td><td>39</td></tr>
<tr><td>2. Mr. Ramakrishna Kamojhala</td><td>Whole Time Director & Chief Financial Officer</td><td>29</td></tr>
<tr><td>3. Mr. Mani Puttan</td><td>Whole Time Director</td><td>NIL</td></tr>
<tr><td>4. Mr. Rajanikanth Balaraman</td><td>Whole Time Director</td><td>29</td></tr>
<tr><td>5. Mr. Preetham Venkatesh Shimoga</td><td>Whole Time Director</td><td>NIL</td></tr>
<tr><td rowspan="8">ii.</td><td rowspan="8">The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.</td><td colspan="2">Particulars</td><td>% Increase</td></tr>
<tr><td colspan="2">Mr. Anil Kumar Puttan (Chairman & Managing Director)</td><td>NIL</td></tr>
<tr><td colspan="2">Mr. Ramakrishna Kamojhala (Whole-Time Director & Chief Financial Officer)</td><td>NIL</td></tr>
<tr><td colspan="2">Mr. Mani Puttan (Whole-Time Director)</td><td>NIL</td></tr>
<tr><td colspan="2">Mr. Rajanikanth Balaraman (Whole-Time Director)</td><td>NIL</td></tr>
<tr><td colspan="2">Mr. Preetham Venkatesh Shimoga (Whole-Time Director)</td><td>NIL</td></tr>
<tr><td colspan="2">Mr. Krishnappayya Desai (Company Secretary and Compliance Officer from March 11, 2024 and upto April 05, 2025)</td><td>NIL</td></tr>
<tr><td colspan="2">Mr. Akash Shetty (Company Secretary and Compliance Officer from June 25, 2025 upto March 03, 2026)</td><td>NIL</td></tr>
<tr><td>iii.</td><td>The percentage increase in the median remuneration of employees in the financial year.</td><td colspan="3">1%</td></tr>
<tr><td>iv.</td><td>The number of permanent employees on the rolls of company.</td><td colspan="3">103</td></tr>
<tr><td>v.</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.</td><td colspan="3">Average percentage increase in median salaries of employees (other than managerial personnel): 1%

Managerial remuneration increase: 0%</td></tr>
<tr><td>vi.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Company</td><td colspan="3">Yes</td></tr>
</table>

For **Unimech Aerospace and Manufacturing Limited**

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

unimech

ANNEXURE – 6

Information in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Particulars	a) Designation of employee b) Date of Commencement c) Nature of Employment d) Age (in years) e) Percentage of equity shares	Educational Qualification	Experience (in years)	Remuneration in FY 2025-26 including perks (Rs. in Lakhs p.a.)	The last employment held by such employee before joining the Company;
1	Mr. Aakash Jaiswal	a) Assistant General Manager – Investor Relations and Analyst b) 10/03/2025 c) Permanent d) 35 e) NA	MBA (Finance), CIMA	8	27.39	Ujjivan Small Finance Bank
2	Mr. Prathap B	a) Assistant General Manager – Projects b) 05/11/2016 c) Permanent d) 34 e) NA	Post Graduation (Tool Design)	9	19.40	Eastern Engineering Company Pvt. Ltd.
3	Mr. Anil Kumar D	a) Manager - Production b) 24/03/2025 c) Permanent d) 42 e) NA	Diploma (Mechanical)	19	15.18	Bilva Technologies Pvt. Ltd.
4	Mr. Jagadeesha H.C.	a) NPCIL – Project Lead b) 23/03/2022 c) Permanent d) 54 e) NA	B.Tech (Mechanical)	30	13.68	Mekhos Technology Services Pvt. Ltd.
5	Mr. Babu Adil Basha	a) Senior Manager - Estimation b) 21/04/2025 c) Permanent d) 51 e) NA	Diploma (Mechanical Engineering), BE (Mechanical Engineering)	27	13.03	General Datum Product Design Pvt. Ltd.
6	Ms. Meenakshi N. H.	a) Finance Controller b) 30/09/2019 c) Permanent d) 38 e) NA	CA-CPT	14	12.41	Consolidated Teknics India Pvt. Ltd.

ANNEXURE – 6 (CONTD.)

S. No.	Particulars	a) Designation of employee b) Date of Commencement c) Nature of Employment d) Age (in years) e) Percentage of equity shares	Educational Qualification	Experience (in years)	Remuneration in FY 2025-26 including perks (Rs. in Lakhs p.a.)	The last employment held by such employee before joining the Company;
7	Mr. Kummati Pavan Kumar	a) Lead Process Engineer b) 20/01/2025 c) Permanent d) 29 e) NA	B.Tech (Mechanical)	10	12.02	Mtar Technologies Ltd.
8	Mr. Kamalanathan Kanageshan	a) Assistant Manager - Quality b) 10/02/2025 c) Permanent d) 39 e) NA	Diploma (Mechanical)	18	11.68	Q 2 Q Solutions Pvt. Ltd.
9	Ms. Preethi D T	a) Finance Controller b) 09/01/2017 c) Permanent d) 39 e) NA	B.Com	15	10.46	Machine Elements
10	Mr. Sunil	a) Deputy Manager - HR b) 05/02/2025 c) Permanent d) 39 e) NA	MSW (HR)	12	10.30	Weir Minerals India Pvt Ltd

For **Unimech Aerospace and Manufacturing Limited**

Place: Bengaluru
Date: May 28, 2026

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

ANNEXURE – 7

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To

The Members

Unimech Aerospace and Manufacturing Limited

(CIN: L30305KA2016PLC095712)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practises by Unimech Aerospace and Manufacturing Limited (CIN: L30305KA2016PLC095712). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Unimech Aerospace and Manufacturing Limited for the financial year ended on March 31, 2026 according to the provisions of:

(i). The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (i). Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (ii). Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii). Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (iv). Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not applicable
- (v). Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (vi). Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable
- (vii). Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (viii). The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
- (ix). The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable
- (x). Circulars/Guidelines issued thereunder;

(vi). The other following general laws as may be applicable to the Company during the audit:

(1) Employer/Employee Related Laws & Rules:

- i. The Factories Act, 1948
- ii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959

ANNEXURE – 7 (CONTD.)

iii. The Apprentices Act, 1961

iv. The Employees Provident Fund & Miscellaneous Provisions Act, 1952

v. The Employees State Insurance Act, 1948

vi. The Maternity Benefits Act, 1961

vii. The Payment of Gratuity Act, 1972

viii. The Payment of Bonus Act, 1965

ix. The Payment of Wages Act, 1936

x. The Minimum Wages Act, 1948

xi. The Contract Labour (Regulation & Abolition) Act, 1970

xii. The Industrial Employment (Standing Orders) Act, 1946

xiii. Equal Remuneration Act, 1976

xiv. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013

xv. The Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963

xvi. The Karnataka Labour Welfare Fund Act, 1965

xvii. The Karnataka Public Safety (Measures) Enforcement Act, 2017

(2) Environment Related Acts & Rules:

i. The Environment Protection Act, 1986

ii. The Water (Prevention & Control of Pollution) Act, 1974

iii. The Air (Prevention & Control of Pollution) Act, 1981

iv. Hazardous Wastes (Management, Handling and Tran boundary Movement) Rules, 2008.

I have also examined compliances with the applicable clauses of Secretarial Standards on Board and General Meetings (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filings of the returns were undertaken in time or within the extended time limits. Certain non-material findings made during the course of the audit relating to the provisions of the HR and Labour Laws were noted which have been communicated to the Company.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notices are given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period the Company has:

a) Approved the variation in the objects of the issue relating to the Initial Public Offering (IPO);

b) Approved granting loans, giving guarantees and/ or providing security to anybody corporate/ person(s), and making investments in anybody corporate pursuant to Section 186 of the Companies Act, 2013;

c) Approved granting any loan, giving guarantee, or providing security under Section 185 of the Companies Act, 2013;

d) Took note of the resignation Mr Suhas H M (M. No. A75309) as the Compliance Officer of the Company at the Board Meeting held on July 24, 2025, with effect from July 18, 2025;

d) Appointed Mr Akash Shetty, (M. No F11314) as the Company Secretary and Compliance Officer of the Company at the Board Meeting held on July, July 24, 2025;

e) Took note of the resignation of Mr Akash Shetty, (M. No F11314) as the Company Secretary and Compliance Officer of the Company at the Board Meeting held on March 23, 2026, with effect from March 03, 2026.

Vijayakrishna KT
Practising Company Secretary
CP: 980 FCS: 1788
UDIN: F001788H000522374
Peer Review Certificate No. 1883/2022

Place: Bengaluru
Date: May 28, 2026

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

ANNEXURE – 7 (CONTD.)

'Annexure'

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practises, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Customs Act and Goods and Services Tax Act.
4. Wherever required, the Company has represented about the compliance of laws, rules and regulations and happening of events, etc. as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Vijayakrishna KT
Practising Company Secretary
CP: 980 FCS: 1788
UDIN: F001788H000522374
Peer Review Certificate No. 1883/2022

Place: Bengaluru
Date: May 28, 2026

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members
Innomech Aerospace Toolings Private Limited
Bengaluru

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Innomech Aerospace Toolings Private Limited (CIN: U29200KA2018PTC118006). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Innomech Aerospace Toolings Private Limited for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

SEBI Act and the following regulations are not applicable except (i) to the Company

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Applicable

(ii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(iii) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(iv) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

(v) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(vi) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(vii) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

(viii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(ix) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(x) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

ANNEXURE – 7 (CONTD.)

(xi) Circulars/Guidelines issued thereunder;

(vi) The other following general laws as may be applicable to the Company during the audit:

(1) Employer/Employee Related Laws & Rules:

i. The Factories Act, 1948

ii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959

iii. The Apprentices Act, 1961

iv. The Employees Provident Fund & Miscellaneous Provisions Act, 1952

v. The Employees State Insurance Act, 1948

vi. The Maternity Benefits Act, 1961

vii. The Payment of Gratuity Act, 1972

viii. The Payment of Bonus Act, 1965

ix. The Payment of Wages Act, 1936

x. The Minimum Wages Act, 1948

xi. The Contract Labour (Regulation & Abolition) Act, 1970

xii. The Industrial Employment (Standing Orders) Act, 1946

xiii. Equal Remuneration Act, 1976

xiv. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013

xv. The Karnataka Industrial Establishments (National and Festival Holidays) Act, 1963

xvi. The Karnataka Labour Welfare Fund Act, 1965

xvii. The Karnataka Public Safety (Measures) Enforcement Act, 2017

(2) Environment Related Acts & Rules:

i. The Environment Protection Act, 1986

ii. The Water (Prevention & Control of Pollution) Act, 1974

iii. The Air (Prevention & Control of Pollution) Act, 1981

iv. Hazardous Wastes (Management, Handling and Tran boundary Movement) Rules, 2008.

I have also examined compliances with the applicable clauses of Secretarial Standards on Board and General Meetings (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and filings of the returns were undertaken in time or within the extended time limits. Certain non-material findings made during the course of the audit relating to the provisions of the HR and Labour Laws were noted which have been addressed suitably by the Company.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notices are given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Vijayakrishna KT
Practising Company Secretary
CP: 980 FCS: 1788
UDIN: F001788H000522321
Peer Review Certificate No. 1883/2022

Place: Bengaluru
Date: May 28, 2026

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

ANNEXURE – 7 (CONTD.)

'Annexure'

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Customs Act and Goods and Services Tax Act.
4. Wherever required, the Company has represented about the compliance of laws, rules and regulations and happening of events, etc. as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Vijayakrishna KT
Practising Company Secretary
CP: 980 FCS: 1788
UDIN: F001788H000522321
Peer Review Certificate No. 1883/2022

Place: Bengaluru
Date: May 28, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

ANNEXURE – 8

ECONOMIC OVERVIEW

The global economy in CY 2025 and into CY 2026 transitioned from a multi-speed recovery phase towards a more complex operating environment shaped by geopolitical tensions, evolving trade policies and energy market volatility. Global GDP growth for CY 2026 is projected at approximately 3.1%, with inflationary and commodity-related pressures continuing to influence trade flows, investment decisions and monetary policy across major economies. While inflation moderated compared with prior years, geopolitical developments and supply-side disruptions continued to create uncertainty across energy markets and global trade flows, resulting in cautious monetary policy positioning and heightened market volatility.

These developments have accelerated structural shifts in global manufacturing and supply chains. Increasingly, companies are adopting diversification strategies such as regional manufacturing footprints, 'China Plus One' approaches and supplier ecosystem restructuring to improve resilience and operational flexibility. Against this backdrop, emerging economies with strong manufacturing capabilities and domestic demand depth continue to gain strategic importance.

India reinforced its position as the world's fastest-growing major economy, with real GDP growth estimated between 7.4%-7.8% in FY 2025-26. Growth continued to be supported by resilient domestic consumption, sustained public capital expenditure and manufacturing-focused policy initiatives. Programmes such as Production Linked Incentive (PLI) schemes and Atmanirbhar Bharat continued strengthening domestic industrial ecosystems, while investments in infrastructure, logistics and industrial capability creation enhanced India's attractiveness as a long-term manufacturing and supply-chain destination.

Sources: IMF World Economic Outlook (April 2026); Ministry of Statistics and Programme Implementation (MOSPI); Reserve Bank of India; Union Budget FY 2026-27; Invest India.

AEROSPACE AND DEFENCE INDUSTRY

The global aerospace and defence (A&D) industry is experiencing a sustained structural expansion cycle driven by the simultaneous growth of commercial aviation and defence modernisation initiatives. Commercial passenger traffic has surpassed pre-pandemic levels and is projected to exceed 10 Billion passengers by CY 2026. At the same time, rising geopolitical priorities and evolving security considerations continue to support elevated defence spending and investment in next-generation capabilities including autonomous systems, unmanned aerial platforms, hypersonic technologies and software-enabled defence ecosystems. Large OEM order backlogs extending well into the next decade continue to support demand across precision manufacturing, specialised tooling, components and aftermarket ecosystems.

The industry is simultaneously undergoing significant transformation across technology, maintenance and supply-chain models. Artificial Intelligence (AI) and emerging agentic AI applications are progressing from pilot programmes towards scaled deployment across operational planning, logistics, predictive maintenance, autonomous navigation and decision-support systems. Industry estimates suggest that approximately 36% of industrial manufacturing activities could benefit from AI-enabled augmentation, reflecting the growing role of intelligent systems across aerospace operations and manufacturing environments. AI adoption is increasingly extending into maintenance diagnostics, inventory optimisation and aftermarket support, improving operational efficiency and asset utilisation.

The global aftermarket ecosystem continues to remain one of the industry's most resilient growth segments. Increasing fleet utilisation and aircraft delivery delays have extended maintenance cycles and strengthened demand for MRO services, with engine platforms expected to account for an increasing share of future maintenance activity. Aftermarket offerings are also evolving from traditional repair models towards integrated lifecycle support ecosystems encompassing engineering modifications, digital solutions and predictive support services.

Simultaneously, supply-chain resilience has emerged as a strategic priority across the A&D ecosystem. Raw material constraints, production bottlenecks and geopolitical uncertainty have highlighted vulnerabilities across supplier networks. In response, OEMs are increasingly investing in supplier development, digital visibility tools, multicountry manufacturing footprints and lower-tier ecosystem strengthening initiatives to improve reliability and mitigate concentration risks. These shifts are increasing the strategic importance of trusted manufacturing ecosystems capable of delivering precision, quality and scale.

India is increasingly emerging as a strategic participant within this evolving landscape. The country's aerospace ecosystem is moving beyond conventional buyer-supplier relationships towards deeper co-development and localised manufacturing models. Strategic initiatives such as the Airbus-Tata C-295 programme and Safran's LEAP engine MRO and assembly ecosystem reflect a broader transition toward technology transfer and domestic capability creation. Expanding regional connectivity initiatives under UDAN, airport infrastructure development and increasing

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

investments in MRO capabilities are further strengthening India's integration into global aerospace value chains. Simultaneously, defence indigenisation programmes and offset-led technology transfer initiatives continue to strengthen domestic manufacturing capabilities and create long-term opportunities across precision engineering and aerospace component ecosystems.

Collectively, the convergence of aviation growth, defence modernisation, digital transformation, aftermarket expansion and supply-chain diversification is reshaping the global A&D landscape. As manufacturing footprints continue to evolve, India is increasingly positioning itself as a strategic and cost-competitive partner within the global aerospace and defence value chain.

Sources: Deloitte Aerospace & Defence Industry Outlook 2026; Aviation Week Forecast; International Data Corporation (IDC); Ministry of Civil Aviation; Industry Reports and Company Announcements.

INDUSTRY OVERVIEW

Precision Engineering Industry

Global manufacturing is undergoing a profound transformation driven by automation, digitalisation, electrification, and evolving supply chains. As products become increasingly sophisticated, the demand for highly engineered components capable of delivering superior precision, reliability, and performance continues to rise.

Precision engineering has emerged as a critical enabler across industries such as automotive, aerospace and defence, electronics, industrial machinery, healthcare, and renewable energy. The industry is evolving beyond traditional machining towards highly automated and digitally integrated manufacturing ecosystems characterised by advanced process capabilities, real-time monitoring, and intelligent production systems. As product quality and operational efficiency become key competitive differentiators, precision engineering capabilities are gaining strategic importance globally.

The global precision engineering market, valued at over USD 100 billion, is expected to witness steady long-term growth, supported by investments in advanced manufacturing and high-performance industrial applications. While mature economies continue to lead innovation, Asia-Pacific remains the largest manufacturing hub. Simultaneously, India is emerging as a high-growth precision manufacturing destination, supported by favourable government policies, localisation initiatives, infrastructure development, and increasing participation in global supply chains.

Key Industry Trends

- **Growing aerospace and defence opportunities**

  Expanding aviation activity, higher defense spending, and indigenous manufacturing programmes are driving demand for advanced machining capabilities and precision-engineered components.

- **Industry 4.0 accelerating smart manufacturing**

  Industrial IoT, robotics, artificial intelligence, and real-time analytics are enabling greater productivity, product consistency, predictive maintenance, and operational agility.

- **Strengthening technology infrastructure**

  Initiatives such as the Technology Centre Systems Programme (TCSP) are enhancing access to advanced manufacturing technologies, including CNC machining, robotics, automation, additive manufacturing, and precision metrology.

- **Increasing adoption of advanced machining and automation**

  Manufacturers are investing in multi-axis CNC systems and automated production technologies to improve efficiency, scalability, and quality.

- **Electrification driving new component requirements**

  The transition to electric mobility is increasing demand for lightweight, high-precision components used in battery systems, motors, drivetrains, and thermal management applications.

- **Policy support for manufacturing growth**

  Programmes such as Make in India and PLI schemes continue to encourage domestic manufacturing, technology investments, and global competitiveness.

- **Growth of specialised manufacturing clusters**

  Industrial hubs across Bengaluru, Chennai, Hyderabad, Maharashtra, Gujarat, and North India are strengthening sector development through integrated supply chains, skilled talent, and robust infrastructure.

INDUSTRY OUTLOOK

Looking ahead, the precision engineering industry is expected to increasingly adopt hybrid manufacturing approaches that integrate additive manufacturing with traditional machining processes. AI-enabled predictive maintenance, automation-led efficiencies, and digital manufacturing ecosystems are expected to reshape production environments. While high capital intensity and availability of skilled talent continue to remain key challenges, strong structural demand drivers.

Sources: Grand View Research – Precision Machining Market Report, Fortune Business Insights – Precision Machining Market, Imarc Group - India Precision Engineering Market, Invest India – Manufacturing & Engineering Ecosystem, Make in India – Manufacturing Initiatives, https://www.dcmsme.gov.in/tcsp/tp/TCSP_P3%20TP%20TOR%20Precision%20Eng.pdf.

Aero-Tooling, MRO Tooling, Airframe Structure and GSE Industry

The global Aerospace and Defence (A&D) sector is undergoing a structural expansion cycle driven by sustained growth in commercial aviation, elevated defence spending, and increasing investments in fleet sustainment and modernisation. The industry is experiencing a dual trend of rising aircraft demand and persistent supply-side constraints, resulting in increased reliance on maintenance ecosystems, structural retrofits, and precision engineering capabilities. This environment continues to create long-term opportunities across aero-tooling, MRO tooling, airframe structures, and Ground Support Equipment (GSE).

Commercial Aerospace: Demand Expansion amid Supply Constraints

Global commercial aviation demand has exceeded pre-pandemic levels and entered a long-term expansion phase. Passenger traffic is projected to cross 10 Billion by CY 2026, supported by rising middle-class consumption, increasing air connectivity, and strong growth across emerging markets. Simultaneously, passenger load factors have remained above 82%, reflecting high aircraft utilisation rates and increasing pressure on airline fleets.

Despite robust demand, aircraft production continues to face material shortages, labour constraints, and engine supply disruptions. Large OEM order backlogs now extend into the next decade, delaying aircraft deliveries and compelling airlines to maximise utilisation of existing fleets.

Narrow-body aircraft remain central to fleet expansion and account for approximately 75-80% of global deliveries. Production scale-up efforts by leading manufacturers require highly engineered assembly systems, precision tooling, structural jigs, component fixtures, and automated manufacturing platforms. Increasing use of lightweight materials and composite structures has further raised requirements for advanced machining and tooling precision.

Aero-Tooling and MRO Tooling

Within aerospace, maintenance ecosystems are emerging as a major demand driver as airlines increasingly prioritise aircraft availability and lifecycle optimisation.

The Company has established capabilities across next-generation engine platforms including LEAP 1A, LEAP 1B, Pratt & Whitney GTF and Rolls-Royce Trent XWB engine programmes.

These engines are expected to remain central to future aircraft deliveries across narrow-body and wide-body segments. However, the opportunity is less about tooling as a standalone market and more about the broader maintenance and aftermarket ecosystem that supports these platforms.

Aircraft delivery delays and prolonged fleet utilisation have created an extended Maintenance, Repair and Overhaul (MRO) cycle. The global MRO market surpassed USD 136 Billion in CY 2025 and is projected to approach USD 193 Billion by the end of the decade.

As airlines extend aircraft operating life, maintenance intensity is increasing across structural systems, landing gear, engines, and airframe assemblies. This is creating sustained demand for specialised tooling systems, heavy maintenance equipment, structural support systems, composite repair infrastructure, and aftermarket engineering solutions.

Engine maintenance remains the largest MRO category and continues to witness strong growth as several next-generation engines enter major overhaul cycles. Authorised service centres increasingly require proprietary fixtures, precision balancing systems, engine handling equipment, and advanced inspection technologies, including non-destructive testing systems.

In addition, durability concerns and premature wear in certain engine platforms have resulted in localised fleet groundings, generating incremental demand for teardown tooling, engine extraction systems, and repair infrastructure.

Key growth drivers include:

- Increasing installed base of LEAP, GTF and Trent platforms
- Higher aircraft utilisation rates globally
- Aircraft delivery delays extending fleet operating life
- Expansion of overhaul cycles and aftermarket spending
- Localisation of MRO ecosystems in Asia-Pacific and India
- Increasing investment in maintenance infrastructure

Airframe Structures and Passenger-to-Freighter Conversion Opportunity

The air cargo ecosystem represents a specialised but increasingly attractive segment within aerospace tooling

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and structural manufacturing. Long-term cargo demand is expected to support a material increase in global freighter capacity over the next two decades.

Passenger-to-Freighter (P2F) conversions are expected to account for a significant share of fleet additions due to their cost and deployment advantages over new aircraft procurement. Conversion activity requires extensive structural modifications including fuselage reinforcement, floor strengthening, cargo door integration, and internal configuration changes.

Such modifications require customised structural jigs, shoring systems, drilling templates, fastening tools, and specialised assembly fixtures, creating opportunities for manufacturers with complex tooling and fabrication capabilities.

Ground Support Equipment (GSE)

Ground Support Equipment represents another emerging ecosystem opportunity alongside aerospace maintenance activities. The global GSE market is estimated at over USD 10 billion in CY 2026 and is expected to nearly double over the coming years, supported by airport expansion, fleet growth, and infrastructure modernisation.

The industry is also witnessing a transition towards electric GSE platforms, telematics-enabled operations, and automation-led airport ecosystems designed to improve operational efficiency and predictive maintenance capabilities.

The Asia-Pacific region continues to emerge as the fastest-growing aviation market globally and is expected to account for the largest share of future aircraft deliveries. This geographical shift is driving localisation of manufacturing infrastructure, tooling ecosystems, MRO capacity, and component supply chains.

Taken together, expanding maintenance requirements, ageing fleets, localised manufacturing ecosystems, and infrastructure modernisation are expected to sustain a long-term procurement cycle for aero-tooling, airframe structures, MRO tooling, and electro-mechanical systems.

Sources:

- *Airports Council International (ACI) – Global Passenger Traffic Forecast*
- *Boeing Commercial Market Outlook*
- *Deloitte Aerospace & Defence Outlook*
- *Oliver Wyman Global Fleet & MRO Forecast*
- *Fortune Business Insights – Ground Support Equipment Market*
- *Boeing Services Market Outlook*

Precision Tooling Market

The global manufacturing landscape is undergoing a significant structural transformation, driven by rapid adoption of advanced manufacturing technologies, automation, and Industry 4.0 frameworks. Precision tooling remains a foundational element of this transition, enabling high-tolerance and automated production environments across critical sectors. The global precision tooling market is estimated at approximately USD 313.17 Billion in CY 2026, supported by increasing deployment of multi-axis CNC machining systems, predictive analytics, and robotics-driven manufacturing solutions. These technologies are helping manufacturers improve operational efficiency, strengthen supply chain resilience, and meet increasingly stringent quality standards.

Aerospace and Defence

The global defence industry continues to witness sustained expansion and is projected to grow from approximately USD 542.72 Billion in CY 2026 to over USD 739 Billion by CY 2035, representing a CAGR of more than 7%. This growth is being driven by rising geopolitical uncertainties, increased military modernisation programmes, and higher investments in advanced defence capabilities.

Governments globally are increasingly prioritising investments in next-generation combat systems, autonomous platforms, and AI-enabled military applications. Spending on Artificial Intelligence (AI) and Generative AI (GenAI) in defence is expected to reach approximately USD 5.8 Billion by CY 2029, reflecting the increasing importance of intelligent defence systems and digital warfare capabilities. Concurrently, global military spending has reached historic levels amid evolving security priorities.

Capital allocation is increasingly directed towards advanced multi-domain systems, next-generation fighter aircraft, and autonomous unmanned platforms. The active global military fleet is expected to expand by approximately 13.4% over the coming decade, creating significant opportunities across military MRO, specialised components, and precision engineering ecosystems. Simultaneously, global supply chains continue shifting towards 'friend-shoring' strategies, creating long-term opportunities for precision tooling manufacturers in strategic markets such as India.

Sources:

- *Fortune Business Insights – Defence Market*
- *SIPRI*
- *MarketsandMarkets – Artificial Intelligence in Military Market*
- *FlightGlobal Fleet Forecast*

Energy: Expanding Industrial Infrastructure and Energy Security Investments

Global energy demand is undergoing structural transformation driven by industrialisation, AI data centres, semiconductor manufacturing growth, and rapidly expanding digital infrastructure requirements. These trends are increasing demand for reliable baseload generation and reinforcing long-term investments across multiple energy segments.

Nuclear Energy

Nuclear energy is witnessing renewed policy and investment momentum globally. International commitments now target a threefold increase in global nuclear capacity by CY 2050, reflecting increasing emphasis on long-term clean energy infrastructure.

Aligned with this global trend, India has accelerated its nuclear ambitions and is targeting 100 GW of installed nuclear capacity by CY 2047. While the country continues to expand capacity through new reactor projects and emerging technologies such as Small Modular Reactors (SMRs), significant investments are also being directed towards the refurbishment and life-extension of existing nuclear assets through NPCIL's En-Masse Coolant Channel Replacement (EMCCR) programmes. Together, these initiatives are expected to drive sustained demand for high-precision engineering, specialised fabrication, critical components, and advanced manufacturing capabilities, creating long-term opportunities across the nuclear value chain.

Collectively, aerospace and defence, semiconductor manufacturing, and energy infrastructure continue to represent structurally important demand sectors for precision tooling manufacturers, supported by increasing engineering complexity and rising requirements for high-precision manufacturing capabilities.

Oil & Gas Precision Components

Oil & gas infrastructure continues to require precision-engineered products capable of operating under extreme temperatures, pressure environments, and corrosive operating conditions.

Investments across LNG infrastructure, refining systems, drilling assets, and industrial process systems continue to support demand for precision-manufactured valves, pumps, turbine systems, pressure-control systems, and critical industrial components.

Sources:

- *U.S. Department of Energy*
- *U.S. Department of Energy – Nuclear Capacity Declaration*
- *Press Information Bureau – Nuclear Capacity Expansion*
- *Department of Atomic Energy*
- *Department of Atomic Energy, India*
- *Union Budget of India*

Semiconductor: Emerging Precision Manufacturing Ecosystem

The semiconductor manufacturing equipment industry forms the backbone of the modern digital economy and continues to benefit from strong structural demand drivers including artificial intelligence infrastructure, high-performance computing, automotive electrification, and advanced electronics.

The market was valued at approximately USD 166.35 Billion in CY 2025 and is projected to exceed USD 344 Billion by CY 2032, expanding at a CAGR of approximately 11.0%. Increasing process sophistication, miniaturisation trends, and advanced fabrication requirements are accelerating demand for highly specialised tooling systems and precision manufacturing equipment.

India is also emerging as an important participant in the global semiconductor ecosystem. Supported by policy incentives and dedicated investments under the national semiconductor mission, the domestic ecosystem is attracting substantial investments across fabrication, assembly, testing, marking, and packaging (ATMP) infrastructure. These initiatives are strengthening India's position within the broader global electronics manufacturing value chain.

Sources:

- *Fortune Business Insights – Semiconductor Manufacturing Equipment Market*
- *India Semiconductor Mission*

COMPANY OVERVIEW

Unimech Aerospace and Manufacturing Limited (also referred to as 'UAML' or 'the Company') is a precision engineering company engaged in manufacturing mission-critical, high-complexity and low to medium volume products for global customers. The Company offers a comprehensive suite of manufacturing solutions built on engineering excellence, quality, and compliance, serving customers across aerospace, defence, nuclear, semiconductor, energy and industrial sectors.

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Over the years, UAML has strengthened its position by building its presence across high growth sectors to build an integrated precision engineering and manufacturing platform with capabilities spanning tooling systems, precision machined components, electro-mechanical sub-assemblies, and advanced engineered products. Through a combination of 'build-to-print' and 'build-to-specification' models, the Company delivers customised and high-reliability solutions tailored to customer requirements. Its advanced capabilities enable it to serve high growth industries spanning across aerospace, defence, energy, semi-conductors and industrials.

The Company's product portfolio includes aerospace tooling systems including MRO tooling, ground support equipment (GSE), engine stands; precision components and assemblies, nuclear sub-systems, and metallic bellows and exhaust manifolds & assemblies through its recent 100% acquisition of Hobel Bellows. As of close of FY 2025-26 the Company had qualified over 5,923 SKUs, reflecting a diversified and highly specialised product offering.

The Company operates an integrated manufacturing platform across strategically located facilities in Bengaluru and Visakhapatnam, supporting a broad range of capabilities including precision machining, fabrication, welding, metal forming, tube bending, assembly, testing, subsystem manufacturing, and tooling solutions. This diversified infrastructure enables the Company to address complex customer requirements across precision components, engineered systems, and aerospace applications.

- Its Bengaluru manufacturing footprint comprises three facilities located in close proximity, creating operational synergies and enabling streamlined workflows and efficient resource utilisation. These include a 150,000 sq. ft. aerospace tooling facility within the KIADB Aerospace SEZ at Devanahalli, a 93,000 sq. ft. precision components and assembly unit, and a 30,000 sq. ft. fabrication facility. The clustered manufacturing setup supports integrated execution and improved operating efficiencies.
- Further strengthening its manufacturing platform, the recently acquired Hobel Bellows at Duvada SEZ, Visakhapatnam, adds approximately 200,000 sq. ft. of manufacturing space and a 20,000 sq. ft. warehouse facility.
- The company has operationalised a Free Trade Warehouse (FTW) infrastructure to enhance supply chain efficiency, inventory optimisation, and global customer servicing capabilities.

This integrated and scalable manufacturing ecosystem positions the Company to capitalise on growth opportunities across aerospace, precision engineering, energy, and industrial end markets.

As of FY 2025-26, UAML served approximately 35 customers across the United States, Canada, Europe, Singapore, Israel and India. Approximately 90% of revenues are export-driven, with the United States remaining the largest market. The Company benefits from high customer retention supported by extensive qualification cycles, proprietary product capabilities, and significant switching costs.

Business Performance Overview

Aero-Tooling/MRO Tooling

The Aero-Tooling and MRO Tooling offering remained the Company's largest revenue contributor during FY 2025-26 and accounted for approximately 90% of total revenues.

The segment focuses on the design and manufacture of specialised tooling systems supporting engine and aircraft assembly, maintenance, inspection, calibration, overhaul and ground support applications. The Company serves aerospace tooling licensees, engine OEMs, aircraft manufacturers and Tier-1 suppliers across programmes involving CFM LEAP, Pratt & Whitney GTF, Rolls-Royce Trent and airframe platforms.

During the year, customer procurement behaviour was temporarily affected by elevated United States tariff conditions, resulting in a shift towards build-to-order rather than the usual build-to-inventory ordering patterns. Despite these near-term disruptions, the business continued strengthening customer engagement and programme participation.

Key developments during the year included:

- Secured a landmark USD 4 Million (~INR 35 Crores) Ground Support Equipment order under the LEAP engine programme, among the largest orders in the Company's history. Expanded capabilities in engine stand systems and completed deliveries for multiple high-value units.
- Expanded the qualified product portfolio to over 1,100+ SKUs, strengthening product diversification and customer penetration.
- Continued broadening participation across Pratt & Whitney & Rolls Royce tooling programmes alongside existing LEAP opportunities.
- Progressed the FTWZ facility towards operational readiness to improve inventory flexibility and mitigate tariff-related disruptions.
- Recorded fresh order inflows post tariff normalisation supporting recovery in customer demand trends.

Precision Components and Assemblies

The Precision Components and Assemblies offering contributed approximately 10% of revenues and continued progressing through strategic qualification and product development initiatives.

The segment caters to aerospace, defence, semiconductor, energy, medical robotics, and industrial applications and remains an important component of the Company's growth strategy. To enable our offerings to these industries, we continued to make investments in the form of manpower and capex. During the year multiple first articles or qualification orders were carried out. We have executed over 200+ first articles across the segments we serve. This growing qualification ecosystem meaningfully strengthens our future production opportunity pipeline.

Key developments during the year included:

- **Nuclear:** Secured approximately INR 80 Crores of nuclear orders towards repair and refurbishment projects of nuclear reactors.
- **Semiconductor:** Completed 22+ First Article Inspection (FAI) programmes in semiconductor ecosystems associated with a major global supplier of wafer fabrication equipment used in semiconductor manufacturing. Initial production orders started coming in from January 2026 with long-term order visibility, creating a foundation for future scale-up. Additionally, the capability built with this OEM has helped us into advancing discussions with other foreign OEMs.
- **Defence:** Progressed qualification programmes with international defence OEMs and expanded participation across higher-complexity manufacturing opportunities. Our joint commitment of manufacturing micro gas turbines along with Dheya Engineering continues to advance. By the end of this year product portfolio expansion has happened. Dheya now offers micro gas turbines, hydrogen propulsion systems, turbogenerators. A well-curated product portfolio with strong potential visibility post successful certifications and commercialisations.
- **Aerospace:** Aerospace remains a core industry for our offerings. During the year we worked on multiple system and structural parts towards qualification for various OEMs and tier-1 customers. The newly onboarded customers and expanded qualification activities will support opportunities for long-term supply agreements. This will materialise the next phase of growth for Unimech.

Operational Highlights

During the year, the Company continued strengthening its manufacturing platform and long-term strategic capabilities.

Key developments included:

- Expanded machine fleet to 150+ machines.
- Capacity utilisation remained at approximately 50-55%, providing significant headroom for future growth. Utilisation is expected to improve as qualification pipelines convert into production programmes.
- Fixed asset gross block exceeded INR 212 Crores, creating a strong operating base for future growth.
- Headcount increased to 853 from 793 employees.
- Diversified and stronger order book from previous year at INR 214 Crores.

Strategic Initiatives and Expansion

During the year, the Company advanced several strategic initiatives to strengthen its long-term positioning and expand its geographic and capability footprint.

- Established the Kanoo-Unimech Joint Venture in Saudi Arabia, with Unimech holding a 51% stake, supporting geographic diversification and leveraging Unimech's precision engineering capabilities to set up a greenfield entity in the Kingdom of Saudi Arabia to manufacture drilling equipment and precision parts for oil & gas majors of the world.
- Increased stake in Dheya Technologies from 16% to ~30%, solidifying the Company's position in the defence technology space. Dheya Technologies is engaged in the design, development, and manufacturing of advanced defence systems including Micro Gas Turbines, a cutting-edge propulsion technology with significant strategic value across unmanned systems, missile programmes, and next-generation defence platforms. This increased stake reflects the Company's conviction in the long-term opportunity in indigenous defence manufacturing and its commitment to building deep capabilities in high-technology defence sub-systems. The investment aligns with India's accelerating Atmanirbhar Bharat objectives in the defence sector.
- Completed 100% acquisition of Hobel Bellows, a capability-led acquisition that significantly strengthens Unimech's product portfolio. Hobel Bellows is a highly specialised manufacturer of metallic bellows and exhaust manifolds and assemblies, serving precision-

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critical applications in the locomotives and power generation systems with future synergies through utilising capabilities across aerospace, defence, and industrial sectors. The acquisition brings proprietary forming capabilities, deep customer relationships, and a highly accretive financial profile to the Company's manufacturing platform.

- The Free Trade Warehouse has been operationalised in May 2026. Located strategically near the Bengaluru manufacturing facilities, the FTWZ is expected to serve as a key logistics and inventory hub for Unimech's customers, enabling the customers to hold international customer inventory closer to the point of origin, reducing lead times, logistics cost and most importantly navigate tariff complexities more effectively. The FTWZ will enable Unimech to offer more competitive, tariff-efficient supply terms to its global aerospace customers, particularly in the U.S. market, and is expected to become an important operational and commercial differentiator as it becomes fully functional.

Outlook

The Company remains optimistic regarding its growth outlook supported by improving demand conditions, strong customer engagement and expanding opportunities across core and adjacent markets.

The Company exited the period ended March 2026 with an order book of approximately INR 214 Crores, representing the highest level in its history and providing healthy medium-term revenue visibility. The order book includes approximately INR 128 Crores in aero-tooling, INR 80 Crores in nuclear, with the balance across precision manufacturing businesses.

Over the medium term, the Company continues to focus on strengthening its aerospace franchise while scaling growth platforms across nuclear systems, precision manufacturing, semiconductor applications and international markets.

Key strategic priorities include:

- Expanding wallet share across existing aerospace programmes
- Scaling precision and semiconductor manufacturing opportunities
- Executing and expanding nuclear opportunities
- Integrating and scaling Hobel Bellows
- Strengthening international manufacturing presence through the Saudi JV
- Improving capacity utilisation and operating leverage

With a diversified opportunity pipeline, significant manufacturing headroom and a strong balance sheet, Unimech remains well positioned to capitalise on emerging opportunities and drive sustainable long-term growth.

FINANCIAL PERFORMANCE

FY 2025-26 represented a year of strategic progress despite operating amid a challenging external environment. Elevated U.S. tariff conditions and temporary disruptions across export markets created pressure on customer procurement patterns and revenue realisation. However, the Company utilised this period to strengthen operational capabilities, diversify growth drivers and advance strategic initiatives.

Total revenue for FY 2025-26 stood at approximately INR 287.5 Crores, compared with INR 267.7 Crores in the previous year. Revenue from operations for FY 2025-26 stood at approximately INR 240.5 Crores compared with INR 242.9 Crores in the previous year reflecting softer customer offtake and temporary shipment disruptions arising from tariff-related uncertainties.

EBITDA for the year ended March 2026 stood at INR 75.1 Crores, with an EBITDA margin of 31%, while profit after tax stood at INR 63.3 Crores, translating into a PAT margin of 22%.

Despite temporary demand softness, profitability remained resilient. Gross margins remained strong at approximately 69.7%, reflecting the engineering-intensive and specialised nature of the Company's product portfolio.

Key Ratios

The following table presents key financial ratios of the standalone entity for FY 2025-26 and FY 2024-25, together with key explanations for year-on-year movements. Variations in financial ratios reflect changes in working capital management, operating performance, capital structure, and profitability during the year.

S. No.	Ratio	Ratio as on Year Ended March 31, 2026	Ratio as on Year Ended March 31, 2025	Variation	Reason (If variation is more than 25%)
(a)	Current ratio	28.59	28.86	(0.94%)	
(b)	Debt-equity ratio	0.03	0.02	9.79%	
(c)	Debt service coverage ratio	6.29	(13.33)	(147.17%)	Previous year debt service was negative, resulting in an abnormally high ratio, whereas the current year reflects a normal positive debt service, leading to a sharp comparative decline despite higher earnings available for debt service
(d)	Return on equity ratio	0.04	0.07	(40.43%)	Due to increase in the average equity of the organisation
(e)	Inventory turnover ratio	3.43	1.61	113.84%	The inventory turnover ratio increased primarily due to higher cost of goods sold combined with a reduction in average inventory levels, indicating improved inventory management and faster stock movement during the current year
(f)	Trade receivables turnover ratio	13.84	8.81	57.11%	The trade receivables turnover ratio increased mainly due to a reduction in average trade receivables relative to net credit sales, indicating improved efficiency in collection and faster realisation of receivables during the year
(g)	Trade payables turnover ratio	1.96	2.95	(33.63%)	The decrease in the trade payables turnover ratio is primarily due to a reduction in net credit purchases and a relatively higher level of outstanding payables, resulting in a longer payment cycle
(h)	Net capital turnover ratio	0.10	0.10	5.21%	
(i)	Net profit ratio	0.51	0.45	12.53%	
(j)	Return on capital employed	0.06	0.05	12.36%	
(k)	Return on investment	0.17	0.11	62.32%	The return on investment increased mainly due to a significant increase in other income and investements made in bonds and mutual funds compared to the growth in average cash and marketable securities

Overall, the Company continued to maintain a strong financial profile supported by disciplined capital allocation, healthy liquidity levels, and a prudent leverage position. The specialised nature of its product portfolio and long-standing customer relationships continued to support profitability and operational resilience. Going forward, improving capacity utilisation, increasing contribution from new business segments, and operational scale-up initiatives are expected to further strengthen return metrics and operating efficiency.

RISK MANAGEMENT

Unimech operates in a dynamic business environment exposed to macroeconomic, regulatory, operational, and technological risks. The Company follows a structured risk management framework focused on identifying, assessing, and mitigating risks in alignment with business objectives and long-term value creation.

Key risks include exposure to global trade policy changes and geopolitical developments, customer concentration

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within core aerospace programmes, stringent regulatory and certification requirements, integration risks associated with strategic initiatives, operational complexities arising from a high-mix manufacturing environment and increasing cybersecurity considerations linked to digital adoption.

To mitigate these risks, the Company continues to strengthen geographic and business diversification, expand customer relationships across new sectors, maintain globally recognised quality systems, enhance operational capabilities, and invest in digital infrastructure and cybersecurity. Supported by a strong balance sheet, disciplined capital allocation, and robust operational controls, the Company remains focused on strengthening organisational resilience and sustaining long-term growth.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains an internal control framework commensurate with the size, nature and complexity of its operations. The Board of Directors, through the Audit Committee, oversees the design, implementation and effectiveness of internal controls across the organisation.

Key elements of the internal control framework include:

- Structured financial planning and reporting processes supported by defined approval mechanisms and segregation of responsibilities.
- Strong controls across procurement, inventory management, treasury operations and revenue recognition processes.
- Timely and continuous monitoring of machining efficiency and effectiveness measured through quality output, right-first-time approach and robust dispatch cycle.
- Enterprise Resource Planning (ERP) enabling operational visibility and process standardisation.
- Structured risk identification and compliance monitoring processes covering regulatory and operational matters.
- Independent internal and statutory audits reviewing process effectiveness and control adequacy.

Management believes that internal control systems remain adequate and effective for the nature and scale of the Company's operations, and no material weaknesses were identified during the year.

INFORMATION TECHNOLOGY AND DIGITAL TRANSFORMATION

Technology remains a strategic enabler supporting operational excellence, manufacturing efficiency and scalability across the organisation. The Company continued investing in digital infrastructure and automation initiatives to improve visibility, quality and productivity.

Key initiatives undertaken include:

- Deployment of Manufacturing Execution Systems (MES) enabling digital tracking of production, machine utilisation and work-in-progress status.
- Integration of CAD/CAM platforms to improve programming efficiency and reduce turnaround times for customer qualification programmes.
- Secure digital systems facilitating customer collaboration, documentation exchange and quality traceability.
- Integration of quality systems with Coordinate Measuring Machine (CMM) outputs supporting automated reporting and process control.
- Quality systems ensured real-time quality monitoring and inspection data analysis. Inspection planning and quality process management were also strengthened during the year.
- Automation initiatives at Hobel Bellows through FANUC robotic welding systems and automated testing capabilities.
- Multiple ERP modules being implemented to enhance system controls and effectiveness in the organisation.

Going forward, the Company continues to invest in predictive maintenance, advanced analytics and cybersecurity infrastructure to support future growth.

HUMAN RESOURCES

The Company's workforce remains a key competitive advantage, supporting its precision manufacturing capabilities through specialised technical expertise, process discipline, and a strong quality-focused culture. During FY 2025-26, the Company expanded workforce capacity in line with growth initiatives and investments in manufacturing capabilities, while continuing to strengthen employee development and leadership programmes.

As of March 31, 2026, the Company employed 853 individuals, including both direct employees and contract labourers, spread across key functional areas such as management, engineering, manufacturing, quality assurance, operations, research and development, and support functions. This is in addition to approximately 290 employees following the acquisition of Hobel Bellows.

Employee costs increased during the year due to planned workforce expansion and implementation of the Employee Stock Option Plan (ESOP), reflecting the Company's long-term focus on building organisational capability and strengthening employee alignment.

The Company continues to invest in talent development through structured onboarding programmes, cross-functional training initiatives, performance-linked incentive frameworks, employee ownership programmes, and technical capability enhancement across advanced manufacturing systems. These initiatives support workforce flexibility, continuous learning, and operational excellence.

During FY 2025-26, the Human Resources function undertook several key initiatives aimed at enhancing employee experience, compliance, employee welfare, and operational efficiency. Significant progress was made in the digitalisation of HR processes through the implementation of an integrated Human Resource Management System (HRMS), digitisation of employee insurance administration, and strengthening of POSH compliance through registration and reporting mechanisms on the She-Box Portal.

The Company strongly believes that employee engagement and effective grievance resolution are critical to fostering a positive, inclusive, and productive work environment. To address employee concerns in a structured and transparent manner, the Company strengthened its grievance redressal framework through dedicated committees covering key areas such as canteen management, Prevention of Sexual Harassment (POSH), transportation, Health, Safety and Environment (HSE), and employee grievance redressal. These committees serve as important platforms for employee representation, feedback, and timely resolution of concerns, thereby promoting trust, accountability, and employee well-being.

In line with this philosophy, several employee engagement initiatives were conducted during the year, including Annual Day celebrations, Rewards & Recognition (R&R) programmes, the Annual Sports Meet, Gala Dinner events, team outings, and the introduction of the 'Coffee with Director' programme. This initiative was designed to encourage open communication, promote transparency, and strengthen collaboration between employees and management through a culture of accessibility and engagement. In parallel, the Company maintains a robust Health, Safety and Environment (HSE) framework across its facilities. Regular safety audits, equipment inspections, emergency preparedness programmes, and preventive safety measures are undertaken to ensure a safe workplace environment and uphold high operational standards.

CAUTIONARY STATEMENT

The statements in the Management Discussion and Analysis Report that describe your Company's projections, estimates, and expectations are 'forward-looking statements'. They are within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied depending upon the economic conditions affecting demand/supply, price scenario in the domestic and international markets in which it operates, changes in government regulations, tax laws, and other statutes. The Company undertakes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

CORPORATE GOVERNANCE REPORT

ANNEXURE – 9

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages fairness, transparency, accountability, reliability, credibility and equality in all facets of its operations and its interaction with its stakeholders.

The Company's governance practises reflect values, and its Code of Conduct provides a necessary framework in managing the business with the highest standards, enabling the Company to fulfil its legal, financial and ethical objectives towards its stakeholders. The Company has adopted a Code of Conduct for its Directors and Senior Management which encompasses an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. The Company discloses information regarding its financial position, performance and other vital matters with fairness and transparency on a timely basis, keeping in mind the regulatory requirements stipulated under the various laws applicable to Company.

I. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 2013, ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), wherever applicable and as amended from time to time.

The composition of the Board of Directors as on March 31, 2026, comprising of 10 (Ten) Directors consisting of Chairman and Managing Director ('MD'), four Whole Time Directors and five Independent Directors. The Company's Board includes one Woman Independent Director. Chairman of the Board is an Executive Director and also one of the promoters of the Company. Accordingly, the composition of the Board is in conformity with Regulation 17 of the Listing Regulations, read with Section 149 of the Act.

The Directors of the Company are persons of eminence having vast and varied experience in Strategic Thinking, Planning and Business Management, Entrepreneurial and Leadership Skills, Marketing and Branding, Financial Management, Global Exposure, Expertise in Defence Industry, Governance and applicable Regulatory Compliance.

A. COMPOSITION AND CATEGORY OF DIRECTORS, ATTENDANCE AT BOARD MEETINGS AND ANNUAL GENERAL MEETING, MEMBERSHIP OF OTHER BOARDS/COMMITTEES AS OF MARCH 31, 2026:

S. No.	Name of Director	Position & Category	Attendance Particulars			Other Directorship		Committee Membership/ Chairmanship#	
			No. of Board Meetings		Last AGM (held on August 13, 2025)	No. of other Directorship	Name of the listed entity & Category of Directorship	Membership	Chairmanship
			Held (During the tenure)	Attended					
1.	Mr. Anil Kumar Puttan	Chairman, Managing Director & Promoter	5	5	Yes	1	Nil	Nil	Nil
2.	Mr. Ramakrishna Kamojhala	Whole Time Director, Chief Financial Officer & Promoter	5	5	Yes	1	Nil	Nil	Nil
3.	Mr. Rajanikanth Balaraman	Whole Time Director & Promoter	5	5	Yes	1	Nil	Nil	Nil
4.	Mr. Mani Puttan	Whole Time Director & Promoter	5	5	Yes	1	Nil	Nil	Nil
5.	Mr. Preetham Venkatesh Shimoga	Whole Time Director & Promoter	5	5	Yes	1	Nil	Nil	Nil
6.	Mr. Ashok Tandon	Independent Director Non-Executive Director	5	5	Yes	Nil	Nil	Nil	Nil

S. No.	Name of Director	Position & Category	Attendance Particulars			Other Directorship		Committee Membership/ Chairmanship#	
			No. of Board Meetings		Last AGM (held on August 13, 2025)	No. of other Directorship	Name of the listed entity & Category of Directorship	Membership	Chairmanship
			Held (During the tenure)	Attended					
7.	Mr. Mukund Srinath	Independent Director Non-Executive Director	5	5	No	Nil	Nil	Nil	Nil
8.	Mr. Pavan Krishnamurthy	Independent Director Non-Executive Director	5	5	Yes	2	Nil	Nil	1
9.	Ms. Vidya Rajarao	Independent Director Non-Executive Director	5	4	Yes	1	Nil	Nil	1
10.	Mr. Sridhar Ranganathan	Independent Director Non-Executive Director	5	5	Yes	1	Nil	Nil	Nil

#Chairmanship / Committee Membership of Audit Committee & Stakeholders' Relationship Committee of other public limited companies, excluding private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Act, only has been considered in accordance with Regulation 26 of the Listing Regulations.

OTHER DISCLOSURE

1. As on March 31, 2026, none of the Non-Executive Directors holds any Equity Shares of the Company.
2. None of the Directors of the Company are related to each other and with the employees of the Company except Mr. Anil Kumar Puttan and Mr. Mani Puttan who are related to each other being brothers.
3. The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company.
4. None of the Non-executive Directors held convertible instruments of the Company during the Financial Year ended March 31, 2026.

   Details of directorship of Board Members in other listed entities:

   None of the Directors of your Company held directorship in any other listed entity as on March 31, 2026.

B. BOARD MEETINGS

The Board meets at least once per quarter to review financial results and other agenda items. During the year, meetings were held on May 27, 2025; July 24, 2025; November 12, 2025; February 12, 2026. The meeting held on March 23, 2026, was adjourned on March 28, 2026 and subsequently concluded on April 11, 2026.

The maximum gap between any two Board Meetings is less than one hundred and twenty days. Accordingly, the Agenda papers and the minutes of Board meetings were circulated to Directors containing vital and adequate information facilitating deliberations at the meetings.

All material information was circulated to the Directors before the meetings or placed at the meetings, including the minimum information as mentioned in the Part A of Schedule II of the Listing Regulations, as and when occasion arises.

CORPORATE GOVERNANCE REPORT (CONTD.)

C. CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code has been circulated to Directors and Senior Management Personnel and its compliance is affirmed by them annually. A declaration signed by the Managing Director forms part of this Report. The Code of conduct has incorporated the duties of Independent Directors as laid down in the Companies Act, 2013. The Code of conduct is available on the website of the Company at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/02-Code-of-Conduct-Directors-Senior-Management-Personnel.pdf.

D. DISCLOSURE REGARDING APPOINTMENT OR REAPPOINTMENT OF A DIRECTOR

Pursuant to provisions of the Act, and Articles of Association of the Company, Mr. Mani Puttan (DIN: 08042129) retires by rotation at the ensuing 10th Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

E. INDEPENDENT DIRECTORS

1. Independent Director means a Non-Executive Director, who fulfils the criteria as laid down in Regulation 16 read with Regulation 25 of the Listing Regulations.
2. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.
3. The maximum tenure of Independent Directors is in accordance with the Act, and Rules made thereunder.
4. During the year, separate meeting of the Independent Directors was held on February 27, 2026 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.
5. All Independent Directors of the Company have submitted the requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act, read with Regulation 16 and 25(8) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act, and the Company's Code of Conduct. They have further confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties and that they are independent of the management.
6. The Company issues formal letter of appointment to its Independent Directors and the terms and conditions of said Letter are published on the website of the Company at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/Terms-of-Appointment-of-Independent-Director.pdf.
7. In the opinion of the Board, the Independent Directors of the Company fulfilled the conditions specified under the Listing Regulations and that they were independent towards any decision of the management.

F. FAMILIARISATION PROGRAMME FOR NON-EXECUTIVE/INDEPENDENT DIRECTORS OF THE COMPANY

In terms of the Listing Regulations, the Company adopted a Familiarisation Programme for its Non-Executive Directors including Independent Directors.

On an annual basis, the Company briefs its Directors *inter-alia* about the Company's industry structure, business model, shareholder profile, financial details, overview of amendments in applicable laws, their roles, rights and responsibilities in the Company. The familiarisation program is placed on our website at https://www.unimechaerospace.com/documents/CorporateGovernancePolicyDocuments/FamilarizationPolicy.pdf.

G. SKILLS, EXPERTISE AND COMPETENCE OF DIRECTORS

The table describes the core skill, expertise and competence of Directors of the Company as of March 31, 2026 as required and possessed in the context of operations of the Company:

Particulars	Planning	Finance & Taxation	Legal	Administration	Technical
Mr. Anil Kumar Puttan	Yes	No	No	Yes	Yes
Mr. Ramakrishna Kamojhala	Yes	Yes	Yes	Yes	Yes
Mr. Mani Puttan	Yes	No	No	Yes	Yes
Mr. Preetham Venkatesh Shimoga	Yes	No	No	Yes	Yes
Mr. Rajanikanth Balaraman	Yes	No	No	Yes	Yes
Mr. Ashok Tandon	Yes	Yes	Yes	Yes	No
Mr. Mukund Srinath	Yes	Yes	Yes	Yes	No
Ms. Vidya Rajarao	Yes	Yes	Yes	Yes	No
Mr. Pavan Krishnamurthy	Yes	Yes	Yes	Yes	No
Mr. Sridhar Ranganathan	Yes	No	Yes	Yes	No

- Yes - No

Note: The mark is allocated based upon their competencies in the respective areas as stated above. However, in view of the experience and current positions in respective businesses, the Directors possess working knowledge in all the above areas.

H. BOARD EVALUATION

The Board monitors and reviews the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/ non-executive/independent directors. The questionnaire of the survey is a key part of the process of reviewing the functions and effectiveness of the Board and identifying possible path for improvement. Each Board member is requested to evaluate the effectiveness of the board dynamics and relationship, information flow, decision making of the directors, relationship with the stakeholders, company performance and strategy, and the effectiveness of the whole board and its various committees. Feedback on each director is encouraged. The evaluation process for the Financial Year ended March 31, 2026 has been completed.

An Independent Directors' meeting was held to review the following:

- Review the performance of non-independent directors and the Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

I. REMUNERATION OF DIRECTORS

There is no pecuniary relationship or transactions with the Non-Executive Directors except the payment of sitting fees which is paid for attending Board/ Committee Meetings. The sitting fees shall not exceed Rupees One Lakh per meeting of the Board or Committee, or such amount as may be prescribed by the Central Government from time to time. No commission/share of profit is payable to them.

Disclosures with respect to remuneration paid to Independent Directors:

Details of the remuneration (sitting fee) on standalone basis to Non-executive Directors for the Financial Year ended March 31, 2026:

Particulars	(Amount Rs.)
Mr. Ashok Tandon	8,50,000
Mr. Mukund Srinath	6,00,000
Ms. Vidya Rajarao	5,50,000
Mr. Pavan Krishnamurthy	7,50,000
Mr. Sridhar Ranganathan	7,00,000

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The following Whole-Time Directors have drawn their remuneration from the Company during the Financial Year ended March 31, 2026:

(Rs. in Lakhs)

S. No.	Name of the Whole Time Director	all elements of remuneration package of individual directors summarised under major groups, such as salary, benefits, bonuses, stock options, pension etc;	details of fixed component and performance linked incentives, along with the performance criteria;	service contracts, notice period, severance fees
1	Mr. Anil Kumar Puttan	135 lakhs	135 Lakhs	NIL
2	Mr. Ramakrishna Kamojhala	108 Lakhs	108 Lakhs	NIL
3	Mr. Mani Puttan	NIL	NIL	NIL
4	Mr. Preetham Venkatesh Shimoga	NIL	NIL	NIL
5	Mr. Rajanikanth Balaraman	108 Lakhs	108 Lakhs	NIL

The above numbers are excluding the Gratuity and leave encashment provisions provided as per the actuarial valuation report.

J. REMUNERATION POLICY

Policy relating to the Remuneration of the Executive Directors, KMP and Senior Management Personnel

The remuneration/compensation/commission to the Executive Director, Key Managerial Personnel (KMP) and Senior Management Personnel will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval. The remuneration/compensation/commission shall be subject to the approval of the Shareholders of the Company, if required.

The remuneration and commission to be paid to the Executive Directors shall be in accordance with the provisions of the Act.

Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Executive Directors.

Where any insurance is taken by the Company on behalf of its Executive Directors, Chief Financial Officer ('CFO'), the Company Secretary ('CS') and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Remuneration to Executive Director, KMP and Senior Management Personnel

Remuneration:

The Executive Director/KMP and Senior Management Personnel shall be eligible for fixed and/ or variable remuneration payable monthly or annually as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee. In the case of Whole-Time Directors including Managing Director, the breakup of remuneration and quantum of perquisites including, employer's contribution to P.F. medical expenses etc. shall be decided and approved by the Board/the person authorised by the Board on the recommendation of the Nomination and Remuneration Committee and approved by the shareholders, if required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act (in the form as stated under "remuneration" aforesaid) and if it is not able to comply with such provisions, the Company may go for approval of shareholders.

Provisions for excess Remuneration:

If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the shareholders, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by shareholders by special resolution within two years from the date the sum becomes refundable.

Profit-linked Commission:

The profit-linked commission or incentive remuneration may be paid within the monetary limit approved by shareholders.

Severance fees:

In the event of termination of the contract by the Company before the contract period, the Company shall pay Executive Director, a compensation for the unexpired period of the contract at equal and same terms had the contract been continued.

Stock Options:

In line with the provisions of the Act, an Independent Director shall not be entitled to stock options of the Company.

II BOARD COMMITTEES:

A. AUDIT COMMITTEE

The Audit Committee ('Committee') presently consists of 3 (i.e., Three) Independent Directors as follows:

S. No.	Name of the Director	Designation	Chairperson/ Member
1	Ms. Vidya Rajarao	Independent Director	Chairperson
2	Mr. Ashok Tandon	Independent Director	Member
3	Mr. Pavan Krishnamurthy	Independent Director	Member

- The constitution of the Committee meets with the requirements of Section 177 of the Act, along with Regulation 18 of the Listing Regulations.
- All the current members of the Committee have relevant experience in financial matters and Ms. Vidya Rajarao and Mr. Pavan Krishnamurthy are associate members of the Institute of Chartered Accountants of India. Mr. Ashok Tandon is a fellow member of the Institute of Company Secretaries of India.
- The Company Secretary of the Company is the Secretary to the Audit Committee.
- The Audit Committee Chairperson, Ms. Vidya Rajarao attended the 9th Annual General Meeting held on Wednesday, August 13, 2025.
- The Audit Committee met Four (4) times during the Financial Year ended March 31, 2026. Particulars of dates of the meeting and particulars of attendance by the members of the committee during the Financial Year ended March 31, 2026, are as follows:

S. No.	Date of Meeting	Members Present
1	May 26, 2025	All three Directors attended the meetings held during the Financial Year ended March 31, 2026, except Ms. Vidya Rajarao, who did not attend the meeting held on July 24, 2025, for which leave of absence was granted.
2	July 24, 2025	
3	November 12, 2025	
4	February 12, 2026	

Chairman and Managing Director, and Chief Financial Officer attend Audit Committee meetings by invitation. The Statutory Auditors attend Audit Committee meetings as special invitees to provide comments and share concerns, if any, with the Audit Committee. Recommendations made by the Audit Committee during the year were accepted by the Board.

The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 and Part C of Schedule II of the Listing Regulations and Section 177 of the Act, as applicable, besides other terms may be referred by the Board of Directors including the following:

- Review of Management Discussion and Analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, Internal Audit Reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the internal auditor.
- Review *inter-alia* related party transactions and the financial statements, and all significant transactions and arrangements entered into by the Subsidiary.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ('Committee') presently consists of 3 (i.e., Three) Independent Directors as follows:

S. No.	Name of the Director	Designation	Chairperson/ Member
1	Mr. Mukund Srinath	Independent Director	Chairman
2	Mr. Ashok Tandon	Independent Director	Member
3	Mr. Sridhar Ranganathan	Independent Director	Member

- The Company Secretary is the Secretary to the Nomination and Remuneration Committee.
- During the Financial Year ended March 31, 2026, one meeting was held on July 24, 2025 and all the members were present.

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The powers, role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Regulation 19 and Part D of the Schedule II of the Listing Regulations and Section 178 of the Act, and include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Performance evaluation criteria for Independent Directors

The criteria for performance evaluation cover the areas relevant to the functioning of Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the Directors who are subject to evaluation did not participate.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee ('Committee') presently consists of 2 (two) Independent Directors and 1 (one) Executive Director as follows:

S. No.	Name of the Director	Designation	Chairperson/Member
1	Mr. Mukund Srinath	Independent Director	Chairman
2	Mr. Ashok Tandon	Independent Director	Member
3	Mr. Ramakrishna Kamojhala	Whole-time Director and Chief Financial Officer	Member

- The Company Secretary is the Secretary to the Stakeholders' Relationship Committee.
- During the Financial Year ended March 31, 2026, one meeting was held on February 19, 2026, in which except Mr. Ramakrishna Kamojhala, others were present.

The powers, role and terms of reference of the Stakeholders' Relationship Committee cover the areas as contemplated under Section 178 of the Act read with Regulation 20 and Part D of Schedule II of the Listing Regulations and include the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Resolving grievances of debenture holders related to the creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.

Name and designation of the Compliance Officer:

Ms. Rashmi Gupta*,

Company Secretary and Compliance Officer

Unimech Aerospace and Manufacturing Limited.

**Ms. Rashmi Gupta was appointed as the Company Secretary and Compliance Officer of the Company with effect from May 28, 2026.*

Details of investor complaints/grievances

During financial year 2025-26, the Company received 4 investor complaints. All the requests/ complaints of shareholders were satisfactorily resolved within the statutory timeline.

D. RISK MANAGEMENT COMMITTEE

The Risk Management Committee ('Committee') presently consists of 1 (one) Independent Director and 2 (two) Executive Directors as follows:

S. No.	Name of the Director	Designation	Chairperson/Member
1	Mr. Anil Kumar Puttan	Chairman and Managing Director	Chairman
2	Mr. Pavan Krishnamurthy	Independent Director	Member
3	Mr. Ramakrishna Kamojhala	Whole-time Director and Chief Financial Officer	Member

- The Company Secretary is the Secretary to the Risk Management Committee.
- During the Financial Year ended March 31, 2026, two meetings were held on October 15, 2025 and March 28, 2026.
- All the members were present at the meetings.

The powers, role and terms of reference of the Risk Management Committee covers the areas as contemplated under Regulation 21 and Part D of Schedule II of the Listing Regulations and includes the following:

- To formulate a detailed risk management policy.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, considering the changing industry dynamics and evolving complexity.
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

II. SENIOR MANAGEMENT

The Senior Management team as of March 31, 2026:

S. No.	Name	Designation
1	Mr. Prathap B	Assistant General Manager - Projects
2	Mr. Jagadeesha H C	NPCIL - Project Lead
3	Mr. Aakash Jaiswal	AGM - Investor Relations and Analyst

Changes in the Senior Management during Financial Year 2025-26:

Mr. Krishnappayya Desai and Mr. Akash Shetty, resigned from the position of Company Secretary and Compliance Officer of the Company with effect from closure of business hours on April 05, 2025 and March 03, 2026, respectively.

III. DETAILS OF MATERIAL SUBSIDIARIES

S. No.	Name of Material Subsidiary	Date & Place of Incorporation	Name of Statutory Auditors	Date of Appointment of Statutory Auditors
1.	Innomech Aerospace Toolings Private Limited	26/10/2018 Bangalore	Messrs. MSKA & Associates LLP	July 03, 2024

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IV. RELATED PARTY TRANSACTIONS

During the Financial Year ended March 31, 2026, the Company did not engage in any material related party transactions that could potentially conflict with the interests of the Company at large. This includes transactions of a material nature with its Promoters, Directors, Management, their subsidiaries, or relatives, if any.

The Company has formulated a Policy on the materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said Policy is made available on the website of the Company at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/09-RPT.pdf.

The Company has made requisite disclosure with respect to related party transaction in the significant accounting policies and note to accounts to the Financial Statements. Transactions with the related parties as per the requirements of Ind AS 24 are disclosed in Note No. 38 to the Standalone Financial Statement of the Company for the year ended March 31, 2026 forming part of this Annual Report.

V. GENERAL BODY MEETINGS

The details of the last three Annual General Meetings held and summary of Special Resolutions passed therein are furnished below:

Financial Year Ended	Date and Time	Venue	Special Resolutions passed
March 31, 2025	August 13, 2025 at 11:00 A.M.	Plot No.3, Sy No. 21-P, Aerospace SEZ Sector, Hitech Defence and Aerospace Park, Kavadadasanahalli, Devanahalli, Bengaluru, Karnataka-562135	NIL
March 31, 2024	July 03, 2024 at 4:00 P.M.	Taj Yeshwanthpur, 2275, Tumkur Rd, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru, Karnataka 560 022	1. Appointment of Mr. Mukund Srinath as an Independent Director of the Company. 2. Appointment of Mr. Ashok Tandon as an Independent Director of the Company. 3. Appointment of Mr. Pavan Krishnamurthy as an Independent Director of the Company. 4. Appointment of Mr. Sridhar Ranganathan as an Independent Director of the Company. 5. Appointment of Ms. Vidya Rajarao as an Independent Director of the Company 6. Increase in Investment Limits for Non-Resident Indians and overseas citizens of India. 7. Approval of Initial Public Issue of Equity Shares through a fresh issue and offer for sale of equity shares by the Company. 8. Approval of the issuance of equity shares on preferential basis to select group of persons.
March 31, 2023	September 30, 2023 at 10:00 A.M.	538, 539, 542 & 543, 14th Cross, 7th Main, 4th Phase, Peenya Industrial Area, Bengaluru, Karnataka - 560058	NIL

VI. POSTAL BALLOT

During the Financial Year, the following special resolutions were passed by the shareholders by the requisite majority by way of postal ballot through e-voting.

Date of Postal Ballot Notice	Resolutions passed	Total number of valid votes Polled	Votes cast in favour of the resolution No and %	Votes Cast against the resolution No and %	Approval Date	Scrutiniser
November 12, 2025	To consider and approve variation in the objects of the issue relating to Initial Public Offering (IPO)	4,56,07,833	4,52,12,037 and 99.13%	3,95,796 and 0.87%	December 17, 2025	Mrs. Kalaivani S, Company Secretary in Practice (Membership No. 57112) (CP No. 22158)
	To grant loans, give guarantees and/or provide security to any bodies corporate/person(s) and investments in any bodies corporate pursuant to section 186 of the Companies Act, 2013	4,56,07,883	4,51,57,500 and 99.01%	4,50,383 and 0.99%		
	To consider and grant approval to advance any loan/give guarantee/provide security under section 185 of the Companies Act, 2013	4,56,07,883	4,51,57,492 and 99.01%	4,50,391 and 0.99%		

The voting results are made available on our website at https://www.unimechaerospace.com/documents ShareholdersInformation/GeneralMeetingsPostalBallot/PostalBallot/2025-26/Scrutinizer-Report-and-Postal-Ballot Results.pdf.

Procedure for Postal Ballot

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs from time to time.

VII. MEANS OF COMMUNICATION

Quarterly/Half Yearly/Yearly Results

- Pursuant to provisions of the Listing Regulations, periodical Financial Results of the Company are being published in widely circulated English Newspaper (Business Line - All India editions) and vernacular newspaper (Bangalore edition).
- Financial Results, duly approved by the Board, are filed with Stock Exchanges (BSE and NSE) and displayed on the Company's Website at https://www.unimechaerospace.com/quarterly-results.
- Along with the Financial Results, other information as per the Listing Regulations such as Annual Report, Integrated Governance Report, Shareholding Pattern and official news/press releases are filed with BSE on https://listing.bseindia.com and with NSE through https://neaps.nseindia.com/NEWLISTINGCORP/ and also made available on the Company's website at https://www.unimechaerospace.com/investorrelations.
- The Company conducts earnings calls after the Board Meeting to discuss Financial Results of the Company for the quarter, half year and year ended as the case may be. The presentations made to the institutional investors or analysts, if any, are sent to Stock Exchanges and also made available on the website of the Company at https://www.unimechaerospace.com/earnings-call.

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VIII. GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting Date : Time : Venue :	 August 28, 2026 11:00 A.M. VC/OAVM
b.	Financial Year	A twelve-month period starting from April 01, 2025 to March 31, 2026
c.	Dividend Payment Date	No Dividend is declared for the financial year 2025-26
d.	Record date	Not Applicable
e.	Listing on Stock Exchanges	The Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) BSE Limited, P J Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 The listing fees due as on the date has been paid to the respective stock exchanges.
f.	ISIN	INE0U3I01011
g.	Registrar and Transfer Agents (RTA)	KFin Technologies Limited 301, The Centrium, 3rd Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai – 400 070, Maharashtra, India Contact details: einward.ris@kfintech.com Contact number:1800-309-4001
h.	Share Transfer System	Transactions happens in dematerialised mode only.
i.	Distribution of shareholding as on March 31, 2026	(As per Annexure A)
j.	Shareholding Pattern as on March 31, 2026	(As per Annexure B)
k.	Dematerialisation of Shares and Liquidity as on March 31, 2026	(see table below)
l.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	No outstanding GDRs/ADRs/Warrants or any Convertible Instruments
m.	Commodity price risk or Foreign exchange risk and hedging activities	Nil
o.	Factory (Plant Location) and Registered Office	Plot no 167, SY No. 74/1 and 74/2, Hitech Defense and Aerospace Park Industrial Area, Arebinnamangala Village, Jala Hobli, Bengaluru North Taluk, Bagalur, Bangalore, Karnataka, India-562149
p.	Compliance Officer and Company Secretary	Ms. Rashmi Gupta was appointed as the Company Secretary and Compliance Officer of the Company with effect from May 28, 2026.

Description	No. of Holders	No. of Shares	% of Equity
Physical	75769	-	
NSDL		77,41,328	15.22
CDSL		4,31,15,555	84.78
Total		**5,08,56,883**	**100.00**

q.	Address for correspondence	Shareholders/Beneficial owners are requested to correspond with the Company's RTA (Registrar and Share Transfer Agents) with respect to any query, request, information or clarification pertaining to shares and are further advised to quote their folio number, DP and Client ID number as the case may be, in all correspondence with it. In addition to the RTA, the shareholders may correspond at the following addresses; **Corporate Office and Factory** **Unimech Aerospace and Manufacturing Limited** Plot No.3, Sy. No. 2l-P, Aerospace SEZ Sector, Hitech Defence & Aerospace Park, Kavadadasanahalli, Bangalore Rural, Devanahalli Taluk, Karnataka, India, 562135
r.	Credit Rating during the year	-

ANNEXURE A

Distribution of shareholding as on March 31, 2026

Shareholding of Nominal Shares	Shareholders	% to Total Shareholders	Total Shares	% of Paid-up Capital
1 to 500	74,773	98.69	24,89,992	4.90
501 to 1000	501	0.66	3,82,288	0.75
1001 to 2000	237	0.31	3,45,807	0.68
2001 to 3000	80	0.11	1,96,987	0.39
3001 to 4000	53	0.07	1,88,643	0.37
4001 to 5000	29	0.04	1,30,663	0.26
5001 to 10000	38	0.05	2,80,436	0.55
10001 & above	58	0.08	4,68,42,067	92.11
Total	**75,769**	**100.00**	**5,08,56,883**	**100.00**

ANNEXURE B

Shareholding pattern as on March 31, 2026

S. No.	Category	Number of Shares	% of Holding
(A)	**Promoters and Promoters Group**		
A1	Promoters		
1(a)	Individual (Indian Nationals)	4,01,34,509	78.92
1(b)	Individual (Foreign National)	-	
1(c)	Body Corporate	-	
A2	Promoters Group	4,57,378	0.90
	Total (A1 + A2)	**4,05,91,887**	**79.82**
(B)	**Public Shareholdings**		
1	Mutual Funds	79,623	0.16
2	Alternate Investment Funds	29,16,267	5.73
3	Foreign Portfolio Investor (Corporate)	1,91,565	0.38
4	Financial Institutions	-	-
5	Individuals	50,82,092	9.99
6	Others	19,95,449	3.92
	Total (B)	**1,02,64,996**	**20.18**
(C)	**Non Promoter – Non Public shareholder**	**-**	**-**
	Grand Total (A + B + C)	**5,08,56,883**	**100**

CORPORATE GOVERNANCE REPORT (CONTD.)

IX. OTHER DISCLOSURES

1. Materially significant related party transactions

There have been no materially significant related party transactions that may have potential conflict with the interests of the listed entity at large.

2. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange(s), SEBI or any other statutory authority.

The equity shares of the Company are listed on BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai. The Company has complied with all the applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, since the date of its listing.

3. Whistle Blower Policy / Vigil Mechanism and Affirmation that no personnel has been denied access to the Audit Committee.

The Company is committed to ethical and lawful business conduct which is not only essential to the Company's success, but also a fundamental shared value of its Board of Directors (the 'Board'), senior management personnel and employees. Consistent with these principles, the Board has adopted a Code of Business conduct and Ethics (the 'Code') as a guide to the principles and standards that should govern the actions of its Board and senior management personnel.

Any actual or potential violation of the Code or any deviation from the key company policies howsoever insignificant or perceived as such, is a matter of serious concern for the Company and should be reported appropriately for remedial/penal action.

To enable Reporting (Whistle blower) of actual or potential violation of the Code or any deviation from the key company policies, a fair and proactive mechanism is imperative fortified by an appropriate protection policy.

This Whistle Blower Policy and Vigil Mechanism ('the Policy' or 'this Policy') has been formulated with a view to provide a mechanism for Directors/Employees of the Company to approach the Chairperson of the Audit Committee of the Company or Chairman of the Company. Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed is implemented through this Whistle Blower Policy to provide for adequate safeguards to the whistle blowers against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in terms of Regulation 22 of the Listing Regulations and Section 177 of the Act. During the year under review, no personnel was denied access to the Audit Committee. The above Policy is available on our website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/10-Policy-on-Whistle-Blower.pdf.

4. CEO / CFO Certification

As required by the Listing Regulations, the Managing Director and Chief Financial Officer of the Company have certified to the Board of Directors, *inter-alia*, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under the Listing Regulations, for the year ended March 31, 2026. The said certificate forms part of this Report.

5 Policy for determining 'Material' Subsidiaries:

The Company's Policy for determining Material Subsidiary is placed on the website of the Company and can be accessed at the link:
https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/06-Material-Subsidiary.pdf

6. Compliance certificates from Practicing Company Secretary

As required by the provisions of Schedule V of the Listing Regulations, a separate certificate from Mrs. Kalaivani S, Practicing Company Secretary, Bangalore, confirming that:

i. Compliance of conditions on Corporate Governance and

ii. None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The said certificates form part of this Report.

7. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:

All the recommendations of the various Committees were accepted by the Board.

8. Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to statutory auditor are as follows:

(Rs. in Lakhs)

Particulars	Financial Year 2025-26	Financial Year 2024-25
Audited Financials (including audit of consolidated financial statements and Subsidiary)	36.00	41.50
Limited Review (Quarterly financial results including consolidated financial results)	24.00	7.00
SEBI Deliverables (Q4 of FY 2025-26)	7.74	8.04
Total	**67.74**	**56.54**

During the year, there was no payment made to any entity in the network firm/network entity of which the statutory auditor is a part.

9. Disclosure in relation to the Sexual Harassment

The details relating to complaints filed, disposed of and pending during the Financial Year pertaining to sexual harassment of Women in the Workplace are as under:

a	No. of complaints filed during the Financial Year	Nil
b	No. of complaints disposed of during the Financial Year	Nil
c	No. of complaints pending as on end of the financial year	Nil

10. Loans and advances in the nature of loans to Companies in which directors are interested by name and amount are provided in Note No. 8 to the Standalone Financial Statements.

11. Accounting treatment in preparation of Financial Statements (Ind As)

The guidelines/Accounting Standards (AS) laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Act have been followed in the preparation of the financial statements of the Company in all material respects.

12. Code for prevention of Insider Trading/Fair Disclosure

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'), the Company has adopted a Code for Prevention of Insider Trading. The objective of the code is to restrict an insider from dealing in the shares of the Company either directly or indirectly when in possession of Unpublished Price Sensitive Information (UPSI) and also to restrict communication of such UPSI. The code is applicable to the Directors and designated employees. The code enumerates the procedure to be followed for dealing in the shares of the Company and periodic disclosures to be made. It also restricts the insiders from dealing in the Company's shares during the period when the 'Trading Window' is announced closed. The Company Secretary has been designated as the Compliance Officer.

In terms of the SEBI PIT Regulations, a Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information has been formulated by the Company and made available on company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/01-Code-for-Fair-Disclosures.pdf.

13. Management Discussion and Analysis

The Management Discussion and Analysis forms part of this Board's Report.

14. Board Diversity

The Company recognises the benefits of a Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company.

The Company maintains that Board appointment should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination and Remuneration Committee (the 'Committee') is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

CORPORATE GOVERNANCE REPORT (CONTD.)

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors with at least one Woman Director and the composition of the Board is in accordance with requirements of the Act, Listing Regulations and the statutory, regulatory obligations of the Company. The Board Diversity Policy is available on the Company's website at https://www.unimechaerospace.com/documents/CorporateGovernance/PolicyDocuments/03-Diversity-of-Board-of-Directors-Policy.pdf.

15. E-Voting

In compliance with the provisions of the Act and Regulation 44 of the Listing Regulations, the Company provides e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meeting. The procedure/instructions for e-voting are included in the Notice of the ensuing Annual General Meeting of the Company.

16. Mandatory Requirements

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations. The Company has complied with all the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Part C of Schedule V to the Listing Regulations.

17. Outstanding unclaimed shares

Pursuant to Regulation 34(3) and Part F of Schedule V of the Listing Regulations, the Company does not have its equity shares in the demat suspense account or unclaimed suspense account.

18. Discretionary Requirements

The status of adoption of the discretionary requirements as specified in Regulation 27(1) of the Listing Regulations are as follows:

- Separate posts of Chairman and Managing Director or CEO – The Chairman and Managing Director are same person.
- Reporting of Internal Auditor - The Internal Auditor reports directly to the Audit Committee.
- Audit Qualifications - The Company has unmodified Financial Statements for Financial Year 2025-26.

19. Information through Company's Website

The disclosures as stipulated under Regulation 46(2) of the Listing Regulations have been disseminated on the Company's website.

For **Unimech Aerospace and Manufacturing Limited**

Anil Kumar Puttan
Chairman and Managing Director
DIN: 07683267

Date: May 28, 2026
Place: Bengaluru

Compliance certificate by Managing Director/ Chief Executive Officer and Chief Financial Officer as per Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Unimech Aerospace and Manufacturing Limited
Plot no 167, SY no 74/1 and 74/2, Hitech Defense and Aerospace Park Industrial Area,
Arebinnamangala Village, Jala Hobli, Bengaluru North Taluk, Bagalur,
Bangalore, Karnataka, India-562149

This is to certify that:

A. We have reviewed the Financial Statements and the cash flow statements of the Company for the year ended March 31, 2026, and that to the best of our knowledge and belief:

   1. These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. These statements together present a true and fair view of the Company's affairs and are in the compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial Reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee;

   1. That there have been no significant changes in internal control over financial Reporting during the year;

   2. That there have been no significant changes in accounting policies during the year needing specific disclosure in the notes to the financial statements; and

   3. There have been no instances of significant fraud of which we have become aware and confirmed that no member of the management or an employee having a significant role in the Company's internal control system over financial Reporting is involved therein.

Place: Bengaluru
Date: May 28, 2026

Anil Kumar Puttan
Chairman and Managing Director

Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer

CORPORATE GOVERNANCE REPORT (CONTD.)

Declaration pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding adherence to the Code of Business Conduct and Ethics

The Board of Directors
Unimech Aerospace and Manufacturing Limited
Plot no 167, SY no 74/1 and 74/2, Hitech Defense and Aerospace Park Industrial Area,
Arebinnamangala Village, Jala Hobli, Bengaluru North Taluk, Bagalur,

Bangalore, Karnataka, India-562149

On the basis of the written declarations received from members of the Board and senior management personnel in terms of Regulation 26(3) read with Schedule V of Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that, for the year ended March 31, 2026, both the members of the Board and the senior management personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company, as laid down by the Board.

Place: Bengaluru
Date: May 28, 2026

Anil Kumar Puttan
Chairman and Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Sub clause (10)(i) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Unimech Aerospace and Manufacturing Limited
Plot no 167, SY no 74/1 and 74/2 Hitech Defense and Aerospace
Park Industrial Area, Arebinnamangala Village,
Jala Hobli, Bangalore North Taluk, Bagalur,
Bangalore North, Bangalore, Karnataka, India, 562149

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Unimech Aerospace and Manufacturing Limited having CIN: L30305KA2016PLC095712 and having its Registered Office at Plot no 167, SY no 74/1 and 74/2 Hitech Defense and Aerospace Park Industrial Area, Arebinnamangala Village, Jala Hobli, Bangalore North Taluk, Bagalur, Bangalore North, Bangalore, Karnataka, India, 562149, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub clause 10(i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2026 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Preetham Venkatesh Shimoga	07683268	17/12/2016
2.	Rajanikanth Balaraman	07894421	31/07/2017
3.	Ramakrishna Kamojhala	07004517	31/07/2017
4.	Mani Puttan	08042129	01/09/2018
5.	Anil Puttan Kumar	07683267	01/09/2018
6.	Mukund Srinath	00025017	03/07/2024
7.	Ashok Tandon	06534280	03/07/2024
8.	Ranganathan Sridhar	07637826	03/07/2024
9.	Pavan Krishnamurthy	00579613	03/07/2024
10.	Vidya Rajarao	07878459	03/07/2024

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore
Date: May 28, 2026

Kalaivani S
Company Secretary
ACS:57112 CP:22158
Peer Review Certificate No.: 2860/2022
UDIN: A057112H000522742

CORPORATE GOVERNANCE REPORT (CONTD.)

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

To
The Members of
Unimech Aerospace and Manufacturing Limited
Plot no 167, SY no 74/1 and 74/2 Hitech Defense and Aerospace
Park Industrial Area, Arebinnamangala Village,
Jala Hobli, Bangalore North Taluk, Bagalur,
Bangalore North, Bangalore, Karnataka, India, 562149

I have examined the compliance of the conditions of Corporate Governance by Unimech Aerospace and Manufacturing Limited ('the Company') for the year ended March 31, 2026 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore
Date: May 28, 2026

Kalaivani S
Company Secretary
ACS:57112 CP:22158
Peer Review Certificate No.: 2860/2022
UDIN: A057112H000522711

ANNEXURE – 10

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Listed Entity	L30305KA2016PLC095712
2.	Name of the Listed Entity	Unimech Aerospace and Manufacturing Limited
3.	Year of incorporation	August 12, 2016
4.	Registered office address	Plot No. 167, Sy. No. 74/1 and 74/2 Hitech Defense and Aerospace Park Industrial Area, Arebinnamangala Village, Jala Hobli, Bengaluru North Taluk, Bengaluru - 562149
5.	Corporate address	Plot No. 3, Sy. No. 2l-P, Aerospace SEZ Sector, Hitech Defence & Aerospace Park, Kavadadasanahalli, Channarayapatna, Bengaluru Rural, Devanahalli, Bengaluru – 562135
6.	E-mail	investorrelations@unimechaerospace.com
7.	Telephone	+91 63649 00858
8.	Website	www.unimechaerospace.com
9.	Financial year for which reporting is being done	FY 2025-26
10.	Name of the Stock Exchange(s) where shares are listed	**Name of Exchange** BSE Limited National Stock Exchange of India Limited
11.	Paid-up Capital	INR 25,42,84,415
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ramakrishna Kamojhala Whole-Time Director & Chief Financial Officer E-mail: investorrelations@unimechaerospace.com Contact Number: +91 63649 00858
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the Turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing relating to aero engine tooling and airframe tooling	Manufacturing relating to tooling and components used in the aerospace sector	98%

Note: The above figures are presented on a consolidated basis.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Aero toolings and defence products	2811	98%

Note: The above figures are presented on a consolidated basis.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	1	3
International	Nil	Nil	Nil

The Corporate Office is part of the same plant; however, for reporting purposes, it has been presented separately as two plants and one corporate office.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	7
International (No. of Countries)	4

b. What is the contribution of exports as a percentage of the total turnover of the entity?

28%

c. A brief on types of customers

The core clientele of the Company predominantly consists of:

- Global Original Equipment Manufacturers (OEMs)
- Tier-1 suppliers

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	81	72	88.89	9	11.11
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total employees (D + E)	81	72	88.89	9	11.11
	WORKERS					
4.	Permanent (F)	22	21	95.45	1	4.55
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total workers (F + G)	22	21	95.45	1	4.55

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees (D + E)	Nil	Nil	Nil	Nil	Nil

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total differently abled workers (F + G)	Nil	Nil	Nil	Nil	Nil

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (BoD)	10	1	10
Key Management Personnel (KMP)*	6	Nil	Nil

*Mr. Akash Shetty, Company Secretary and Compliance Officer has been relieved from his duties with effect from close of business hours on March 03, 2026.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	54.17%	0%	49.06%	55.81%	70.59%	57.53%	28.57%	31.58%	21.35%
Permanent Workers	14.81%	0%	13.79%	71.43%	100.00%	75.00%	50.00%	100.00%	48.48%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / associate / joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Innomech Aerospace Toolings Private Limited	Subsidiary	100%	No
2.	Unimech Global Manufacturing Solutions Inc.	Subsidiary	Nil	No
3.	Dheya Engineering Technologies Private Limited	Associate	29.99%	No

CSR DETAILS

24.

i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. Turnover (in INR): INR 4,392 Lakhs

iii. Net worth (in INR): INR 55,108 Lakhs

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

VI. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

The Company has established a grievance redressal mechanism for all key stakeholder groups, including employees, workers, customers, communities, investors, and value chain partners, through formal channels such as HR grievance system, Internal Committees, whistleblower mechanism, and designated escalation processes.

During the reporting period, no complaints or grievances were received under any of the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC) from any stakeholder group.

Accordingly, there were no pending cases at the end of the financial year.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
Communities	NA	Nil	Nil	None	Nil	Nil	None
Investors (other than shareholders)	Yes. Whistleblower Policy	Nil	Nil	None	Nil	Nil	None
Shareholders	Yes. SCORES	4	Nil	All the complaints have been resolved	2,276	Nil	All the complaints have been resolved
Employees and workers	Yes. Whistleblower Policy	Nil	Nil	None	Nil	Nil	None
Customers	Yes. Privacy Policy	Nil	Nil	None	Nil	Nil	None
Value Chain Partners	Yes. Whistleblower Policy	Nil	Nil	None	Nil	Nil	None
Other (please specify)	Nil						

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Supply Chain Reliability	Risk	Global disruptions can delay procurement of raw materials, affecting production timelines.	Diversifying suppliers and building local sourcing partnerships.	Potential negative impact due to delays or increased procurement costs.
2	Emissions Management	Risk	Growing regulatory mandates and stakeholder expectations require focused efforts to curb greenhouse gas outputs.	Formulating structured strategies to track, manage, and progressively lower the organisation's carbon footprint over time.	Negative: Compliance costs and potential carbon taxes.
3	Cybersecurity	Risk	Cybersecurity is critical to safeguarding the organization's intellectual property, confidential business information, and defence-related data. A resilient security framework ensures business continuity, regulatory compliance, customer confidence, and protection against evolving cyber threats.	Strengthen cybersecurity governance through a defence-in-depth strategy, periodic risk assessments, vulnerability management, security monitoring, employee awareness programmes, incident response preparedness, and compliance with applicable security standards and industry best practices.	Potential Negative Impact: Cybersecurity incidents may result in financial losses arising from operational disruption, regulatory penalties, data compromise, intellectual property loss, legal liabilities, reputational damage, and business recovery costs.
4	Workforce Skill Development	Opportunity	Industry demands are evolving with advanced manufacturing and automation.	Introduced internal upskilling programmes and technical training.	Positive long-term impact through improved productivity and innovation.
5	Product Quality and Compliance	Risk	Non-conformance in aerospace components can lead to catastrophic safety failures and loss of operating licenses.	Enforcing rigorous internal review processes and ensuring strict alignment with prevailing sector guidelines and safety standards.	Negative: Product recalls, litigation, and revenue loss.
6	Technological Innovation	Opportunity	Adoption of advanced CNC machining, automation, and digital manufacturing systems improves productivity, precision, and consistency in aerospace components, supporting customer requirements and global competitiveness.	NA	Positive: Improved spindle utilization, reduced cycle time, lower rework/rejection (RFT improvement), and higher margins through efficient and value-added manufacturing.
7	Environmental Stewardship	Risk & Opportunity	Efficient management of hazardous waste and metal scrap is critical for regulatory compliance and brand reputation.	Prioritising responsible waste disposal frameworks and continuously exploring initiatives to minimise overall ecological impact.	Negative: Remediation fines. Positive: Revenue from waste-to-wealth initiatives.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	N	Y	Y	Y	N	N	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	N	Y	Y	Y	N	N	Y	Y
	c. Web Link of the Policies, if available	**Principle 1:** • Code of Conduct for Directors and Senior Management Personnel • Code for Fair Disclosures of UPSI • Evaluation of Performance of the Board of Directors • Familiarization Program for Independent Directors • RPT Policy • Materiality Policy **Principle 3:** • Policy on Whistle Blower • Diversity of Board of Directors Policy • Nomination, Remuneration and Evaluation Policy • Policy on Succession Planning for the Board and Senior Management **Principle 4:** • Policy on Whistle Blower • Terms of appointment for Independent Director **Principle 5:** • Policy on Whistle Blower **Principle 8:** • CSR Policy **Principle 9:** • Privacy Policy								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Y	N	Y	Y	Y	N	N	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	Y	Y	Y	N	N	N	N
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	NA	NA	ISO 45001:2018	NA	NA	NA	NA	NA	AS9100D & BS EN ISO 9001:2015

<table>
<tr><th>Sr. No.</th><th>Disclosure Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td>5</td><td>Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9">Principle 2
• Ensuring full compliance with Extended Producer Responsibility (EPR) guidelines
Principle 3
• Fostering an inclusive and equitable workplace through a comprehensive equal Opportunity Policy
• Upholding high standards of occupational health and safety, with a target of zero major incidents
Principle 6
• Achieving a 60% reduction in greenhouse gas (GHG) emissions by 2030
• Implementing Zero Liquid Discharge (ZLD) across all manufacturing facilities
• Reducing overall waste generation by 60% by 2030
• Enhancing energy efficiency through the adoption of advanced technologies</td></tr>
<tr><td>6</td><td>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</td><td colspan="9">Principle 2
• Extended Producer Responsibility (EPR): The Company is fully compliant with EPR guidelines as submitted to the respective Pollution Control Boards. Implementation includes tracking and reporting of waste, partnerships with authorised recyclers, and periodic compliance audits. No non-compliances were reported during the period.
Principle 3
• Equal Opportunity and Inclusion: The Company has implemented a comprehensive Equal Opportunity Policy that prohibits discrimination on the basis of gender, disability, or any other grounds. Specific provisions ensure fairness in recruitment, pay, promotion, and work conditions. No grievances or violations were reported during the year.
• Occupational Health and Safety: The Company maintained a strong safety record, with no major incidents reported during the year. Minor safety gaps identified during internal audits were promptly addressed through corrective actions, including improved PPE compliance, emergency system upgrades, and targeted employee safety training.
Principle 6
• GHG Emissions Reduction: Progress toward the 60% GHG emissions reduction target by 2030 is on track. Key initiatives include installation of energy-efficient equipment, such as VFD-enabled compressors and CNC machines, and advanced VRF cooling systems, which have led to measurable reductions in energy use.
• Zero Liquid Discharge (ZLD): ZLD systems have been successfully implemented across all manufacturing facilities. The integration of advanced effluent treatment technologies, including RO systems and evaporators, has enabled 100% recycling of treated water, resulting in a 30% reduction in freshwater consumption.</td></tr>
</table>

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Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		• **Waste Reduction:** The Company is actively progressing towards its 60% waste reduction target. Waste is segregated at source, hazardous waste is disposed of through certified agencies, and waste-to-energy solutions are explored for non-recyclables. Regular waste audits are conducted to drive continuous improvement. • **Energy Efficiency:** Significant energy savings have been achieved through the deployment of energy-efficient systems. The installation of a 100 HP VFD air compressor resulted in approximately 10% power savings, and the use of VRF-based cooling has further enhanced overall energy efficiency across facilities.								
	Governance, leadership and oversight									
7	Statement by the Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) As the leadership of the Company, we approach sustainability not as a mere compliance obligation, but as the fundamental catalyst for our long-term value creation. I am exceptionally proud to present the progress we continue to make on this transformative journey. We have anchored our corporate strategy to aggressive, measurable ESG benchmarks, driven by the following operational commitments: • Executing a 60% reduction in both greenhouse gas (GHG) emissions and aggregate waste by the year 2030 • Sustaining absolute Zero Liquid Discharge (ZLD) architectures across all manufacturing facilities to maximise water stewardship • Guaranteeing strict adherence to Extended Producer Responsibility (EPR) mandates through integrated material recovery systems Equally critical to our environmental agenda is our human capital strategy. We cultivate a deeply inclusive workplace, fortified by an uncompromising Equal Opportunity Policy and robust occupational safety protocols. While shifting regulatory landscapes and operational complexities present inherent challenges, we deliberately leverage these hurdles as catalysts for industrial innovation. Our primary objective is to seamlessly embed sustainable practices into our core manufacturing processes, our supply chain dynamics, and our overarching governance frameworks. Looking to the future, our mandate is clear: to construct a highly resilient, future-ready organisation. We remain steadfast in our commitment to delivering precision-engineered solutions with absolute integrity, ensuring our growth reflects our deep responsibility to our stakeholders, our workforce, and the planet.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Managing Director								
9	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

10 Details of Review of NGRBCs by the Company:

Subject for Review	Principle	Indicate whether the review was undertaken by Director / Committee of the Board / Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
Performance against above policies and follow-up action	Principle 1	Board of Directors	Event-Based
	Principle 2	NA	NA
	Principle 3	Board of Directors	Event-Based
	Principle 4	Board of Directors	Event-Based
	Principle 5	Board of Directors	Event-Based
	Principle 6	NA	NA
	Principle 7	NA	NA
	Principle 8	Board of Directors	Event-Based
	Principle 9	Board of Directors	Event-Based
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Principle 1	Board of Directors	Event-Based
	Principle 2	NA	NA
	Principle 3	Board of Directors	Event-Based
	Principle 4	Board of Directors	Event-Based
	Principle 5	Board of Directors	Event-Based
	Principle 6	NA	NA
	Principle 7	NA	NA
	Principle 8	Board of Directors	Event-Based
	Principle 9	Board of Directors	Event-Based

11 Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
No								

12 If answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
The entity does not consider the Principles material to its business (Yes/No)	-	No	-	-	-	No	No	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	No	-	-	-	No	No	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	No	-	-	-	No	No	-	-
It is planned to be done in the next financial year (Yes/No)	-	Y	-	-	-	Y	Y	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

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SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	2	Code of Conduct, POSH, Standing Order & other company policies and guidelines	100%
Key Managerial Personnel (KMP)	2	Code of Conduct, POSH, Standing Order & other company policies and guidelines	100%
Employees other than BoD & KMP	4	Code of Conduct, POSH, Standing Order & other company policies and guidelines	62%
Workers	4	Code of Conduct, POSH, Standing Order & other company policies and guidelines	76%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators / law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding Fee	NA	NA	NA	NA	NA

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

While the Company does not maintain a standalone anti-corruption or anti-bribery policy, it has established a comprehensive ethical infrastructure to ensure the highest standards of professional integrity across its entire workforce.

The table below outlines the core components of this governance framework:

Framework Component	Description of Stringent Measures
Code of Conduct for Leadership	Mandates that Directors and Senior Management Personnel operate with absolute transparency and honesty. It prohibits the use of privileged information or manipulation for unfair advantage and requires strict adherence to all legal statutes
Vigil Mechanism (Whistleblower Policy)	Provides a secure platform for employees and stakeholders to report fraudulent or unethical activities directly to the Chairman of the Audit Committee. It guarantees complete protection against retaliation for those making disclosures
Risk Management Strategy	Incorporates a systematic approach to identifying and mitigating ethical and compliance-related risks within the operational and financial spheres of the Company

5. Number of Directors/KMP/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMP	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMP	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	55 days	36 days

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9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	70%	67%
	b. Number of trading houses where purchases are made from	78	185
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	41%	34%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Shares of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties / Total Sales)	16%	34%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	58%	100%
	d. Investments (Investments in related parties / Total Investments made)	4.1%	100%

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	0.03%	10%	As part of its commitment to sustainability and energy efficiency, the Company has made strategic investments to the tune of INR 1,30,000 to support initiatives like– 1) Coolant recycling systems (TRAMP OIL SEPARATOR SYSTEM) which directly save 40% of new coolant replacement cost

2.a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company has implemented sustainable sourcing procedures that encompass supplier assessments based on environmental and social criteria, a preference for certified and responsibly sourced materials, and regular audits to ensure ongoing compliance with established sustainability standards.

b. If yes, what percentage of inputs were sourced sustainably?

Sustainable sources contributed about 60% of all input materials procured by the Company throughout FY 2025-26.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The environmental footprint strategy of the Company focuses on active production rather than post-consumer reclamation, owing to its distinct position within the supply chain:

- End-of-life product retrieval is inapplicable, as the precision-engineered assemblies serve as intermediary components integrated into larger external systems by global OEMs and Tier-1 suppliers
- The absence of direct-to-consumer sales naturally precludes the operational capacity for product retrieval at the conclusion of its lifecycle
- Ecological sustainability is instead actively championed through rigorous waste mitigation protocols embedded directly within the manufacturing workflow

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) mandates are applicable to the processes of the Company. To fulfil these specific environmental obligations, a dedicated compliance framework has been operationalised:

- Formulation and execution of waste management strategies that align seamlessly with guidelines submitted to the respective Pollution Control Boards
- Deployment of rigorous tracking and reporting systems to monitor the generation and subsequent collection of packaging refuse
- Establishment of strategic alliances with certified recycling and waste processing entities
- Execution of routine internal audits and compliance reviews to validate ongoing adherence to statutory EPR targets

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	72	72	100	72	100	NA	NA	72	100	72	100
Female	9	9	100	9	100	9	100	NA	NA	9	100
Total	**81**	**81**	**100**	**81**	**100**	**9**	**11.11**	**72**	**88.89**	**81**	**100**

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Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Other than permanent employees											
Male	Nil	Nil	Nil	Nil	Nil	NA	NA	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	NA	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

b. **Details of measures for the well-being of workers**

Nil	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	21	21	100	21	100	NA	NA	21	100	21	100
Female	1	1	100	1	100	1	100	NA	NA	1	100
Total	**22**	**22**	**100**	**22**	**100**	**1**	**4.55**	**21**	**95.45**	**22**	**100**
Other than permanent workers											
Male	Nil	Nil	Nil	Nil	Nil	NA	NA	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NA	NA	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	1.2%	1.04%

2. **Details of retirement benefits, for current FY and previous financial year**

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	Nil	Nil	NA	100	100	Y
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company is committed to ensuring accessibility in line with the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company has adopted an Anti-Discrimination Policy that promotes equal opportunity, diversity, inclusion, and fair treatment in all aspects of employment. The policy prohibits discrimination on the basis of gender, disability, age, religion, caste, race, ethnicity, marital status, sexual orientation, or any other characteristic protected under applicable laws. The Company is committed to providing equal access to employment, training, career development, compensation, and workplace facilities, including for persons with disabilities, in accordance with applicable legal requirements.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	0%	0%	0%
Female	0%	0%	0%	0%
Total	100%	0%	0%	0%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, as per the grievance redressal procedure stated in the Company's HR Policy
Other than Permanent Workers	Yes, as per the grievance redressal procedure stated in the Company's HR Policy
Permanent Employees	Yes, as per the grievance redressal procedure stated in the Company's HR Policy
Other than Permanent Employees	Yes, as per the grievance redressal procedure stated in the Company's HR Policy

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective category who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category who are part of association(s) or Union (D)	% (D/ C)
Total Permanent Employees	81	NA	NA	78	NA	NA
Male	72	NA	NA	72	NA	NA
Female	9	NA	NA	6	NA	NA
Total Permanent Workers	22	NA	NA	7	NA	NA
Male	21	NA	NA	6	NA	NA
Female	1	NA	NA	1	NA	NA

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8. Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	72	72	100	72	100	73	73	100	73	100
Female	9	9	100	9	100	6	6	100	6	100
Total	**81**	**81**	**100**	**81**	**100**	**79**	**79**	**100**	**79**	**100**
Workers										
Male	21	21	100	21	100	23	23	100	10	43.47
Female	1	1	100	1	100	2	2	100	2	100
Total	**22**	**22**	**100**	**22**	**100**	**25**	**25**	**100**	**12**	**48.00**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	72	72	100	73	73	100
Female	9	9	100	6	6	100
Total	**81**	**81**	**100**	**79**	**79**	**100**
Workers						
Male	21	21	100	23	23	100
Female	1	1	100	2	2	100
Total	**22**	**22**	**100**	**25**	**25**	**100**

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. The Company has a structured internal audit system in place as part of its governance and compliance framework. Internal audits are conducted periodically across functions, including Health, Safety and Environment (HSE), operations, and supporting processes to ensure adherence to statutory requirements, internal policies, and applicable standards such as ISO 45001:2018.

The internal audit process includes identification of gaps, risk assessment, reporting of findings, and tracking of corrective and preventive actions (CAPA). Findings from audits are reviewed by relevant management teams and the HSE Committee to ensure timely resolution and continuous improvement in workplace safety and operational practices.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes, Work-related hazards are identified and assessed through a structured Occupational Health and Safety Management System aligned with ISO 45001:2018 requirements. The Company undertakes periodic safety inspections, risk assessments, job safety analyses, machine safety reviews, internal HSE audits, and management safety walkthroughs.

In addition, hazards are identified through incident reporting, near-miss reporting, and investigation of workplace incidents. Both routine operational activities and non-routine activities such as maintenance, shutdowns, and project-related work are evaluated for potential risks. The findings are reviewed and monitored through the HSE Committee, and corrective and preventive actions are implemented to mitigate identified risks.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. The Company has established processes for employees and workers to report work-related hazards through multiple channels, including supervisors, the HSE Committee, HR escalation, incident reporting systems, and designated reporting mechanisms under the Occupational Health and Safety Management System.

Employees and workers are also empowered to remove themselves from unsafe working conditions without fear of retaliation, in line with the Company's safety policy and ISO 45001:2018 framework. Identified hazards are escalated for immediate corrective action and reviewed through the HSE governance structure.

d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. Employees and workers have access to non-occupational medical and healthcare services through a fully equipped Occupational Health Centre (OHC) established at the Company's premises. The OHC is supported by a full-time AFIH (Associate Fellow of Industrial Health) qualified doctor and a qualified staff nurse.

The Company also provides a fully equipped 24/7 ambulance service with a dedicated driver to ensure timely medical response and emergency support. In addition, employees and workers have access to preventive health check-ups and medical support services as part of the Company's employee welfare and health initiatives.

These facilities are integrated with the Company's occupational health and safety framework to promote overall employee well-being and emergency preparedness.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has implemented comprehensive measures to ensure a safe and healthy workplace for all employees and workers across its operations, including manufacturing facilities, offices, and warehouses.

The health and safety framework is aligned with ISO 45001:2018 and is supported by documented policies, procedures, and an active Health, Safety and Environment (HSE) management system. Preventive and control measures include periodic risk assessments, job safety analyses, internal HSE audits, and management safety inspections to identify and mitigate workplace hazards.

The Company ensures the use of personal protective equipment (PPE), implementation of machine safety systems, fire safety infrastructure, and conduct of regular emergency preparedness drills. Incident reporting and investigation mechanisms, including near-miss reporting, are in place to drive corrective and preventive actions.

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Employees and workers are provided with structured safety training and awareness programmes to promote a strong safety culture. A fully equipped Occupational Health Centre (OHC), supported by a full-time AFIH-qualified doctor and qualified nursing staff, is available on-site. The Company also provides 24/7 ambulance services with dedicated personnel to ensure emergency medical response.

These measures collectively ensure continuous improvement in occupational health, safety performance, and overall employee well-being.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	No complaints received during the year	15	Nil	Resolved all the complaints
Health & Safety	Nil	Nil	No complaints received during the year	10	Nil	Resolved all the complaints

14. Assessments for the year:

The Company conducts regular internal audits, statutory inspections, and third-party assessments as part of its Occupational Health and Safety Management System aligned with ISO 45001:2018. All operational locations, including manufacturing facilities and offices, are covered under the assessment framework to ensure compliance with applicable health, safety, and working condition requirements.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The Company follows a structured system for addressing safety-related incidents and observations arising from health and safety assessments. A formal risk assessment mechanism is in place as part of the Occupational Health and Safety Management System aligned with ISO 45001:2018, which helps in identifying, evaluating, and mitigating workplace hazards on an ongoing basis.

Where incidents, near-misses, or non-conformities are identified, root cause analysis is conducted and corrective and preventive actions (CAPA) are implemented in a time-bound manner. Actions may include corrective maintenance of equipment, revision of standard operating procedures, reinforcement of safety protocols, additional employee and worker training, and strengthening of engineering and administrative controls.

Identified risks and concerns from risk assessments, internal audits, statutory inspections, and ISO 45001:2018 surveillance audits are reviewed by the HSE Committee and management for closure and continuous improvement.

During the reporting period, no major safety-related incidents or significant systemic risks were observed that required material corrective actions beyond routine improvements and preventive measures undertaken under the Company’s occupational health and safety management system.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Key stakeholder groups are identified based on their level of interaction and influence on the entity's operations and value chain. The identification process considers the following attributes:

a) Dependency: Stakeholders who are dependent on the organisation's products, services, or decisions, or those on whom the entity relies for its operations and sustainability.

b) Responsibility: Stakeholders towards whom the organisation has legal, contractual, operational, or ethical responsibilities.

This approach ensures that engagement efforts remain focussed on stakeholders who have the most significant impact on, or are most impacted by, the Company's activities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Employees	No	• Email • Meeting rooms • Surveys • Internal communication	Quarterly	Employees shared feedback on workplace safety, career development, and skill enhancement, emphasizing the need for improved safety equipment and clearer career progression pathways.
Suppliers	No	• Emails • Vendor meets	Yearly/ Based on OTD & Quality whenever in need	Maintained compliance with quality and sustainability standards. Key concerns raised included delivery timelines and clarity around raw material specifications.
Clients	No	• Client meetings • Reports • Digital platforms	Quarterly	Engagement discussions focused on quality assurance, product customization, and timely delivery, with feedback emphasizing the importance of data security and precision manufacturing.
Governmental Bodies and Authorities	No	• Regulatory filings • Consultations • Industry forums	As required	Ensured compliance with aerospace and defense regulations, environmental requirements, and safety certification standards.
Non-governmental organisations (NGOs)	Yes (for community development projects)	Community meetings	Annually	Discussions explored opportunities for collaboration, with a strong emphasis on local employment generation and infrastructure development needs.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format:**

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	81	81	100	78	78	100
Other than permanent	Nil	Nil	Nil	1	1	100
Total employees	81	81	100	79	79	100
Workers						
Permanent	22	22	100	7	7	100
Other than permanent	Nil	Nil	Nil	18	18	100
Total workers	22	22	100	25	25	100

2. **Details of minimum wages paid to employees and workers in the following format:**

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	81	Nil	Nil	81	100	78	Nil	Nil	78	100
Male	72	Nil	Nil	72	100	72	Nil	Nil	72	100
Female	9	Nil	Nil	9	100	6	Nil	Nil	6	100
Other than permanent	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil	1	100
Male	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil	1	100
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Workers										
Permanent	22	Nil	Nil	22	100	7	Nil	Nil	7	100
Male	21	Nil	Nil	21	100	6	Nil	Nil	6	100
Female	1	Nil	Nil	1	100	1	Nil	Nil	1	100
Other than permanent	Nil	Nil	Nil	Nil	100	18	Nil	Nil	18	100
Male	Nil	Nil	Nil	Nil	100	17	Nil	Nil	17	100
Female	Nil	Nil	Nil	Nil	100	1	Nil	Nil	1	100

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	**Median remuneration/ salary/wages of the respective category (in INR)**	**Number**	**Median remuneration/salary/ wages of the respective category (in INR)**
Board of Directors (BoD)	3	92,36,984	Nil	Nil
Key Managerial Personnel	4	92,36,984	Nil	Nil
Employees other than BoD and KMP	68	4,52,433	9	48,80,276
Workers	21	1,05,466	1	77,580

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26 (Current Financial year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	5.41%	13.23%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Company has a Human Rights Policy and a comprehensive framework of related policies, including but not limited to policies on anti-discrimination, prohibition of child labour, forced and bonded labour, modern slavery and human trafficking, anti-harassment and abuse, freedom of association, migrant and foreign workers, women's rights, non-retaliation, handling of complaints and confidential appeals, whistleblower mechanism, and other workplace conduct and ethics policies.

The Human Resources function, supported by internal committees such as the POSH Internal Committee and the Grievance Redressal Committee, acts as the focal point for addressing human rights-related issues. These mechanisms ensure identification, monitoring, and resolution of concerns through structured, confidential, and fair processes in compliance with applicable laws and internal policies.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a comprehensive Human Rights Policy aligned with the United Nations Universal Declaration of Human Rights and the principles of the UN Global Compact. The policy covers all employees, workers, contractors, suppliers, and other stakeholders associated with the Company.

It commits to preventing human rights violations including discrimination, child labour, forced labour, harassment, abuse, and other forms of unethical practices. The policy also emphasizes fair working conditions, freedom of association, equal opportunity, and respect for dignity and privacy.

The Human Resources function, supported by internal committees such as the POSH Internal Committee and Grievance Redressal Committee, acts as the focal point for addressing human rights-related concerns through structured and confidential mechanisms.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	None	Nil	Nil	None
Discrimination at Workplace	Nil	Nil	None	Nil	Nil	None
Child Labour	Nil	Nil	None	Nil	Nil	None
Forced Labour/Involuntary Labour	Nil	Nil	None	Nil	Nil	None
Wages	Nil	Nil	None	Nil	Nil	None
Other Human Rights-Related Issues	Nil	Nil	None	Nil	Nil	None

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has established mechanisms to ensure protection of complainants in cases of discrimination and harassment. All complaints are handled with strict confidentiality through designated channels such as the POSH Internal Committee, Grievance Redressal Committee, and Whistleblower/Vigil Mechanism.

The Company follows a zero-retaliation approach as outlined in its Non-Retaliation Policy, ensuring that no complainant or witness is subjected to victimisation, discrimination, or adverse consequences for raising concerns in good faith. All complaints are investigated in a fair, independent, and impartial manner, and appropriate corrective actions are taken based on findings.

Weblink: Whistleblower Policy

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human rights requirements form part of the Company's business agreements and contracts with suppliers, vendors, contractors, and other business partners.

These agreements include clauses related to compliance with applicable laws and internal policies on human rights, including prohibition of child labour, forced or bonded labour, discrimination, harassment, and unfair employment practices. The Company also expects its business partners to maintain safe working conditions and uphold ethical business conduct in line with the Company's Human Rights Policy and Code of Conduct.

10. Assessments for the year:

The Company conducts periodic internal audits, statutory compliance checks, POSH Internal Committee reviews, and HR compliance assessments covering all operational locations. These assessments ensure compliance with applicable labour laws, internal policies, and human rights standards across all plants and offices.

The Company has an Internal Monitoring System (IMS) in place to ensure implementation of all applicable policies, statutory requirements, and compliance standards across its operations.

The system covers social, safety, security, HR, and environmental compliance areas including risk identification, risk assessment, corrective and preventive actions, internal audits, and management reviews. Regular inspections and internal audits are conducted to monitor compliance and address gaps through corrective action plans.

Risk assessment is carried out to identify potential hazards and prevent workplace incidents, supported by defined procedures for reporting, monitoring, and mitigation of risks.

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child Labour	100
Forced/Involuntary Labour	100
Sexual Harassment	100
Discrimination at Workplace	100
Wages	100
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Based on the assessments conducted, no significant human rights risks or adverse findings were identified during the reporting period. Accordingly, no major corrective action plans were required.

However, the Company continues to strengthen its existing systems through periodic internal audits, risk assessments, employee awareness programs, and monitoring mechanisms to ensure continued compliance with applicable human rights policies and statutory requirements.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources			
Total electricity consumption (A)	GJ	739.04	Nil
Total fuel consumption (B)	-	Nil	Nil
Energy consumption through other sources (C)	-	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	GJ	739.04	Nil
From non-renewable sources			
Total electricity consumption (D)	GJ	5.94	6,202.40
Total fuel consumption (E)	GJ	19.80	778.71
Energy consumption through other sources (F)	-	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	GJ	25.74	6,981.11
Total energy consumed (A+B+C+D+E+F)	GJ	764.78	6,981.11

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Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)	GJ/Revenue from operations in INR	0.0000017413	0.000016
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/Revenue from operations in INR adjusted for PPP	0.000035	0.000340
Energy intensity in terms of physical output	GJ/FTE	7.43	67.13
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: The data reported for FY 2025-26 may not be directly comparable with the previous year's disclosures due to revisions in the methodology adopted for data collection, consolidation, and interpretation. These refinements have been implemented to enhance the accuracy and consistency of the Company's environmental reporting.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, the name of the external agency.: No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   Within the regulatory framework of the Performance, Achieve and Trade (PAT) Scheme mandated by the Government of India, none of the Company's manufacturing facilities are currently identified as Designated Consumers (DCs).

3. **Provide details of the following disclosures related to water in the following format:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third-party water	1,272.884	1,19,00,000
(iv) Seawater/Desalinated water	Nil	5,64,900
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,272.884	1,24,64,900
Total volume of water consumption (in kilolitres)	1,272.884	3,27,36,200
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	0.000003	0.08
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000059	1.59
Water intensity in terms of physical output	12.35	3,14,771.15
Water intensity (optional) – the entity may select the relevant metric	-	-

Note: The data reported for FY 2025-26 may not be directly comparable with the previous year's disclosures due to revisions in the methodology adopted for data collection, consolidation, and interpretation. These refinements have been implemented to enhance the accuracy and consistency of the Company's environmental reporting.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
No treatment	Nil	Nil
With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	5,64,900
No treatment	Nil	Outsourced supply
With treatment – please specify level of treatment	Nil	
(iv) Sent to third-parties	Nil	8,11,200
No treatment	Nil	Sent off-site to external organisations for further treatment and disposal
With treatment – please specify level of treatment	Nil	NA
(v) Others	Nil	NA
No treatment	Nil	NA
With treatment – please specify level of treatment	Nil	NA
Total water discharged (in kilolitres)	Nil	13,76,100

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes - **BANGALORE ANALYTICAL RESEARCH CENTER PRIVATE LIMITED.**

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has not implemented a Zero Liquid Discharge (ZLD) mechanism across its operations. All wastewater generated from operational activities is managed through authorised disposal vendors, with no wastewater treatment or discharge taking place outside the Company's premises.

6. Please provide details of air emissions (other than GHG emissions) by the entity in the following format

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	Tonnes/ Year	23.85	6.78
SOx	Tonnes/ Year	9.30	6.07
Particulate matter (PM)	Tonnes/ Year	30.48	28.1
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/ No) If yes, the name of the external agency. No

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7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	145.02	75.16
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1690.47	1,252.54
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent/ Revenue from operations in INR	0.41792	0.0000031
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Metric tonnes of CO_2 equivalent/ Revenue from operations in INR adjusted for PPP	8.50044	0.0000646
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO_2 equivalent/ FTE	17.82	12.77
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, the name of the external agency. Yes

1. E waste – E Pariser.
2. Hazardous waste, Plastic waste – Century refiners

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company has undertaken several projects and initiatives aimed at reducing Green House Gas (GHG) emissions across its operations.

Key interventions implemented in support of this objective include the deployment of energy-efficient equipment, optimisation of operational processes, upgrading of conventional lighting systems to LED technology, and the adoption of energy monitoring and control mechanisms to improve overall energy performance. In addition, the Company has installed a 550 kWh solar power system to enhance the use of renewable energy and further contribute to the reduction of GHG emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	Nil	1.05
E-waste (B)	Nil	0.00
Bio-medical waste (C)	Nil	0.001
Construction and demolition waste (D)	Nil	94.37
Battery waste (E)	Nil	0.00
Radioactive waste (F)	Nil	0.00
Other Hazardous waste. Please specify, if any. (G)	Coolant Waste Ltrs - 6.4 MT	0.10
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	0.00
Total (A+B + C + D + E + F + G + H)	6.4	95.52
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00146	0.00000023
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0293	0.0000047
Waste intensity in terms of physical output	0.062136	0.92
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	6.4	95.42
(ii) Re-used	Nil	0.00
(iii) Other recovery operations	Nil	0.00
Total	6.4	95.42
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	0.00
(ii) Landfilling	Nil	0.10
(iii) Other disposal operations	Nil	0.00
Total	Nil	0.10

Note: The data reported for FY 2025-26 may not be directly comparable with the previous year's disclosures due to revisions in the methodology adopted for data collection, consolidation, and interpretation. These refinements have been implemented to enhance the accuracy and consistency of the Company's environmental reporting.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency. Yes, **BANGALORE ANALYTICAL RESEARCH CENTER PVT LTD.**

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has implemented structured waste management practices across its establishments to ensure the responsible handling and disposal of waste generated from its operations.

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Waste is segregated at source into hazardous and non-hazardous categories to facilitate appropriate treatment and disposal. Recyclable materials, including paper, plastic, and metal, are channelled to authorised recyclers to support resource recovery and recycling efforts. Hazardous waste is managed through dedicated storage and labelling procedures and is subsequently disposed of through government-approved vendors in accordance with applicable requirements. These practices enable the Company to maintain effective waste management controls and ensure the safe handling of hazardous waste streams.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NA		

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by an independent external agency (Yes / No)	Results communicated in the public domain (Yes / No)	Relevant Weblink
NA					

The entity does not have operations or offices in or around ecologically sensitive areas; however, a new Environmental Management System (EMS) certification has been obtained for all three units.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties /action taken by regulatory agencies such as Pollution Control Boards or by courts	Corrective action taken, if any
1	NA			

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

4

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Aerospace India Association	National
2.	Aerospace Defense and Hi-Tech Industries Association	State
3.	Engineering Export Promotion Council	National
4.	Karnataka Small Scale Industries Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:

Name of authority	Brief of the case	Corrective action taken
NA		

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant Weblink
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company believes in maintaining good relationships with local communities and stakeholders. Any concerns or feedback, if received, are reviewed by the management and addressed appropriately.

Weblink: CSR Policy

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/Small producers	44.81%	44.81%
Directly from within India	73%	92.54%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	NA	NA
Semi-urban	NA	NA
Urban	100%	100%
Metropolitan	NA	NA

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company has a dedicated Key Accounts Manager for each of its clients. These Key Accounts Managers address all complaints upfront and receive feedback on a timely basis, thereby leading to quick close of any addressable matter.

2. **Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

	As a percentage of total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	100
Recycling and/or safe disposal	100

3. **Number of consumer complaints in respect of the following:**

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive trade practices	Nil	Nil	NA	Nil	Nil	NA
Unfair trade practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink to the policy.**

   Yes, the entity has a Privacy Policy that provides a framework for addressing data privacy and cybersecurity risks, in alignment with the requirements of the Information Technology Act, 2000. It outlines procedures for the secure collection, processing, storage, and retention of data, and incorporates physical, technological, and organisational safeguards to prevent unauthorised access, misuse, or loss of personal data.

   The Privacy Policy can be accessed via this following link: Privacy Policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches: Nil

   b. Percentage of data breaches involving personally identifiable information of customers: NA

   c. Impact, if any, of the data breaches: NA

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Unimech Aerospace and Manufacturing Limited (formerly Known as Unimech Aerospace and Manufacturing Private Limited)

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Unimech Aerospace and Manufacturing Limited** (formerly known as Unimech Aerospace and Manufacturing Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Refer Note 2.2 of standalone financial statements with respect to the accounting policies followed by the Company for recognizing revenue.

The Company's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of products sold is transferred to the customer and there are no longer any unfulfilled performance obligation. The performance obligation in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Inappropriate assessment could lead to risk of revenue being recognized before transfer of control. In view of the above and since revenue is a key performance indicator of the Company, we have identified timing of revenue recognition from sale of goods as a key audit matter.

Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing the present right to receive payment for the products, delivery specifications including incoterms, timing of transfer of legal title of the goods and determination of the point of acceptance of goods by customer.

Revenue is a key performance indicator for the Company, and judgment is required by management to determine the timing of revenue recognition, especially at year-end in accordance with Ind AS 115 Revenue from Contracts with Customers. Accordingly, revenue recognition has been identified as a key audit matter.

Our Audit procedures in respect of this area included:

- Assessed the appropriateness and consistency of the Company's accounting policies relating to revenue recognition to ensure compliance with Ind AS 115 Revenue from Contracts with Customers.
- Performed a walkthrough of the entire revenue recognition process to understand the flow of transactions from receipt of customer order to recording of revenue in the books of accounts.

- Obtained an understanding of and assessed the design, implementation, and operating effectiveness of internal controls over revenue recognition and measurement in accordance with customer contracts, and identified and tested key controls established by management to ensure accurate recording and recognition of revenue.
- Performed test of details by selecting samples of revenue transactions recorded during the year and verified the same with supporting documents such as sales invoices, customer contracts/ purchase orders, and logistics or delivery documents.
- Performed three-way matching for selected sales transactions by verifying customer purchase orders, sales invoices, and proof of delivery documents such as shipping bills for international sales and e-way bills for domestic sales.
- Performed cut-off testing by tracing selected sales transactions to the gate outward register, sales invoices, and e-way bills/ shipping bills to ensure that revenue was recognized in the appropriate accounting period.
- Verified underlying documentation including approvals from Special Economic Zone (SEZ) authorities, wherever applicable.
- Designed and performed analytical procedures on revenue transactions to identify unusual or unexpected trends.
- Performed invoice number series testing to ensure completeness of revenue and identify any missing or duplicated invoices.
- Performed confirmation procedures with customers on a sample basis for accounts receivable balances.
- Reviewed and validated the accuracy, classification, and recognition of liquidated damages, where applicable, and performed detailed testing on selected samples, with the sample size determined using a sampling calculator.
- Evaluated the adequacy and appropriateness of disclosures related to revenue recognition in the Financial Statements, ensuring compliance with applicable accounting standards.
- Inquired with management regarding the methodology used to estimate rebate accruals and recalculated the rebate amount on sales up to the period end and verified it against the rebate amount provided by the customers.
- Evaluated whether rebate amounts were appropriately presented as a reduction from revenue in accordance with the guidance on consideration payable to a customer under Ind AS 115.
- Obtained relevant management representation that revenue has been recorded as per the requirements of Ind AS 115.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting but does not include the standalone financial statements and our auditor's report thereon which are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets

INDEPENDENT AUDITOR'S REPORT (CONTD.)

of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.

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

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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

   ii. The Company has long-term contracts for which there were no material foreseeable losses. The Company did not have any derivative contract as on March 31, 2026.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 41 to the standalone 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 Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 41 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQG5602

Place: Bengaluru
Date: May 28, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING PRIVATE LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE 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 standalone 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 standalone 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 Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of 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.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQG5602

Place: Bengaluru
Date: May 28, 2026

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING PRIVATE LIMITED) FOR THE YEAR ENDED MARCH 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, and relevant details of right-of-use assets.

B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right-of-use assets have been physically verified by the management at during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the standalone financial statements, are held in the name of the Company, except for the immovable property acquired during the year. As explained to us, the management is in the process of obtaining the requisite clearances from the relevant authorities to facilitate the transfer of title in the name of the Company.

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – Indicate range, where appropriate	Reason for not being held in name of Company (also indicate if in dispute)
Land acquired on lease-cum-sale basis	1,584.70	Karnataka Industrial Area Development Board	No	From April 16, 2025 (Lease cum sale agreement)	As per the lease-cum-sale agreement, the land will be transferred to the Company upon fulfilment of the stipulated terms and conditions. One of the conditions requires the Company to construct a building within the stipulated time frame. Since the terms and conditions have not yet been fulfilled and, accordingly, the title has not been transferred in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including Right-of-Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory in custody of third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During any point of time of the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate, from Banks and financial institutions, on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT (CONTD.)

iii. (a) According to the information and explanations provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and provided security to other entities.

(A) The details of such loans, advances, guarantee or security to subsidiary, are as follows:

Amount in Rs. Lakhs

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiary	3,512.00	-	3,028.00	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiary	11,512.00	-	5,234.33	-

AND

(B) The details of such loans, advances, guarantee or security to parties other than Subsidiary and Associate are as follows:

Amount in Rs. Lakhs

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Others	-	-	-	0.72
Balance Outstanding as at balance sheet date in respect of above cases				
- Others	-	-	-	0.65

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans and advances in the nature of loans, granted to Company and Other Parties.

(e) According to the information and explanations provided to us, there were no loans and advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loan given to the same parties.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security made.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, are not applicable to the Company as the as the Company do not meet the thresholds prescribed therein read with related Rules. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

According to the information and explanations given to us and the records examined by us, dues relating to income-tax which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act 1961	Income Tax and interest thereon	9.34	1.83*	AY 2023-24	Commissioner of Income Tax (Appeals)	None

*Amounts paid under protest.

There are no dues relating to employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax, provident fund etc and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT (CONTD.)

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 42 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 46 to the standalone financial statements.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQG5602

Place: Bengaluru
Date: May 28, 2026

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING PRIVATE LIMITED)

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Unimech Aerospace and Manufacturing Limited (formerly Known as Unimech Aerospace and Manufacturing Private Limited) on the Standalone Financial Statements for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

We have audited the internal financial controls with reference to standalone financial statements of Unimech Aerospace and Manufacturing Limited (formerly Known as Unimech Aerospace and Manufacturing Private Limited) ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The 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 Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. 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 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 Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI 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 standalone 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 standalone financial statements was 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control 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 control with reference to financial statements includes those policies and procedures that (1) pertain

ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT (CONTD.)

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQG5602

Place: Bengaluru
Date: May 28, 2026

unimech

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,220.55	2,031.42
Right-of-use assets	5.1	1,329.46	1,242.63
Capital work-in-progress	4	254.03	501.68
Intangible assets	6	68.83	32.03
Investments accounted for using equity method	7	1,162.21	499.98
Financial assets			
Investments	7.1	173.82	173.82
Loans	8	4,058.73	2,470.00
Other financial assets	9	361.63	138.57
Deferred tax assets (net)	34.3	23.30	-
Other non-current assets	10	78.03	2,042.04
Total non-current assets		**12,730.59**	**9,132.17**
Current assets			
Inventories	11	82.77	710.79
Financial assets			
Investments	7.2	31,332.14	25,905.50
Trade receivables	12	515.29	119.55
Cash and cash equivalents	13	2,017.95	14,037.01
Bank balances other than cash and cash equivalents	14	8,623.53	75.00
Loans	8	1,175.60	380.00
Other financial assets	15	377.00	3,583.68
Current tax assets (net)	23(a)	106.03	125.30
Other current assets	16	896.31	936.31
Total current assets		**45,126.62**	**45,873.14**
Total assets		**57,857.21**	**55,005.31**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	2,542.84	2,542.84
Other equity	18	52,565.56	49,775.98
Total equity		**55,108.40**	**52,318.82**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	5.2	1,168.86	1,036.59
Provisions	20	1.37	5.08
Deferred tax liabilities (net)	34.3	-	55.16
Total non-current liabilities		**1,170.23**	**1,096.83**
Current liabilities			
Financial liabilities			
Lease liabilities	5.2	295.26	231.96
Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises; and		86.93	131.55
- Total outstanding dues of creditors other than micro enterprises and small enterprises		366.34	165.63
Other financial liabilities	19	450.56	686.50
Other current liabilities	24	91.94	106.47
Provisions	20	287.55	255.36
Current tax liabilities (net)	23(b)	-	12.19
Total current liabilities		**1,578.58**	**1,589.66**
Total liabilities		**2,748.81**	**2,686.49**
Total equity and liabilities		**57,857.21**	**55,005.31**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

Anil Puttan Kumar
Chairman and Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	25	4,391.59	4,244.58
Other income	26	4,087.13	2,149.68
Total income		**8,478.72**	**6,394.26**
EXPENSES			
Cost of materials consumed	27	731.70	1,216.87
Changes in inventories of finished goods and work-in-progress	28	630.59	(150.39)
Subcontracting charges	29	503.99	1,082.16
Employee benefits expense	30	1,381.50	565.10
Finance costs	31	150.69	54.01
Depreciation and amortisation expenses	32	922.89	244.32
Other expenses	33	1,128.36	750.17
Total expenses		**5,449.72**	**3,762.24**
Profit before tax for the year		**3,029.00**	**2,632.02**
Income tax expense	34		
Current tax			
Tax expense for the year		843.90	512.55
Adjustments for current tax of prior period		43.42	103.30
Deferred tax (Credit)/Charge		(79.98)	108.01
Total income tax expense		**807.34**	**723.86**
Profit for the year		**2,221.66**	**1,908.16**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment defined benefit plans		6.05	(19.61)
Income tax relating to the above item		(1.52)	4.94
Other comprehensive income / (loss) for the year		**4.53**	**(14.67)**
Total comprehensive income for the year		**2,226.19**	**1,893.49**
Earnings per equity share (Nominal value per equity share: INR 5 each)			
Basic (INR)	35	4.37	4.02
Diluted (INR)		4.36	4.02

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
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Pankaj S Bhauwala
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Membership No: 233552

Place: Bengaluru
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Whole-time Director and
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DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	3,029.00	2,632.02
	Adjustments for:		
	Depreciation and amortisation expense	922.89	244.32
	Unrealised (gain)/ loss on foreign currency transaction and translation (net)	(12.91)	51.63
	Expected credit loss allowance and liquidated damages	64.26	52.45
	Employee share based payment expenses	128.25	-
	Provision for rework and warranty costs	-	42.80
	Finance costs	149.78	54.01
	Interest income	(3,183.99)	(1,121.24)
	Income from options (Derivative) [Refer note 26]	-	(109.72)
	Mark to Market (MTM) Gain on Investments	(352.07)	(380.79)
	Gain on account of lease modification	(21.60)	(18.15)
	Provision no longer required written back	-	(76.23)
	(Profit)/loss on sale of property, plant and equipment	89.54	(2.26)
	Profit on sale of investment	(184.81)	(178.56)
	Operating profit before working capital changes	**628.34**	**1,190.28**
	Changes in working capital		
	(Increase)/Decrease in inventories	628.01	(93.08)
	(Increase)/Decrease in trade receivables	(447.56)	622.55
	(Increase)/Decrease in other non current financial assets	(127.89)	-
	(Increase)/Decrease in other financial assets	204.87	(338.67)
	(Increase)/Decrease in other current assets	40.00	(460.56)
	(Increase)/Decrease in other non current assets	(15.16)	(2.79)
	Increase/ (Decrease) in trade payables	156.92	(189.41)
	Increase/ (Decrease) in other current liabilities	(14.53)	39.77
	Increase/(Decrease) in provisions	23.95	(41.48)
	Increase/ (Decrease) in other financial liabilities	20.96	575.89
	Net changes in workings capital	**469.57**	**112.22**
	Cash generated from operations	**1,097.91**	**1,302.51**
	Income taxes paid (net of refunds)	(880.24)	(689.79)
	Net cash flows from operating activities (A)	**217.67**	**612.72**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payments for acquisition of property, plant and equipment	(1,733.95)	(4,312.82)
	Payments for acquisition of intangible assets	(56.41)	(32.69)
	Redemption/(Investment) of fixed deposit, net	(5,253.61)	(2,906.43)
	Loans given to subsidiary	(3,028.00)	(2,850.00)
	Repayment of loan by the subsidiary	643.67	-
	Proceeds from disposal of property, plant and equipment	2.45	5.00
	Investment in associate	(552.51)	(499.98)
	Investment in bonds and mutual funds	(35,996.50)	(29,373.99)
	Proceeds from sale of Investment in bonds and mutual funds	30,901.13	4,330.28
	Interest income	3,210.90	1,117.52
	Net cash flows used in investing activities (B)	**(11,862.82)**	**(34,523.11)**

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from working capital borrowings	-	(200.00)
Net proceeds from issue of equity share capital through private placement	-	24,298.25
Net proceeds from issue of equity share capital through initial public offering	-	23,479.55
Interest paid	-	(6.94)
Principal payments on lease liabilities	(223.57)	(91.72)
Interest payments on lease liabilities	(149.78)	(44.13)
Net cash flows from financing activities (C)	**(373.35)**	**47,435.01**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(12,018.51)**	**13,524.61**
Cash and cash equivalents at the beginning of the period	14,037.01	514.30
Effects of exchange rate changes on cash and cash equivalents	(0.55)	(1.90)
Cash and cash equivalents at the end of the period	**2,017.95**	**14,037.01**
Cash and cash equivalents comprise (Refer Note no 13)		
Balances with banks:		
In current accounts	476.02	168.21
In Exchange Earners' Foreign Currency accounts (EEFC)	26.24	10.07
In deposits with original maturity for less than three months	1,515.69	13,858.25
Cash on hand	-	0.48
Total cash and cash equivalents at end of the year	**2,017.95**	**14,037.01**

Refer to note 21.3 for reconciliation of movements of liabilities to cash flows arising from financing activities.

(i) The accompanying notes are an integral part of these standalone financial statements.

(ii) The above Ind AS Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 - “Statement of Cash Flows” notified under section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and the relevant provisions of the Act.

(iii) Purchase of Property, plant and equipment and other intangibles represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital advance, capital creditors and capital work-in-progress of (a) property, plant and equipment and (b) intangible assets.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

Anil Puttan Kumar
Chairman and
Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

(A) EQUITY SHARE CAPITAL (NOTE 17)

	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid		
Balance as at April 01, 2025	5,08,56,883	2,542.84
Changes in equity share capital during the year	-	-
Balance as at March 31, 2026	**5,08,56,883**	**2,542.84**
	No. of shares	**Amount**
Balance as at April 01, 2024	4,40,05,080	2,200.25
Add: Increase in shares due to private placement	36,67,090	183.35
Add: Increase in shares due to initial public offering	31,84,713	159.24
Balance as at March 31, 2025	**5,08,56,883**	**2,542.84**

(B) OTHER EQUITY (NOTE 18)

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Share Based Payment Reserve	
Balance as at April 01, 2025	47,435.23	2,340.75	-	49,775.98
Profit for the year	-	2,221.66	-	2,221.66
Other comprehensive income for the year, net of tax	-	4.53	-	4.53
Total comprehensive income for the year	**-**	**2,226.19**	**-**	**2,226.19**
Transactions with owners in their capacity as owners:				
Employee share-based compensation reserve (Refer note 18)	-	-	581.71	581.71
Less: Options forfieted during the year	-	-	(18.32)	(18.32)
Balance as at March 31, 2026	**47,435.23**	**4,566.94**	**563.39**	**52,565.56**

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Share Based Payment Reserve	
Balance as at April 01, 2024	-	447.26	-	447.26
Profit for the year	-	1,908.16	-	1,908.16
Other comprehensive loss for the year, net of tax	-	(14.67)	-	(14.67)
Total comprehensive income for the year	**-**	**1,893.49**	**-**	**1,893.49**
Transactions with owners in their capacity as owners:				
Premium received on issue of equity shares (Refer note 18.1)	49,657.43	-	-	49,657.43
Transaction cost on issue of private placement of equity shares (Refer note 33.2)	(701.75)	-	-	(701.75)
Transaction cost on issue of Initial Public Offering (IPO) of equity shares (Refer note 33.2)	(1,520.45)	-	-	(1,520.45)
Balance as at March 31, 2025	**47,435.23**	**2,340.75**	**-**	**49,775.98**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

Anil Puttan Kumar
Chairman and
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DIN: 07683267

Place: Bengaluru
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Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

1 CORPORATE INFORMATION

Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) (hereafter referred to as the "Company" was incorporated as a private limited company on August 12, 2016. The Company converted to a public limited company and changed its name to Unimech Aerospace and Manufacturing Limited pursuant to a shareholders' resolution dated March 04, 2024 along with the issuance of a fresh certificate of incorporation dated June 21, 2024 (Company Identification No: L30305KA2016PLC095712). The registered office of the Company is located at Plot No. 167, SY No. 74/1 and 74/2, Hitech Defense and Aerospace Park Industrial Area, Arebinamangala Village, Jala Hobli, Bangalore North Taluk, Bagalur (Bangalore), Bangalore north, Karnataka, India – 562149.

The Company specialises in manufacturing complex products, offering "build to print" and "build to specifications" services. This involves machining, fabrication, assembly, testing, and the creation of new products based on the specific requirements of the aerospace, defense, energy, and semiconductor industries. The products are characterised by their complexity and a "high-mix, low-volume" nature, focusing on high-precision items that are not mass-produced. The Company's primary objective is to manufacture these products, tools, and components for use in the civil and defense aerospace sectors.

These standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 28, 2026.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

These notes provide a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to the period presented, unless otherwise stated.

2.1 Basis of preparation

(a) Compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian accounting standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III), as applicable to the standalone financial statements.

These standalone financial statements once approved by the Board of Directors needs to be adopted by the shareholders at the annual general meeting of the Company. The Board of Directors can withdraw and re-issue the financial statements so adopted only in specific cases such as non-compliance with the applicable accounting standards, with the approval of Tribunal, after following the appropriate procedure as per Companies Act, 2013.

(b) Basis of measurement

These standalone financial statements have been prepared under the historical cost basis, except for the following items (Refer to individual accounting policies for detail):

1. Net defined benefit employee obligations which is measured at the present value of defined benefit obligation, certain financial assets at fair value [refer 2.2(n) accounting policy on financial instruments]
2. Share based payments - Equity settled options at grant date fair value and cash settled share-based payment liabilities at fair value at each reporting date

(c) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the standalone balance sheet.

(d) Presentation currency and rounding off

All amounts disclosed in these standalone financial statements are reported in Indian Rupees (INR) and have been rounded off to the nearest Lakhs (INR 00,000) except per share data and unless stated otherwise. Amounts mentioned as "0.00" in the denote amounts rounded off being less than rupees one thousand.

(e) Going concern

The Company has prepared the standalone financial statement on the basis that it will continue to operate as a going concern.

(f) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to existing standards

(All amounts in INR Lakhs, unless otherwise stated)

under the Companies (Indian Accounting Standards) Rules, as amended from time to time. During the year ended March 31, 2026, MCA notified amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates and consequential amendments to Ind AS 101, applicable from April 1, 2025, which were evaluated by the Company and found to have no impact as it operates only in jurisdictions with freely convertible currencies. Further, MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, amending Ind AS 1, Ind AS 7, Ind AS 107 and Ind AS 12, applicable from April 1, 2026. The Company assessed these amendments, including those relating to classification of liabilities, supplier finance arrangements and Pillar Two global minimum tax, and concluded that they are either not applicable or do not have a material impact on its financial statements.

2.2 Summary of material accounting policies

(a) Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. The cost includes the purchase price, directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'(CWIP), CWIP is stated at cost, net of accumulated impairment loss, if any.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful life
Plant, Machinery and Equipment	4 to 15 years
Furniture and fixtures	4 years
Computers	3 years
Office equipment	4 to 5 years
Vehicles	8 years
Leasehold improvements	Over useful life or the remaining period of Lease term, whichever is lower

Leasehold improvements are depreciated on a straight-line basis over their estimated useful lives or the lease term, whichever is shorter. The estimated useful life of leasehold improvements is determined based on management's assessment of the period over which future economic benefits are expected to be derived, in accordance with Ind AS 16 and Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.

The useful lives of Plant, Machinery and Equipment, furniture and fixtures, and office equipment adopted by the Company differ from the indicative useful lives prescribed under Schedule II of the Companies Act, 2013 and are based on management's technical assessment, considering the nature of the assets, expected usage, physical wear and tear and maintenance practices.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at end of each reporting period and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the standalone statement of profit and loss, when the asset is derecognised.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets (Software) are amortised over the useful economic life of 3 years on straight line basis

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets under development are carried at cost less any accumulated impairment losses. Such assets are not amortised until they are available for use and are tested for impairment whenever there is an indication of impairment. Upon completion, the cost is transferred to the relevant intangible asset category and amortisation commences over its useful economic life.

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period.

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(d) Leases

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

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

Building - Over the lease term

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date, as the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is determined by referencing the Company's recent borrowing rates for similar tenors, adjusted for lease-specific factors such as asset class, lease term, credit risk, and security, and benchmarked using market interest rates for comparable instruments where necessary. Where direct observable rates are not available, the rate is estimated using a base risk-free rate adjusted for the Company's credit spread.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value

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assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(e) Inventories

Inventories are initially recognised at cost and subsequently valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials (including packing materials): Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average method.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down to net realisable value where the cost of inventories may not be recoverable, including in respect of slow-moving, non-moving, damaged or obsolete inventories, and such write-downs are recognised in the standalone statement of Profit and Loss in the period in which they occur.

Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition are charged to the statement of Profit and Loss.

(f) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(g) Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the standalone statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(h) Revenue from contract with customers

1. Performance obligation and timing of revenue recognition

The majority of the Company's revenue is derived from the sale of goods, with revenue recognised at a point in time when control of the goods has been transferred to the customer. The timing of transfer of control depends on the contractual delivery terms agreed with the customer.

For contracts with delivery terms such as Delivered at Place (DAP), control is typically transferred upon delivery of the goods to the customer's specified location. In contrast, for Ex-Works (EXW) contracts, control is transferred when the goods are made available to the customer at the Company's premises or another designated location.

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There is generally limited judgement involved in determining the point at which control passes. Once the goods have been delivered to or made available at the agreed location in accordance with the contractual terms, the Company no longer retains physical possession, has a present right to payment, and does not retain any of the significant risks and rewards of ownership of the goods.

Some goods sold by the Company include warranties which require the Company to repair or replace defective products during the warranty period if the goods fail to comply with agreed-upon specifications. In accordance with Ind AS 115, such warranties are not treated as separate performance obligations and, accordingly, no revenue is allocated to them. Instead, a provision is recognised for the expected costs of fulfilling these warranty obligations in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.Revenue from sale of services is recognised based on the actual services provided up to the end of the reporting period as a proportion of the total services to be provided, as the customer simultaneously receives and consumes the benefits.

2. Determining the transaction price

Most of the Company's revenue is derived from fixed price contracts and, therefore, the amount of revenue to be earned from each contract is determined by reference to those fixed prices.Variable consideration relating to volume rebates has been constrained in estimating contract revenue, in order to ensure that it is highly probable that there will not be a future reversal in the amount of revenue recognised when the amount of volume rebates has been determined.

3. Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered).

Where a customer orders more than one product line, the Company is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

4. Financing compenents

The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for a significant financing component or the time value of money.

5. Scrap sales are usually recognised when control of the scrap is transferred to the buyer (i.e., when sold and invoiced). Income from scrap is generally treated as Other Operating Revenue.

6. Rental incomes are recognised over period of time on a straight-line basis across lease term.

(i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

(j) Taxation

Tax expense comprises current tax expense and deferred tax.

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

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Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items of other comprehensive income is recognised in other comprehensive income. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternative Tax:

Minimum alternate tax (MAT) paid is charged to the standalone statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognises MAT credit as an asset, it is created by way of credit to the standalone statement of Profit and Loss and shown as part of deferred tax asset. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

(k) Provisions and Contingent Liabilities

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the standalone statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The Company provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Provision towards liquidated damages

Provision for liquidated damages against the Company are recognised in the standalone financial statements based on the management’s assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions and contracts with customer.

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Contingent liability is -

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or

(b) a present obligation that arises from past events but is not recognised because - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or - the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined Benefit Schemes

Defined benefit scheme surpluses and deficits are measured at:

(i) The fair value of plan assets at the reporting date; less

(ii) Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on government bonds that have maturity dates approximating to the terms of the liabilities and are denominated in the same currency as the post-employment benefit obligations; less

(iii) The effect of minimum funding requirements agreed with scheme trustees.

Remeasurements of the net defined obligation are recognised directly within equity. The remeasurements include:

(i) Actuarial gains and losses

(ii) Return on plan assets (interest exclusive)

(iii) Any asset ceiling effects (interest exclusive)

Service costs are recognised in profit or loss, and include current and past service costs as well as gains and losses on curtailments

Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period.

Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in profit or loss.

Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

Longevity bonus liability is accrued for certain class of key managerial persons, as may be decided by the Board from time to time to recognise their immense contribution in driving the organisation, and payable upon their resignation or exit from the Company or substantial changes in the composition of the Company's Board. Amount to be payable is calculated based on latest remuneration of the year multiplied by number of years. Longevity bonus is recognised as liability at the present value of the defined benefit obligation using actuarial valuation at the standalone balance sheet date.

Employee share-based payment arrangements are accounted for in accordance with the applicable accounting standards. Under the equity-settled share-based payments are granted to eligible employees as approved by the Nomination and Remuneration Committee. Each option entitles the holder to subscribe to one equity share of the Company at a predetermined exercise price, subject to the satisfaction of specified vesting conditions.

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

(n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through standalone statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

(a) Financial assets at amortised cost

(b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the standalone statement of profit and loss (i.e. fair value through standalone statement of profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(a) Financial assets carried at amortised cost

A financial assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through standalone statement of profit and loss under the fair value option

(i) Business Model test: The objective of the Company's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

(ii) Cash flow characteristics test: The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

(b) (i) Financial assets at fair value through other comprehensive income

Financial assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of Profit and Loss.

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(ii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through standalone statement of profit and loss.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised when:

(a) The rights to receive cash flows from the asset have expired, or

(b) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. The company discloses analysis of the gain or loss recognised in the statement of profit and loss arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets

(iv) Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model for the following:

(a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

(b) The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The company recognises an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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In accordance with Ind AS 109 – Financial Instruments, the Company recognises expected credit losses (ECL) on trade receivables and contract assets that do not contain a significant financing component through a loss allowance. The Company applies the simplified approach prescribed under Ind AS 109 for such assets and accordingly recognises lifetime expected credit losses from initial recognition.

The expected credit loss allowance on trade receivables and contract assets is determined using a provision matrix, which is based on the ageing of receivables and the Company's historical credit loss experience, adjusted for forward-looking information. The provision matrix applies appropriate loss rates to different ageing buckets, reflecting management's assessment of credit risk and expected recoverability. At each reporting date, the Company reviews the provision matrix and updates the historical observed default rates and forward-looking estimates to reflect changes in current and expected economic conditions. Trade receivables and contract assets are written off when there is no reasonable expectation of recovery of the contractual cash flows. The impairment loss allowance recognised or reversed during the period in respect of trade receivables and contract assets is recognised in the statement of Profit and Loss.

Financial liabilities

(i) Initial recognition and measurement All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, lease liabilities and derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(b) Gains or losses on liabilities held for trading are recognised in the profit or loss Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to standalone profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

c) Loans and borrowings After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest rate method.

(iii) Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a

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derivative; and the hybrid contract is not measured at fair value through profit or loss.

(iv) Derecognition

(a) A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(b) Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

(p) Share Capital & Earnings per share

Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs. Equity instruments are classified as equity when the contractual terms evidence a residual interest in the assets of the Company after deducting all of its liabilities. Transaction costs directly attributable to the issue of equity instruments are deducted from equity, net of applicable tax effects

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The company classifies a financial instrument issued by it as equity instrument only if below conditions are met:

a. The instrument includes no contractual obligation to deliver cash or another financial asset to another entity. Nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

b. If the instrument will, or may, be settled in the Company's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Company to deliver a variable number of its own equity instruments. If the

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instrument is derivative, then it should be settled only by the Company exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liabilities and accounted for using the accounting policy applicable to the financial liabilities.

(q) Share-based compensation

Equity-settled Transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(r) Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the standalone statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the standalone statement of Profit and Loss.

(s) Investment in associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is generally presumed when the Company holds 20% or more of the voting power of the investee, directly or indirectly, unless it can be clearly demonstrated otherwise.

Recognition and Initial Measurement:

Investment in associates is initially recognised at cost, which includes the purchase price and any directly attributable transaction costs.

Subsequent Measurement:

Subsequent to initial recognition, the investment in an associate is accounted for using the equity method. Under the equity method:

- The investment is initially recognised at cost.
- The investor's share of the associate's profit or loss is recognised in the investor's statement of profit and loss.

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(All amounts in INR Lakhs, unless otherwise stated)

- Distributions received from the associate reduce the carrying amount of the investment.
- Adjustments are also made for changes in the investor's proportionate interest in the associate arising from changes in the associate's other comprehensive income (OCI). Such changes are recognised in the investor's OCI.

(t) Other income

Interest income from financial assets at FVTPL is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is recognised in standalone statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired.

(u) Subcontracting charges

Subcontracting charges represent costs incurred towards services obtained from third-party vendors for execution of a portion of the Company's operations. Such costs are recognised as an expense in the statement of Profit and Loss in the period in which the related services are received, in accordance with the accrual principle.

2.3 Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Revenue recognition – estimating variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) Leases - estimating the incremental borrowing rate (IBR)

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's credit rating).

(iii) Provision for expected credit losses (ECLs) of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for its customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(iv) Defined benefit plan (post-employment gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(All amounts in INR Lakhs, unless otherwise stated)

(v) Useful lives of property, plant and equipment and intangible assets

Management reviews its estimate of the useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, right of use assets and intangible assets.

(vi) Provision for warranties

The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the period end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

(vii) Deferred tax assets

Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

(viii) Export incentives

Export incentives are recognised where there is reasonable assurance that the benefits will be received and all attachment conditions will be complied with export benefits on account of export promotion schemes are accrued and accounted in the period of export and are included in other operating revenue.

(ix) Recent Accounting pronouncements

New and amended standards adopted by Company

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after April 01, 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Company does not have any factoring, reverse factoring or supplier finance arrangements. The Company already provides detailed disclosures on financial instruments and financial risk management objectives and policies. Accordingly, the amendments relating to supplier finance arrangements are not applicable and did not have any impact on the financial statements.

(b) Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument The Company has USD term loans, intercompany loans and packing credit facilities. Borrowings have been classified based on contractual repayment terms and rights that existed as at March 31, 2026.

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Working capital facilities form part of the normal operating cycle of the Company. The amendments to Ind AS 1 relating to classification of liabilities did not have any material impact on the financial statements.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

(d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the standalone financial statements of the Company.

The Company operates in Canada, France, Germany, India, Malaysia, Poland, Taiwan, the United Kingdom and the United States. These jurisdictions have freely convertible currencies and the Company has not faced any exchangeability restrictions. Foreign currency transactions and balances are translated using observable exchange rates as at March 31, 2026. Accordingly, the amendments to Ind AS 21 relating to lack of exchangeability of currencies are not applicable and did not have any impact on the standalone financial statements.

(All amounts in INR Lakhs, unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

Description	Plant, machinery and equipment	Furniture and fixtures	Computers	Office equipment	Vehicles	Leasehold improvements	Land*	Total
Gross block								
Balance as at April 01, 2024	**387.06**	**31.28**	**45.36**	**32.99**	**6.98**	**26.86**	**-**	**530.53**
Additions (Includes transfer from CWIP and capital advances)	1,642.56	1.44	24.69	4.05	-	107.60	-	1,780.34
Adjustments	7.31	-	-	-	-	-	-	7.31
Disposals	(5.77)	-	-	-	-	-	-	(5.77)
Balance as at March 31, 2025	**2,031.16**	**32.72**	**70.05**	**37.04**	**6.98**	**134.46**	**-**	**2,312.41**
Additions (Includes transfer from CWIP and capital advances)	2,041.35	8.00	8.78	20.86	-	104.49	1,584.70	3,768.18
Disposals	(0.25)	(22.22)	(13.29)	(23.89)	-	(146.31)	-	(205.96)
Balance as at March 31, 2026	**4,072.26**	**18.51**	**65.54**	**34.01**	**6.98**	**92.64**	**1,584.70**	**5,874.64**
Accumulated depreciation								
Balance as at April 01, 2024	**101.53**	**14.62**	**22.74**	**22.53**	**1.89**	**16.94**	**-**	**180.25**
Depreciation charge for the year	67.18	6.18	13.36	4.75	0.87	4.12	-	96.46
Adjustments	7.31	-	-	-	-	-	-	7.31
Disposals	(3.03)	-	-	-	-	-	-	(3.03)
Balance as at March 31, 2025	**172.99**	**20.80**	**36.10**	**27.28**	**2.76**	**21.06**	**-**	**280.99**
Depreciation charge for the year	396.64	6.77	17.62	6.77	0.87	53.52	-	482.19
Disposals	(0.24)	(18.80)	(13.12)	(19.53)	-	(57.40)	-	(109.09)
Balance as at March 31, 2026	**569.39**	**8.77**	**40.60**	**14.52**	**3.63**	**17.18**	**-**	**654.09**
Net block								
Balance as at March 31, 2025	**1,858.17**	**11.92**	**33.95**	**9.76**	**4.22**	**113.40**	**-**	**2,031.42**
Balance as at March 31, 2026	**3,502.86**	**9.74**	**24.94**	**19.49**	**3.35**	**75.46**	**1,584.70**	**5,220.55**

*Land comprises a plot allotted by the Karnataka Industrial Areas Development Board (KIADB) on a lease-cum-sale basis for a tenure of 10 years, amounting to INR 1,584.70 lakhs. Ownership of the land shall vest with the Company upon satisfying the prescribed condition of undertaking continuous commercial production for a period of two years within the lease tenure.

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3.1 Deemed Cost

On transition to Ind AS (April 01, 2022), the Company had elected to continue with the carrying value of property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

3.2 Contractual obligations

Refer to note 45 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4 CAPITAL WORK-IN-PROGRESS (CWIP)

Particulars	Amount
Balance as at April 01, 2024	**2.38**
Additions	2,228.58
Transfers	(1,729.28)
Balance as at March 31, 2025	**501.68**
Additions	1,838.44
Transfers	(2,086.10)
Balance as at March 31, 2026	**254.03**

4.1 CWIP ageing schedule

As at March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress					
Plant, machinery and equipment	98.27	-	-	-	98.27
Leasehold improvements	155.76	-	-	-	155.76
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**254.03**	**-**	**-**	**-**	**254.03**

As at March 31, 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	
(i) Projects in progress					
Plant, machinery and equipment	501.68	-	-	-	501.68
(ii) Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**501.68**	**-**	**-**	**-**	**501.68**

4.2 There are no capital work-in-progress (CWIP) projects as at March 31, 2026 and March 31, 2025 for which the completion is overdue or the cost has exceeded compared to its originally approved plan.

4.3 CWIP of INR 1,969.01 Lakhs has been capitalised under plant, machinery and equipment INR 12.60 Lakhs has been capitalised under Ofice equipment and INR 104.49 Lakhs has been capitalised under Lease Hold Improvement during the year ended March 31, 2026. CWIP of INR 1,621.10 Lakhs has been capitalised under plant, machinery and equipment, INR 107.60 Lakhs has been capitalised under lease hold improvement and INR 0.57 Lakhs has been capitalised under software during the year ended March 31, 2025.

(All amounts in INR Lakhs, unless otherwise stated)

5 RIGHT-OF-USE ASSETS/ LEASE LIABILITIES

For the purpose of Ind AS Financial Statements, the Company has adopted Ind AS 116, effective annual reporting period beginning April 01, 2021 and applied the standard to its leases, under modified retrospective transition method.

The Company has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term except inflation adjustment.

The Company has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

5.1 The carrying amount of right-of-use assets recognised and the movements during the period are as follows:

Gross block	Buildings
Balance as at April 01, 2024	**331.55**
Additions during the year	1,283.12
Modifications during the year	18.15
Balance as at March 31, 2025	**1,632.82**
Additions during the year	486.32
Modifications during the year	21.60
Balance as at March 31, 2026	**2,140.74**

Accumulated amortisation	
Balance as at April 01, 2024	**245.61**
Amortisation for the year (Note 5.3)	144.58
Balance as at March 31, 2025	**390.19**
Amortisation for the year (Note 5.3)	421.09
Balance as at March 31, 2026	**811.28**
Net block	
Balance as at March 31, 2025	**1,242.63**
Balance as at March 31, 2026	**1,329.46**

5.2 The carrying amount of lease liabilities recognised and the movements during the period are as follows:

	Amount
Balance as at April 01, 2024	**104.09**
Additions during the year	1,256.18
Interest expense on lease liabilities (Note 5.3)	44.13
Payments during the year (Note 5.4)	(135.85)
Balance as at March 31, 2025	**1,268.55**
Additions during the year	419.14
Interest expense on lease liabilities (Note 5.3)	149.78
Payments during the year (Note 5.4)	(373.35)
Balance as at March 31, 2026	**1,464.12**

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current	1,168.86	1,036.59
Current	295.26	231.96
Total	**1,464.12**	**1,268.55**

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5.3 The following are the amounts recognised in standalone statement of profit and loss:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on lease liabilities (Refer note 31)	149.78	44.13
Amortisation of right-of-use assets (Refer note 32)	421.09	144.58

5.4 Amounts recognised in the standalone statement of Cash Flows

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Principal payments on lease liabilities	(223.57)	(91.72)
Interest payments on lease liabilities	(149.78)	(44.13)
Total	**(373.35)**	**(135.85)**

6 INTANGIBLE ASSETS

Particulars	Software Amount
Gross block	
Balance as at April 01, 2024	**15.49**
Additions	32.69
Disposals	-
Balance as at March 31, 2025	**48.18**
Additions	56.41
Disposals	-
Balance as at March 31, 2026	**104.59**
Accumulated amortisation	
Balance as at April 01, 2024	**12.87**
Amortisation for the year	3.28
Disposals	-
Balance as at March 31, 2025	**16.15**
Amortisation for the year	19.61
Disposals	-
Balance as at March 31, 2026	**35.76**
Net block	
Balance as at March 31, 2025	**32.03**
Balance as at March 31, 2026	**68.83**

6.1 Deemed cost

On transition to Ind AS (April 01, 2022), the Company has elected to continue with the carrying value of intangibles assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in associate		
At amortised cost		
Unquoted Compulsory Convertible Preference Shares		
Dheya Engineering Technologies Private Limited		
5,012 Equity shares of face value INR 10 each (Refer note 7.3)	1,162.21	-
2,387 Compulsory Convertible Preference Shares as at March 31, 2025 (Refer note 7.3)	-	499.98
	1,162.21	**499.98**

(All amounts in INR Lakhs, unless otherwise stated)

7.1 Non-current investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments (fully paid-up)		
Investment in subsidiary		
At amortised cost		
Unquoted equity shares		
Innomech Aerospace Toolings Private Limited		
1,01,000 equity shares of face value INR 100 each (March 31, 2025 - 1,01,000 shares)	101.00	101.00
Deemed investment - Financial Guarantees (Refer note 7.4)	72.82	72.82
Total non-current investments	**173.82**	**173.82**

7.2 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Current investments		
Investments at fair value through profit and loss		
Investments (quoted)		
Bonds (Refer note 7.6)	15,919.90	19,307.09
Mutual funds (Refer note 7.6)	15,412.24	6,598.41
Total Current Investments	**31,332.14**	**25,905.50**
Current	31,332.14	25,905.50
Total investment (Quoted and Unquoted)	**31,332.14**	**25,905.50**
Aggregate book value of:		
Quoted investments	31,332.14	25,905.50
Unquoted investments	1,336.03	673.80
Aggregate market value of:		
Quoted investments	31,332.14	25,905.50
Unquoted investments	1,336.03	673.80
Aggregate amount of impairment in value of investments	-	-

Quoted investments measured at fair value through profit or loss comprise investments in mutual funds and bonds. These investments are quoted in active markets and are measured at fair value at each reporting date, with changes in fair value recognised in the standalone statement of profit and loss.

7.3 Investments in associate:

Pursuant to approval by the Board of Directors, the Company entered into a Share Subscription and Shareholders Agreement ("SSHA") with Dheya Engineering Technologies Private Limited ("Dheya") for the subscription of Compulsory Convertible Preference Shares (CCPS). As of March 31, 2025, the Company had subscribed to and allotted 2,387 (16.94%) CCPS for a total consideration of INR 499.98 lakhs. The terms of the SSHA also outline certain terms and rights including options to acquire additional CCPS in subsequent tranches. During the current year ended March 31, 2026, the Company entered into an Amendment Agreement dated November 25, 2025, to early exercise of the subsequent tranches. Accordingly, during the year ended March 31, 2026, the Company acquired an additional 2,625 CCPS for an aggregate consideration of INR 552.51 Lakhs. All other terms and conditions of the SSHA continue to remain in full force and effect and are binding on the parties pursuant the Amendment Agreement. Upon completion of the acquisition of

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the additional CCPS, the Company exercised right of conversion and the CCPS were converted into fully paid up equity shares of Dheya Engineering Technologies Private Limited. As of March 31, 2026, the Company holds 29.99% of the equity share capital of Dheya Engineering Technologies Private Limited.

The investments in associate is measured using the equity method. Set out below is the associate of the Company as at March 31, 2026. The entity listed below have share capital consisting of ordinary shares and preference shares, which are directly held by the Company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of the voting rights held.

Name of the associate	Relationship with the entity	Principal place of business/country of Incorporation	Proportion of ownership interest held by the entity (March 31, 2026)	Proportion of ownership interest held by the entity (March 31, 2025)
Dheya Engineering Technologies Private Limited*	Associate	India	29.99%	16.94%

*The primary business of Dheya Engineering Technologies Private Limited is design, development, manufacturing, sales and servicing of micro gas turbines.

The table below provide the reconciliation of the carrying amount of the Company's interest in the associate:

Particulars	As at March 31, 2026	As at March 31, 2025
Company's share in net assets of the associate	358.04	5.16
Goodwill	694.47	494.82
Carrying amount of the Company's interest in the associate	**1,052.51**	**499.98**

7.4 The Company had recognised a deemed investment in its subsidiary, Innomech Aerospace Toolings Private Limited, amounting to INR 72.82 Lakhs (March 31, 2025: INR 72.82 Lakhs), representing the fair value of guarantees issued by the Company to banks and financial institutions in respect of borrowings availed by the subsidiary.

7.5 Refer note 39 for information about the Company's exposure to financial risks and refer note 40 fair value measurement.

7.6 Details of investment made in Mutual funds and Bonds as at March 31, 2026 and March 31, 2025:

Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2026
Axis Money Market Fund	Mutual Funds	5,71,656.51	8,561.45
Aditya Birla SL Arbitrage-Growth	Mutual Funds	27,97,890.29	775.79
HDFC Arbitrage Wholesale-Growth	Mutual Funds	17,32,415.11	554.34
ICICI Prudential Equity Arbitrage Fund - Growth	Mutual Funds	21,67,899.86	776.95
Invesco India Arbitrage-Growth	Mutual Funds	16,63,611.02	554.61
Kotak Equity Arbitrage Reg-Growth	Mutual Funds	14,17,339.47	554.91
Nippon India Arbitrage-Growth	Mutual Funds	27,94,327.24	773.97
SBI Arbitrage Opportunities-Growth	Mutual Funds	21,99,149.21	777.11
Tata Arbitrage Fund Reg-Growth	Mutual Funds	51,71,862.20	775.90
Tata Money Market Reg-Growth	Mutual Funds	22,679.41	1,119.76
HDFC Money Market Fund , Regular - Growth	Mutual Funds	2,770.45	165.55
8.75% Shriram Finance	Bonds	1,500.00	1,620.50
8.97% Muthoot Finance	Bonds	2,500.00	2,570.57
9.25% SK Finance Ltd	Bonds	1,900.00	1,945.03
9.65% 360 ONE Portfolio Managers LTD	Bonds	500.00	528.61
9.65% 360 ONE Portfolio Managers LTD	Bonds	773.00	817.24
9.66% 360 ONE Portfolio Managers LTD	Bonds	50,000.00	520.01
0.00% 360 ONE Portfolio Managers Ltd	Bonds	1,425.00	1,624.78

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Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2026
9.65% Muthoot Fincorp Limited Op Vi Tr V 9.65 Ncd 19my28 Fvrs1000	Bonds	50,000.00	545.00
9.15% Adani Enterprises Ltd NCD	Bonds	61,306.00	654.92
Yield -9.4000% - Chola (P) Call -8.9800%	Bonds	12.00	1,261.11
Yield -9.4000% - Chola (P) Call -9.5000%	Bonds	3.00	320.95
Yield -9.3500% - Sk Finance Limited -9.2500%	Bonds	500.00	545.28
Yield -9.4000% - 9.50% Cholamandalam Investment & Finance Call	Bonds	4.00	427.94
Yield -9.2000% - 9.1500% Muthoot Fincorp Ltd	Bonds	1,000.00	1,034.04
Yield -9.2000% , 9.1000% Mas Financial Services	Bonds	10,000.00	1,004.99
Yield -9.0500% , 9.60% Avanse Financial Services Ltd	Bonds	500.00	520.83
			31,332.14

Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2025
HDFC Money Market Fund - Regular Plan - Growth	Mutual Funds	2,770.45	155.37
Tata Money Market Reg-Growth	Mutual Funds	22,679.41	1,050.06
Aditya Birla SL Arbitrage-Growth	Mutual Funds	27,97,890.29	731.17
HDFC Arbitrage Wholesale-Growth	Mutual Funds	17,32,415.11	522.51
ICICI Prudential Equity Arbitrage Fund -Growth	Mutual Funds	21,67,899.86	731.83
Invesco India Arbitrage-Growth	Mutual Funds	16,63,611.02	522.58
Kotak Equity Arbitrage Reg-Growth	Mutual Funds	14,17,339.47	522.76
Nippon India Arbitrage-Growth	Mutual Funds	27,94,327.24	730.45
SBI Arbitrage Opportunities-Growth	Mutual Funds	21,99,149.21	731.35
Tata Arbitrage Fund Reg-Growth	Mutual Funds	51,71,862.20	730.95
Axis Overnight Fund Direct Growth(ON-DG) (Non - Demat) Axis Overnight Fund Direct Growth (ON-DG)	Mutual Funds		169.36
9.66% 360 ONE PRIME LTD 60 MONTH SERIES 8 ANNULLY INT	Bonds	50,000.00	508.44
360 ONE PORTFOLIO MANAGERS LIMITED 9.65 NCD 13AG27	Bonds	500.00	1,349.37
9.30% PIRAMAL HOUSING FINANCE January 07, 2027	Bonds	1,000.00	1,935.22
MUTHOOT FINANCE LIMITED 8.97 NCD 18JN27 FVRSTLAC (January 18, 2027)	Bonds	2,500.00	2,558.41
SHRIRAM FINANCE LIMITED SR PPD IX TR 7 8.75 NCD 04MY26 FVRS1LAC (May 04, 2026)	Bonds	1,500.00	1,617.96
SHRIRAM FINANCE LIMITED SR PPD XXI OP2 TR3 9.20 NCD 22MY26 FVRS1LAC (May 22, 2026)	Bonds	500.00	541.44
SK FINANCE LIMITED 9.25 NCD 02JN28 FVRS1LAC	Bonds	1,900.00	1,946.11
360 ONE PRIME Ltd 364 Days (July 23, 2025)	Bonds	200.00	969.40
BAJAJ FINANCE LIMITED 7.90 SR 286 TR 9 LOA 17NV25 FVRS10LAC (November 17, 2025)	Bonds	150.00	1,541.27

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2025
HDB FINANCIAL SERVICES LIMITED SR A1 FX 182 7.5 NCD 23SP25 FVRS10LAC (September 23, 2025)	Bonds	150.00	1,551.66
Piramal Enterprises Ltd 363 Days July 24, 2025 (July 24, 2025)	Bonds	200.00	969.95
360 One Portfolio Managers 18M NCD (May 10, 2025)	Bonds	1,600.00	1,653.07
AVANSE FINANCIAL SERVICES LIMITED SR 20 9.30 NCD 07MY25 FVRS10LAC (May 07, 2025)	Bonds	200.00	2,164.81
			25,905.50

8 LOANS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non Current	Current	Non Current	Current
Other financial assets				
Unsecured, considered good				
Loans to subsidiary (Refer note 8.1)	4,058.73	1,175.60	2,470.00	380.00
Total loans	**4,058.73**	**1,175.60**	**2,470.00**	**380.00**

8.1 The following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Particulars					As at March 31, 2026		As at March 31, 2025	
Type of borrower	Loans or advances granted individually or jointly with any other person. (Individually /Jointly)	Rate of Interest	Repayable on demand (Yes/No)	Terms or period of repayment is specified (Yes/No)	Amount outstanding as at the balance sheet date	% of Total	Amount outstanding	% of total
Subsidiary (Innomech Aerospace Toolings Private Limited)	Individually	Repo rate + 7%	No	Yes	5,234.33	100%	2,850.00	100%
Total					**5,234.33**	**100%**	**2,850.00**	**100%**

Purpose of loan - The intercorporate loan relates to funding capital expenditure for expansion through the purchase of machinery and equipment.

8.2 Refer note 39 for information about the Company's exposure to financial risks and refer note 40 for information about fair value measurement.

8.3 Refer note 44 for information on loans hypothecated as security by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

9 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
At amortised cost		
(Unsecured, considered good)		
Security deposits	175.21	94.94
Deposits with original maturity greater than 12 months*	48.71	43.63
Other receivables**	**137.71**	**-**
Total other financial assets	**361.63**	**138.57**

Refer note 39 for information about the Company's exposure to financial risks.

*Deposits held as margin money for guarantee issued

**Other receivables relates to Employee share-based compensation expenses recievables from subsidiary company.

10 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
(Unsecured, considered good)		
Capital advances	60.08	2,039.25
Prepaid expenses	2.54	2.79
Other receivables*	15.41	-
Total other non-current assets	78.03	2,042.04

*Relates to TDS recievable from KIADB towards purchase of land

11 INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
(At lower of cost and net realisable value)		
Raw materials (including packing materials)*	3.06	0.49
Work-in-progress	75.85	708.00
Finished goods	3.86	2.30
Total inventories	**82.77**	**710.79**

*Raw materials (including packing materials) includes Goods in Transit (GIT) amounting to INR 1.18 Lakhs (March 31, 2025 : INR 0.06 Lakhs)

11.1 Inventories hypothecated as security

Refer to note 44 for information on inventories hypothecated as security by the Company.

12 TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured	643.34	183.34
Less: Expected credit loss allowance (Note 39.3)	(36.56)	(36.56)
Less: Liquidated damages (Note 39.3)	(91.49)	(27.23)
Trade receivables - net	**515.29**	**119.55**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

12.1 Trade receivables ageing schedule

As at March 31, 2026	Current						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	365.00	278.34	-	-	-	-	643.34
Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub total	**365.00**	**278.34**	**-**	**-**	**-**	**-**	**643.34**
Less: Expected credit loss allowance (Note 39.3)	4.96	31.60	-	-	-	-	(36.56)
Less: Liquidated damages (Note 39.3)	5.86	85.63	-	-	-	-	(91.49)
Total							**515.29**

As at March 31, 2025	Current						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 year	
Undisputed trade receivables – considered good	32.75	92.28	19.38	32.05	6.66	0.22	183.34
Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub total	**32.75**	**92.28**	**19.38**	**32.05**	**6.66**	**0.22**	**183.34**

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2025	Current						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 year	
Less: Expected credit loss allowance (Note 39.3)	6.53	17.36	3.66	7.15	1.83	0.04	(36.56)
Less: Liquidated damages (Note 39.3)	27.23	-	-	-	-	-	(27.23)
Total							**119.55**

12.2 There are no trade receivables which are either due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

12.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

12.4 Refer to note 39 for information about the Company's exposure to financial risks.

12.5 Refer to note 44 for information on trade receivables hypothecated as security by the Company.

12.6 There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

12.7 Refer note 38 for transactions with related parties.

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
In current accounts	476.02	168.21
In Exchange Earners' Foreign Currency Accounts (EEFC)	26.24	10.07
In deposit with original maturity for less than three months	1,515.69	13,858.25
Cash on hand	-	0.48
Total cash and cash equivalents	**2,017.95**	**14,037.01**

13.1 Balances held in Exchange Earners' Foreign Currency (EEFC) accounts are subject to FEMA regulations, and their utilisation and repatriation are in accordance with applicable regulatory requirements.

Refer to note 44 for information on cash and cash equivalents hypothecated as security by the Company and note 39 for information about the Company's exposure to financial risks.

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

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balances with banks:		
in current accounts	476.02	168.21
in EEFC accounts	26.24	10.07
In deposit with original maturity for less than three months	1,515.69	13,858.25
Cash on hand	-	0.48
	2,017.95	**14,037.01**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Deposit with original maturity for more than three months but less than 12 months	8,548.53	-
Deposits held as margin money for guarantee issued	75.00	75.00
Total bank balances other than cash and cash equivalents	**8,623.53**	**75.00**

Refer to note 44 for information on bank balances other than cash and cash equivalents hypothecated as security by the Company and note 39 for information about the Company's exposure to financial risks.

15 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
(Unsecured, considered good)		
At amortised cost		
Advances to employees	0.65	0.08
Interest accrued on deposits	78.05	171.27
Deposits with remaining maturity less than 12 months**	-	3,300.00
Other receivables*	298.30	112.33
Total other financial assets	**377.00**	**3,583.68**

*The balance includes Employee share-based compensation expenses recievables from subsidiary company amounting to INR 297.42 lakhs (March 31, 2025: Nil), forex card balance amounting 0.89 lakhs (March 31, 2025: INR 2.61 lakhs) and Income from options (Derivative) amounting Nil (March 31, 2025: INR 109.72).

**Deposits with remaining maturity of less than 12 months comprise deposits maintained as lien against the Company's credit card.

Refer note 44 for information on other current financial assets hypothecated as security by the Company and note 39 for information about the Company's exposure to financial risks.

16 OTHER CURRENT ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Advances to suppliers	29.40	51.68
Balances with government authorities (Refer note 16.2)	833.34	834.94
Prepaid expenses	18.73	20.93
Government incentives	14.84	28.76
Total other current assets	**896.31**	**936.31**

16.1 Refer to note 44 for information on other current assets hypothecated as security by the Company.

16.2 Balance with government authorities is related to balance in Goods and Service Tax (GST) Input credit a/c of INR 708.16 Lakhs, Duty drawback receivable from government of INR 2.28 Lakhs and Export Incentive Scripts (MEIS) of INR 16.78 Lakhs pending to receive from Government. Out of the above balance in GST Input credit a/c, the Company has already applied refund of INR 49.55 Lakhs, and INR 2.98 Lakhs is not appearing in GSTR2B portal due delay from supplier in filing GST returns.

(All amounts in INR Lakhs, unless otherwise stated)

17 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of INR 5 each (March 31, 2025: INR 5 Each)	6,00,00,000	3,000.00	6,00,00,000	3,000.00
	6,00,00,000	**3,000.00**	**6,00,00,000**	**3,000.00**
Issued, subscribed and paid up				
Equity shares of INR 5 each (March 31, 2025: INR 5 Each), fully paid-up	5,08,56,883	2,542.84	5,08,56,883	2,542.84
Total	**5,08,56,883**	**2,542.84**	**5,08,56,883**	**2,542.84**

17.1 Reconciliation of equity shares outstanding at the beginning and at the end of the period

Equity shares	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	5,08,56,883	2,542.84	4,40,05,080	2,200.25
Add: Increase in shares due to fresh issue during the year		-	68,51,803	342.59
Outstanding at the end of the year	**5,08,56,883**	**2,542.84**	**5,08,56,883**	**2,542.84**

17.2 Rights, preferences and restrictions attached to shares

Equity shares have a face value of INR 5 each Holder of equity shares is entitled to participate in dividends. The dividend proposed by the board of directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts and distribution will be in proportion to the number of equity shares held by the shareholders.

17.3 Pursuant to the board meeting and share holders meeting held on July 03, 2024, the Company raised money by way of private placement of 36,67,090 equity shares of face value INR 5/- each at a price of INR 681.74 /-per share (with a premium of INR 676.74 per share) aggregating to INR 25,000 Lakhs.

17.4 The equity shares of the Company were listed on the National Stock Exchange and Bombay Stock Exchange on December 31, 2024, following the completion of an Initial Public Offering ("IPO") of 63,69,426 equity shares, with a face value of share INR 5/- each, at an issue price of INR 785 per equity share (which includes a share premium of INR 780 per equity share). This consisted of a fresh issue of 31,84,713 equity shares and an offer for sale of 31,84,713 equity shares.

17.5 Equity shares allotted by the Company on August 19, 2024 has following terms attached to equity shares as per shareholders' agreement dated July 16, 2024:

On July 16, 2024, the Company has entered into a Shareholders' Agreement ("SHA") with Valuequest Investment Advisors Private Limited, Steadview Capital Mauritius Limited and Evolvence Fund India IV Limited (together referred as "Investors"), pursuant to their investment in equity shares of the Company of INR 25,000 Lakhs("investor equity shares").

The SHA provides certain rights to the Investors including exit rights and buy back rights. In the event the Company is unable to provide an exit to the Investors by way of an Initial Public Offer ("IPO") within a certain timeline, the Company shall provide an exit to the Investors by way of third party sale or Company or promoter buyback or a combination thereof on or before March 31, 2028 ("Exit date") in the manner set out in the SHA. The buy back rights of the Investors shall cease to be in effect on and from the date on which the Company files its Draft Red Herring Prospectus ("DRHP") in connection with its proposed IPO, but shall be made effective again in the event the DRHP so filed is withdrawn with no intention of refiling the same.

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Pursuant to the filing of its DRHP on August 19, 2024 by the Company, the buy back rights have become ineffective. Consequently, such investor equity shares meet the definition of an equity instrument as per Ind AS 32 Financial Instruments: Presentation and accordingly have been classified as equity from August 19, 2024.

Management has also assessed and concluded that there has not been any significant change in the fair value of the investor equity shares from the date of issue to the date of DRHP filing, and therefore there is no impact to be recognised in the profit and loss.

17.6 Shares reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 36.

17.7 Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 5 each fully paid-up				
Anil Puttan Kumar	1,33,44,200	26.24%	1,33,44,200	26.24%
Ramakrishna Kamojhala	73,06,372	14.37%	73,06,372	14.37%
Mani Puttan	73,06,371	14.37%	73,06,371	14.37%
Preetham Venkatesh Shimoga	48,71,194	9.58%	48,71,194	9.58%
Rajanikanth Balaraman	73,06,372	14.37%	73,06,372	14.37%

17.8 Aggregate number of shares issued pursuant to contract without payment being received in cash, for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date

There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date.

17.9 Shares reserved for issue under contracts or commitments of the sale of shares or disinvestment, including the terms and amounts

There are no shares reserved for issue under any contracts or commitments of the sale of shares or disinvestment.

17.9.1 Details of equity shares held by promoters at the end of the year

Promoter name	As at March 31, 2026			As at March 31, 2025		
	No. of shares	% of total shares	% Change during the period	No. of shares	% of total shares	% Change during the period
Equity shares of INR 5 each fully paid-up						
Anil Puttan Kumar	1,33,44,200	26.24%	0.00%	1,33,44,200	26.24%	0.00%
Ramakrishna Kamojhala	73,06,372	14.37%	0.00%	73,06,372	14.37%	0.00%
Mani Puthan	73,06,371	14.37%	0.00%	73,06,371	14.37%	0.00%
Preetham Venkatesh Shimoga	48,71,194	9.58%	0.00%	48,71,194	9.58%	0.00%
Rajanikanth Balaraman	73,06,372	14.37%	0.00%	73,06,372	14.37%	0.00%
Total	**4,01,34,509**	**78.93%**		**4,01,34,509**	**78.93%**	

(All amounts in INR Lakhs, unless otherwise stated)

18 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Reserves and surplus		
Retained earnings (Note 18.1)	4,566.94	2,340.75
Securities Premium (Note 18.1)	47,435.23	47,435.23
Share based payment reserve (Note 18.1)	563.39	-
Total reserves and surplus	**52,565.56**	**49,775.98**

18.1 Movement in reserves and surplus

	As at March 31, 2026	As at March 31, 2025
Retained earnings		
Opening balance	2,340.75	447.26
Profit for the year	2,221.66	1,908.16
Items of OCI recognised directly in retained earnings		
Remeasurements of post-employment defined benefit plans (net of tax)	4.53	(14.67)
Other adjustments	-	
Closing balance	**4,566.94**	**2,340.75**
Securities Premium		
Opening balance	47,435.23	-
Premium received on issue of equity shares		49,657.43
Transaction cost on issue of preferential allotment of equity shares (Refer note 33.2)		(701.75)
Transaction cost on issue of Initial Public Offering (IPO) of equity shares (Refer note 33.2)	-	(1,520.45)
Closing balance	**47,435.23**	**47,435.23**
***Share based payment reserve**		
Opening balance	-	-
Employee share-based compensation expenses	581.71	-
Options forfeited during the year	(18.32)	
Closing balance	**563.39**	**-**

* The Share based payment reserve created for subsidiary company employees is recoverable in nature, as the cost recognised in the subsidiary's books

18.2 Nature and purpose of items in other equity

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions to shareholders and these can be utilised as per the provisions of the Companies Act, 2013.

Securities premium

Securities premium issued to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve

Employee stock options represent equity granted to Company employees and Subsidiary company employees, with the fair value recognised as employee compensation over the vesting period and credited to equity.

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19 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Employee benefits payable	263.32	242.36
Capital creditors	42.10	234.68
Other payables*	145.14	209.46
Total	**450.56**	**686.50**

*Includes balances related to IPO expenses

20 PROVISIONS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Provision for rework and warranty costs	-	49.64	-	49.64
Provision for employee benefits				
Gratuity [Note 37(b)]	1.37	30.00	5.08	10.00
Provision for longevity bonus [Note 37(g)]	-	-	-	64.81
Compensated absences [Note 37(h)]	-	121.91	-	44.91
Others*	-	86.00	-	86.00
Total provisions	**1.37**	**287.55**	**5.08**	**255.36**

* Relates to provision for CSR expenses

20.1 Movement in provision for warranties

Particulars	Amount
As at March 31, 2025	**49.64**
Provision charged to standalone statement of profit and loss	-
Provisions utilised/(reversed) during the period	-
As at March 31, 2026	**49.64**
As at April 01, 2024	**17.64**
Provision charged to standalone statement of profit and loss	42.80
Provisions utilised/(reversed) during the period	(10.80)
As at March 31, 2025	**49.64**

20.2 The Code on Social Security, 2020

The Code on Social Security, 2020. During the year ended March 31, 2026, the Central Government of India has notified 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, collectively referred to as the 'New Labour Codes', effective from November 21, 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity.

The new Labour Codes introduced by the Government of India, inter alia , requires gratuity to be calculated based on wages constituting at least 50% of total remuneration. This has resulted in an increase in gratuity benefits in respect of services rendered in prior periods, and accordingly, expense recognized in standalone statement of profit or loss includes past service cost amount of INR 19.92 lakhs as recognised in the current period on account of change in new labour code of salary definition change. In accordance with Ind AS 19, the past service cost has been recognised in the standalone statement of profit and loss in the current year in which the plan amendment became effective.

(All amounts in INR Lakhs, unless otherwise stated)

21 CURRENT BORROWINGS

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Secured			
Term loan			
From bank			
Working capital facility	21.2	-	-
Total current borrowings		**-**	**-**

The details of financial and non-financial assets hypothecated for borrowings are disclosed in Note 44.

Refer note 39 for information about the Company's exposure to financial risks.

21.1 Disclosure on bank guarantees

The company has given corporate guarantee for the loans availed by Innomech Aerospace Toolings Private Limited, a wholly owned subsidiary of the Company to the extent of INR 11,512.00 Lakhs (March 31, 2025; INR 8,000 Lakhs) to M/s Axis Bank Limited, Bangalore.

21.2 Security details and terms of repayment

	No. of instalments remaining as at March 31, 2026	Maturity date as at March 31, 2026	Interest rate (p.a.) as at March 31, 2026	As at March 31, 2026
(i) INR/EURO/USD working capital facility from banks				
- Secured by way of hypothecation of current assets excluding investments along with a guarantee provided by the Company and promoter directors.	NA	NA	PCFC: SOFR + 1%	-
	NA	NA	EPC: upto 180 days Repo + 1.50%	-
	NA	NA	Overdue: 400 bps over and above normal rate	-

	No. of instalments remaining as at March 31, 2025	Maturity date as at March 31, 2025	Interest rate (p.a.) as at March 31, 2025	As at March 31, 2025
(i) INR/EURO/USD working capital facility from banks				
- Secured by way of hypothecation of current assets excluding investments along with a guarantee provided by the Company and promoter directors.	NA	NA	PCFC: SOFR + 1%	-
	NA	NA	EPC: upto 180 days Repo + 1.50%	-
	NA	NA	Overdue: 400 bps over and above normal rate	-

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21.3 Net debt reconciliation

	Borrowings	Lease liabilities	Total
Net debt as at April 01, 2024	**200.00**	**104.09**	**540.91**
Proceeds from borrowings	311.24	-	311.24
Repayment of borrowings	(511.24)	-	(511.24)
Interest paid on lease liabilities	-	(44.13)	(44.13)
Principal paid on lease liabilities	-	(91.72)	(91.72)
Non-cash flows:			
Interest expenses	-	44.13	44.13
Addition to lease liabilities	-	1,256.18	1,256.18
Net debt as at March 31, 2025	**-**	**1,268.55**	**1,268.55**
Interest paid on lease liabilities	-	(149.78)	(149.78)
Principal paid on lease liabilities	-	(223.57)	(223.57)
Interest paid on lease liabilities		(149.78)	(149.78)
Non-cash flows:			
Interest expenses	-	149.78	149.78
Addition to lease liabilities	-	419.14	419.14
Net debt as at March 31, 2026	**-**	**1,464.12**	**1,464.12**

22 TRADE PAYABLES

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises; and	22.1	86.93	131.55
Total outstanding dues of creditors other than micro enterprises and small enterprises		366.34	165.63
Total trade payables		**453.27**	**297.18**

22.1 Micro small medium enterprises disclosure

Based on the information available with the Company, there are outstanding dues and payments made during the period ended March 31, 2026 to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006. There is interest payable or paid during the period ended March 31, 2026 to any suppliers under the said Act.

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Amount remaining unpaid to any supplier at the end of accounting period :		
Principal	80.22	125.75
Interest	6.71	5.80
Total	**86.93**	**131.55**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period.	-	-
(c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act.	-	-

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(d) The amount of interest accrued and remaining unpaid at the end of each accounting period.	0.91	2.94
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	6.71	5.80

22.2 Trade payables ageing schedule

As at March 31, 2026

Particulars	Current						
	Unbilled dues	Payables 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) MSME		58.15	26.43	2.35			86.93
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	191.17	109.36	62.30	3.51			366.34
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	**191.17**	**167.51**	**88.73**	**5.86**	**-**	**-**	**453.27**

As at March 31, 2025

Particulars	Current						
	Current	Payables 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) MSME	5.80	89.21	36.46	0.08	-	-	131.55
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	53.27	75.89	28.31	4.17	3.10	0.89	165.63
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	59.07	165.10	64.77	4.25	3.10	0.89	297.18

22.3 Payment towards trade payables is made as per the terms and conditions of the contract/purchase orders and are non interest bearing. Generally, the average credit period on purchases is 30-60 days.

22.4 Refer to note 39 for information about the Company's exposure to financial risks.

23 TAX ASSETS AND LIABILITIES

(a) Tax assets (net)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non Current	Current	Non Current	Current
Opening	-	-	-	-
Add: Income taxes paid	-	949.93	-	637.85
Less: Current tax payable	-	(843.90)	-	(512.55)
Total tax assets (net)	**-**	**106.03**	**-**	**125.30**

Refer note 45 for information on tax assets hypothecated as security by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

(b) Current tax liabilities (net)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Opening			
Add: Current tax payable		-	12.19
Less: Income taxes paid		-	-
Total tax liabilities (net)		**-**	**12.19**

24 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	48.94	50.49
Advance from customers	-	55.98
Other payables*	43.00	-
Total other current liabilities	**91.94**	**106.47**

*Includes balances payable to subsidiary company towards reimbursement of expenses

25 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
(i) Sale of goods	3,633.55	3,447.20
(ii) Sale of services	666.63	619.79
	4,300.18	**4,066.99**
(iii) Other operating revenues	91.41	177.59
Total revenue from operations	**4,391.59**	**4,244.58**

(i) Nature of products	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing of aerospace toolings and components	3,633.55	3,447.20
Total	**3,633.55**	**3,447.20**

(ii) Nature of services	Year ended March 31, 2026	Year ended March 31, 2025
Professional services	-	83.30
Testing charges	-	14.30
Job work charges	666.63	522.19
Total	**666.63**	**619.79**

(iii) Other operating revenues	Year ended March 31, 2026	Year ended March 31, 2025
Rental income	58.99	63.72
Scrap sales	7.49	18.52
Duty drawbacks received*	15.75	48.94
Export incentive*	9.18	42.64
Other sales	-	3.77
Total	**91.41**	**177.59**

*There are no unfulfilled conditions attached to recognition of duty drawbacks and export incentive

(All amounts in INR Lakhs, unless otherwise stated)

25.1 Disaggregate revenue information

Geographic revenue	Year ended March 31, 2026	Year ended March 31, 2025
Within India	3,158.29	2,354.16
Outside India	1,233.30	1,890.42
Total	**4,391.59**	**4,244.58**

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
India	3,158.29	2,354.16
United States	368.00	1,492.29
United Kingdom	183.93	-
Canada	661.93	-
Israel	19.44	398.13
Total	**4,391.59**	**4,244.58**

Timing of revenue recognition

	Year ended March 31, 2026	Year ended March 31, 2025
Products transferred at a point in time	3,641.04	3,447.20
Services transferred at a point in time	691.56	711.37
Services transferred over the period of time	58.99	86.01
Total	**4,391.59**	**4,244.58**

25.2 Reconciliation of contract price with revenue during the year

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contract price	4,580.70	4,261.59
Adjustments:		
- Liquidated damages	(64.26)	(17.01)
- Credit Note	(124.85)	-
- Variable Consideration Component	-	-
Revenue from contracts with customers	**4,391.59**	**4,244.58**

25.3 Performance obligations:

Sale of products:

The performance obligation with respect to sale of products including other operating revenue is satisfied at a point in time that is the when control over the goods is transferred to the customers, generally on the delivery of the goods at the agreed destination as per the terms of contract with customers.

Sale of services:

The performance obligation with respect to sale of services is satisfied at a point in time by measuring the progress towards complete satisfaction of performance obligations during the reporting period and revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously.

Refer note 38 for transactions with related party.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

26 OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
On fixed deposits at amortised cost	727.86	385.71
On loans to related parties at amortised cost	679.02	60.97
Interest on Investments	1,757.12	668.62
Interest on income tax refund	4.26	2.22
Unwinding of discount on security deposits at amortised cost	15.73	3.72
Gains on foreign exchange transactions and translation (net)	55.50	22.73
Mark to market gain on investments	352.07	380.79
Profit on sale of investments	184.81	178.56
Income from options (Derivative) [Refer note 40.4]	-	109.72
Gain on account of lease modification [Refer note 5]*	21.60	18.15
Guarantee fee income [Refer note 38.2(a)]	289.16	240.00
Profit on sale of property, plant and equipement	-	2.26
Provision no longer required written back	-	76.23
Total other income	**4,087.13**	**2,149.68**

*Gain on account of lease modification represents gains arising from re-measurement of lease liabilities pursuant to lease modifications. Refer note 5

Refer to note 38 for information on transactions with related parties.

27 COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock	0.49	57.80
Add: Purchases	734.27	1,159.56
Less: Closing stock	(3.06)	(0.49)
Total cost of materials consumed	**731.70**	**1,216.87**

28 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the beginning of the period		
- Finished goods	2.30	-
- Work-in-progress	708.00	559.91
	710.30	**559.91**
Less: Inventories at the end of the period		
- Finished goods	3.86	2.30
- Work-in-progress	75.85	708.00
	79.71	**710.30**
Net (increase) / decrease	**630.59**	**(150.39)**
Total materials consumed	**1,362.29**	**1,066.48**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

29 SUB CONTRACTING CHARGES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sub contracting charges*	503.99	1,082.16
Total subcontracting charges	**503.99**	**1,082.16**

*Subcontracting charges represent costs incurred for services obtained from third-party service providers and are recognised as an expense in the period in which the services are received.

30 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	1,112.90	513.87
Contribution to provident fund and other funds [Refer note 37(a)]	21.60	12.13
Gratuity expense [Refer note 37(b)]	53.12	5.53
Staff welfare expenses	65.63	33.57
Employee share-based compensation expense [Refer note 36]	128.25	-
Total employee benefits expense	**1,381.50**	**565.10**

31 FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on borrowings	-	6.94
Interest expense on lease liabilities (Refer note 5)	149.78	44.13
Interest on delayed payments to micro enterprises and small enterprises	0.91	2.94
Total finance costs	**150.69**	**54.01**

32 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer note 3)	482.19	96.46
Amortisation on right-of-use assets (Refer note 5)	421.09	144.58
Amortisation on intangible assets (Refer note 6)	19.61	3.28
Total depreciation and amortisation expense	**922.89**	**244.32**

33 OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spares		
Manpower contract expenses	136.58	31.78
Machinery rent	70.09	24.98
Water, fuel and electricity charges	16.81	-
Repairs and maintenance	121.78	43.27
Factory and building		
Plant and Machinery	7.44	2.77
Others	24.98	3.38

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(All amounts in INR Lakhs, unless otherwise stated)

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Office expenses	0.68	0.82
Factory expenses	10.20	1.96
Freight outward charges	27.47	5.49
Security charges	18.17	36.61
Printing and stationery	48.60	19.51
Directors sitting fees	10.11	5.18
Information technology expenses	34.50	55.00
Insurance	50.75	46.82
Legal and professional charges	7.33	2.84
Recruitment expenses	202.56	214.79
Audit fees (Refer note 33.1)	2.85	0.86
Sales promotion	46.17	35.75
Expected credit loss allowance	6.11	52.69
Travelling and conveyance	-	35.44
Transportation expenses	81.05	52.93
Communication expenses	62.69	-
Rates and taxes	2.81	4.35
Bank charges	11.45	23.61
Subscription charges	6.80	2.86
Rework and warranty costs	9.37	2.08
Contributions towards corporate social responsibility (Refer note 46)	-	42.80
Loss on Sale of Property, Plant & Equipment	20.76	-
Miscellaneous expenses	89.54	-
Total	**0.71**	**1.60**
	1,128.36	**750.17**

33.1 The following is the break-up of audit fees (exclusive of goods and service tax)

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Auditors Remuneration		
As auditor:		
Statutory audit	16.00	21.50
Limited review	24.00	7.00
Reimbursement of expenses	6.17	7.25
Total audit fee	**46.17**	**35.75**

33.2 Expense incurred towards issue of equity shared adjusted with securities premium (Refer note 18.1)

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2025**
Expenses related to Pre-IPO issue (Private Placement) including audit services	-	701.75
Expenses related to IPO issue	-	1,520.45
Total	**-**	**2,222.20**

(All amounts in INR Lakhs, unless otherwise stated)

34 INCOME TAX

34.1 Income tax expense charged to the standalone statement of profit and loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax		
Current tax for the year	843.90	512.55
Tax adjustments relating to earlier years	43.42	103.30
	887.32	**615.85**
Deferred tax - Origination and reversal of temporary differences		
Current tax for the year	(79.98)	108.01
Income tax expense charged to the standalone statement of profit and loss	**807.34**	**723.86**
Deferred tax related to items recognised in other comprehensive income		
Remeasurements of post-employment defined benefit plans		

34.2 Reconciliation of tax charge

	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	3,029.00	2,632.02
Income tax expense at tax rates applicable	25.17%	25.17%
Expected income tax expense/ (benefit) at statutory tax rate	762.34	662.43
Tax effects of:		
- Item not deductible for tax		
Interest on delayed payments to micro enterprises and small enterprises	0.23	0.74
Adjustments for tax pertaining to earlier periods	43.42	103.30
Income tax relating to remeasurements of post-employment defined benefit plans	(1.52)	1.59
Interest on income tax	-	-
Others adjustments	2.88	(44.20)
Income tax expense	**807.34**	**723.86**

34.3 Reconciliation of deferred tax assets/(liabilities) (net):

Year ended March 31, 2026

Particulars	Assets	Liabilities	Net	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Total
Provisions	165.99	-	165.99	111.05	1.52	112.57
Trade receivables	32.23	-	32.23	16.18	-	16.18
Lease liabilities	368.49	-	368.49	49.22	-	49.22
Property, plant and equipment and intangible assets	-	(2.72)	(2.72)	15.38	-	15.38
Right-of-use assets	-	(334.60)	(334.60)	(21.85)	-	(21.85)
Other financial assets	-	-	-	17.21	-	17.21
Others	-	(20.32)	(20.32)	(20.32)	-	(20.32)
Investments	-	(185.77)	(185.77)	(89.93)	-	(89.93)
Deferred tax assets / (liabilities)	**566.71**	**(543.41)**	**23.30**	**76.94**	**1.52**	**78.46**

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Year ended March 31, 2025

Particulars	Assets	Liabilities	Net	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Total
Provisions	53.42	-	53.42	27.83	(4.94)	22.90
Trade receivables	16.05	-	16.05	10.32	-	10.32
Lease liabilities	319.27	-	319.27	293.07	-	293.07
Property, plant and equipment and intangible assets	-	(18.10)	(18.10)	(24.73)	-	(24.73)
Right-of-use assets	-	(312.75)	(312.75)	(291.11)	-	(291.11)
Other financial assets	-	(17.21)	(17.21)	(17.21)	-	(17.21)
Others	-	-	-	(0.47)	-	(0.47)
Investments	-	(95.84)	(95.84)	(95.84)	-	(95.84)
Deferred tax assets / (liabilities)	**388.74**	**(443.90)**	**(55.16)**	**(98.14)**	**(4.94)**	**(103.07)**

35 EARNINGS/ (LOSS) PER EQUITY SHARE

Basic earnings per equity share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a)	**Earnings used in calculating earnings per equity share**		
	Basic earnings per share		
	Profit attributable to equity shareholders as per standalone statement of profit and loss	2,221.66	1,908.16
	Diluted earnings per share		
	Profit attributable to equity shareholders as per standalone statement of profit and loss	2,221.66	1,908.16
(b)	**Weighted average number shares used as denominator**		
	Equity shares outstanding as at April 01	5,08,56,883	4,40,05,080
	Add: Increase in shares due to fresh issue on July 16, 2024	-	26,02,127
	Add: Increase in shares due to fresh issue on December 27, 2024	-	8,28,898
	Weighted average number of equity shares outstanding during the year for basic EPS	**5,08,56,883**	**4,74,36,105**
	Adjustments for calculation of diluted EPS:		
	Add: Impact of Employee stock option scheme	84,886	-
	Weighted average number of equity shares adjusted for the effect of dilution	**5,09,41,769**	**4,74,36,105**

(c) EPS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic earnings per equity share (INR) (a/b)	4.37	4.02
Diluted earnings per equity share (INR) (a/b)	4.36	4.02

(All amounts in INR Lakhs, unless otherwise stated)

36 SHARE-BASED PAYMENT

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

The Company has share-based payment schemes "Unimech Employee Stock Option Plan 2024" for employees of the Company. In accordance with the terms of the plan, the Company may grant options to eligible employees, as approved by the Nomination and Remuneration Committee ("Committee"). Each employee share option confers the right to apply for and be allotted one equity share of the Company at an exercise price, on satisfaction of the vesting conditions.

Unimech Employees Stock Option Plan 2024 (Unimech ESOP 2024)

Under the Unimech ESOP 2024, 98,526 options were granted of which 21,216 options were granted to Company's employees and 77,310 options granted to subsidiary company's employees on May 13, 2025 and would normally vest over a maximum period of 3 years from the date of the grant, in proportions specified in the vesting schedule approved by the Committee. Options vest primarily over passage of time and, in addition, are subject to specified service and loyalty conditions.

The estimated weighted average contractual life of the options is approximately 3.08 years.

B. Measurement of fair values

Fair value of share options granted:

The weighted average fair value of the share options granted during the year is INR 972.45 per option. The fair value of the employee share options has been measured using the Black–Scholes valuation model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

Inputs into the model

Particulars	Option granted under Unimech ESOP 2024
Grant date share price	976.90
Exercise price	5.00
Expected volatility	50.00%
Option life	1.08 – 3.08 years
Dividend yield	0.00%
Risk-free interest rate	5.95% – 6.08%

C. Reconciliation of outstanding share options

The number of share options under the share option programme were as follows:

Employees stock option plan	For the year ended March 31, 2026
	Number of options
Options outstanding at the beginning of the year	-
Granted during the year	98,526
Exercised during the year	-
Forfeited during the year	3,686
Expired during the year	-
Options outstanding at the end of the year	94,840
Exercisable at the end of the year	-

The share options outstanding at the end of the reporting period had a weighted average exercise price of INR5.00 and a weighted average remaining contractual life of approximately 3.08 years.

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D. Share-based payment expense recognised during the year

The Company has recognised an employee share-based payment expense of INR 128.25 Lakhs during the year ended March 31, 2026 (Refer note 30), in accordance with Ind AS 102. The expense has been recognised on a straight-line basis over the vesting period, based on the grant-date fair value of the options and the estimated number of options expected to vest after considering employee attrition.

The share-based payment expense has been included under Employee benefits expense in the standalone statement of profit and loss.

37 EMPLOYEE BENEFIT OBLIGATIONS

(a) Defined Contribution plan

Contributions were made to provident fund and Employee State Insurance in India for the Company as per the regulations. These conrtibutions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other contructive obligation.

During the year, the Company has recognised the following amounts in the standalone statement of profit and loss:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employer's contribution to Provident Fund	21.60	12.10
Employer's contribution to Employee State Insurance	-	0.03
	21.60	**12.13**

(b) Defined benefit plan- Gratuity

i) Information regarding gratuity plan

The Company has a defined benefit gratuity plan in India (Gratuity plan). The Gratuity plan is a final salary plan for India employees. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this Act, employee who has completed five years of service is entitled to specific benefit.

The level of benefits provided depends on the member’s length of service and salary at retirement age.

This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant service cost are measured using Projected Unit Credit Method, with actuarial valution being carried out at each reporting date.

ii) Reconciliation of defined benefit obligation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance as at the beginning of the year	**36.40**	**28.59**
Interest cost	2.53	1.05
Benefits paid during the year	(0.06)	-
Liability Transferred In/ Acquisitions	9.28	-
Liability transferred out	-	(18.83)
Past service cost	19.92	-
Current service cost	33.31	5.92
	64.98	**(11.86)**

Reconciliation for balances included in Statement of Profit/Loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest cost (Net)	(0.11)	(0.39)
Past service cost	19.92	-
Current service cost	33.31	5.92
Included in Statement of Profit/Loss (Refer note 30)	**53.12**	**5.53**

(All amounts in INR Lakhs, unless otherwise stated)

iii) Reconciliation of defined benefit obligation (Contd.,)

	Year ended March 31, 2026	Year ended March 31, 2025
Remeasurement loss/(gain)		
Actuarial loss/(gain) arising from:		
Changes in demographic assumptions	(9.84)	6.73
Changes in financial assumptions	(10.12)	11.70
Experience adjustments	13.98	1.24
Included in other comprehensive income	**(5.98)**	**19.67**
Balance as at the end of the year	**95.40**	**36.40**

iv) Reconciliation of Planned Assets

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	**21.32**	**19.82**
Employers contribution	-	-
Interest on plan assets	2.64	1.43
Contribution by employer	40.00	-
Administration expenses	-	-
Remeasurements due to	-	-
Actuarial return on plan assets less interest on plan assets	0.07	0.07
Closing balance	**64.03**	**21.32**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Present value of defined benefit obligation	95.40	36.40
Less: Fair value of plan assets	(64.03)	(21.32)
Deficit of funded plans	**31.37**	**15.08**
Unfunded plans	-	-
Deficit before asset ceiling	**31.37**	**15.08**
Classified as:		
Non-current	1.37	5.08
Current	30.00	10.00
	31.37	**15.08**

(c) Actuarial assumptions

	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate (per annum)	7.59%	6.96%
Rate of future increase in salary	15.00%	15.00%
Expected return on planned assets	7.59%	6.96%
Attrition rate		
Employee served for 4 years and below		10.00%
Employee served for 5 years and above		5.00%
Employee served for 2 years and below	30.00%	
Employee served for 3 years and above	5.00%	

The weighted-average duration of the defined benefit obligation as at March 31, 2026 was 15 years (March 31, 2025: 20 years) for gratuity plan.

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(d) Categories of plan assets

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Assets under insurance schemes	100%	100%

(e) Sensitivity analysis

	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate		
1% increase	(11.88)	(6.69)
1% decrease	14.56	5.55
Future increase in salary		
1% increase	6.07	3.47
1% decrease	(5.91)	(3.70)
Attrition rate		
1% increase	(3.86)	(2.90)
1% decrease	4.18	3.45

(f) Maturity analysis

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Within one year	1.09	0.42
Between one and two years	1.70	0.46
Between two and three years	2.38	0.67
Between three and four years	4.44	0.98
Between four and five years	5.15	1.11
Between five and ten years	34.65	9.40
Later than ten years	318.81	135.62

(g) Defined benefit plan- Longevity bonus

Longevity bonus liability is accrued for certain class of key managerial persons, as may be decided by the Board from time to time to recognise their immense contribution in driving the organisation, and payable upon their resignation or exit from the Company or substantial changes in the composition of the parent company's Board. Amount to be payable is calculated based on latest remuneration of the year multiplied by number of years. Longevity bonus is recognised as liability at the present value of the defined benefit obligation using actuarial valuation at the standalone balance sheet date.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance as at the beginning of the year	**64.81**	**64.81**
Interest cost	-	-
Benefits paid during the year	-	-
Current service cost/ provision reversal	(64.81)	-
Actuarial (Gains)/Loss	-	-
Incremental obligation on termination*	-	-
Balance as at the end of the year	**-**	**64.81**

*Pursuant to board resolution dated March 30, 2024, Company terminated longevity scheme and recorded actual provision in the books of accounts.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

Actuarial assumptions	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate (per annum)	NA	NA
Expected return on Assets	NA	NA
Rate of future increase in salary	NA	NA
Attrition rate		
Employee served for 4 years and below	10.00%	10.00%
Employee served for 5 years and above	5.00%	5.00%
Classified as:		
Non-current	-	-
Current	-	64.81

(h) Liabilities for Compensated absences

The liabilities for compensated absences relate to the Company's liabilities for earned leave which are classified as other long-term employee benefits. The entire amount of the liabilities are presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.The liabilities for compensated absences not expected to be settled within the next 12 months amounts to INR 100.64 Lakhs (March 31, 2025: INR 43.11 Lakhs). Expense recognised in standalone statement of profit and loss for the year (Note 30) amounts to INR 77.53 Lakhs (March 31, 2025: INR 38.91 Lakhs).

38 RELATED PARTY DISCLOSURES

In accordance with the requirements of Ind AS - 24 'Related party disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

38.1 Names of related parties and description of relationship:

Particulars	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest	
			Year ended March 31, 2026	Year ended March 31, 2025
Subsidiaries				
Innomech Aerospace Toolings Private Limited	India	Manufacturing of aerospace tools	99.99%	99.99%
Unimech Global Manufacturing Solutions Inc	United States of America	Manufacturing of aerospace tools	0.00%	0.00%
Associate				
Dheya Engineering Technologies Private Limited	India	Design, development, manufacturing, sales and servicing of micro gas turbines.	29.99%	16.94%

Key Managerial Personnel (KMP)

Mr Anil Puttan Kumar - Managing Director and Chairman

Mr Ramakrishna Kamojhala - Whole Time Director and Chief Financial Officer

Mr Mani Puttan - Whole Time Director

Mr Preetham Venkatesh Shimoga - Whole Time Director

Mr Rajanikanth Balaraman - Whole Time Director

Mr Krishnappayya Desai - Company Secretary (From March 11, 2024 and upto April 05, 2025)**

Mr Akash Shetty - Company Secretary (From June 25, 2025 upto March 03, 2026) **

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

Independent Directors

Mr Mukund Srinath (from July 03, 2024)

Mr Ashok Tandon (from July 03, 2024)

Mr Pavan Krishnamurthy (from July 03, 2024)

Mrs. Vidya Rajarao (from July 03, 2024)

Mr Ranganathan Sridhar (from July 03, 2024)

*The Company incorporated Unimech Global Manufacturing Solutions Inc. on May 29, 2024, in Delaware, United States. As at the reporting date, the Company has not made investment into the subsidiary and operations have not yet commenced.

**During the year, there was a change in the Company Secretary and Compliance Officer of the Company

38.2 Details of transactions with related parties for the year ended:

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a)	**Subsidiaries**		
	Sale of products and services		
	Innomech Aerospace Toolings Private Limited	689.50	1,423.75
	Longevity Bonus		
	Reversal of Provision	64.81	
	Loans advanced		
	Innomech Aerospace Toolings Private Limited	3,028.00	2,850.00
	Loan repayments received		
	Innomech Aerospace Toolings Private Limited	643.67	-
	Advances repaid		
	Innomech Aerospace Toolings Private Limited	-	(40.66)
	Gratuity - transfer in/(out)		
	Innomech Aerospace Toolings Private Limited	9.28	(18.83)
	Leave encashment - transfer in/(out)		
	Innomech Aerospace Toolings Private Limited	15.31	(21.81)
	Reimbursement of expenses		
	Innomech Aerospace Toolings Private Limited	41.53	9.40
	Interest income		
	Innomech Aerospace Toolings Private Limited	679.02	60.97
	Guarantee fee income		
	Innomech Aerospace Toolings Private Limited	289.16	240.00
	Guarantee provided		
	Innomech Aerospace Toolings Private Limited	3,512.00	-
	Employee share-based compensation expenses reimbursement		
	Innomech Aerospace Toolings Private Limited	435.14	-
(b)	**Other expenses - Sitting fees**		
	Mr Mukund Srinath (from July 03, 2024)	6.00	11.00
	Mr Ashok Tandon (from July 03, 2024)	8.50	12.00
	Mr Pavan Krishnamurthy (from July 03, 2024)	7.50	12.50
	Mrs. Vidya Rajarao (from July 03, 2024)	5.50	11.00
	Mr Ranganathan Sridhar (from July 03, 2024)	7.00	8.50

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(c)	**Managerial remuneration***		
	Mr Anil Puttan Kumar	135.00	-
	Mr Ramakrishna Kamojhala	108.00	-
	Mr Rajanikanth Balaraman	108.00	-
	Mr Krishnappayya Desai	0.22	16.11
	Mr Akash Shetty	16.88	-
(d)	**Associate**		
	Investment		
	Dheya Engineering Technologies Private Limited	552.51	-
	Sale of products and services		
	Dheya Engineering Technologies Private Limited	19.29	-

*Managerial remuneration does not include cost of employee benefits such as other long term employee benefits. Since, provision for long term employee benefits are based on an actuarial valuation carried out for the Company as a whole and not determined at individual employee level.

38.3 Outstanding balances in relation to related parties

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(a)	**Key Management Personnel**		
	Employee benefits payable		
	Mr Anil Puttan Kumar	10.04	-
	Mr Ramkrishna Kamojhala	8.12	-
	Mr Rajanikanth Balaraman	8.12	-
	Mr Krishnappayya Desai	-	1.16
	Mr Akash Shetty	0.20	-
(b)	**Other expenses - Sitting fees payable**		
	Mr Mukund Srinath	1.00	0.50
	Mr Ashok Tandon	1.00	0.50
	Mr Pavan Krishnamurthy	1.50	0.50
	Mrs. Vidya Rajarao	1.00	0.50
	Mr Ranganathan Sridhar	1.00	0.50
(c)	**Longevity Bonus payable to the Whole Time Director and Managing Director**	-	64.81
(d)	**Subsidiary company**		
	Innomech Aerospace Toolings Private Limited		
	Loans	5,234.33	2,850.00
	Other Payable (Transfer cost and Reimbursement of expenses)	41.53	(12.41)
	Employee share-based compensation expenses reimbursement	435.14	-
(e)	**Corporate guarantees provided to subsidiary company**		
	Innomech Aerospace Toolings Private Limited		
	Guarantees provided	11,512.00	8,000.00
(f)	**Associate**		
	Dheya Engineering Technologies Private Limited		
	Receivables	6.04	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

38.4 Terms and conditions of transactions with related parties

The borrowings of the Company are secured by personal guarantees of Directors of the Company. Further, the Company has also given guarantee for various borrowing arrangements entered into by Innomech Aerospace Toolings Private Limited which is an wholly owned subsidiary of the Company. Transactions with related parties were made in the ordinary course of business and on an arm's length basis.

38.5 The borrowings of the Company are secured by personal guarantees of Directors of the Company.

39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

39.1 The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the board of directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

39.2 Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of the financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus the Company's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company manages its interest rate risk by having a balanced portfolio of fixed borrowings amounting to Nil (March 31, 2025: INR Nil) and variable rate borrowings amounting to INR Nil (March 31, 2025: INR Nil)

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax will be affected through the impact on floating rate borrowings, as follows:

Particulars	As at	Closing balance	Impact on profit before tax	
			1% Increase	1% Decrease
Variable rate borrowings	March 31, 2026	-	-	-
Variable rate borrowings	March 31, 2025	-	-	-

The Company's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

(All amounts in INR Lakhs, unless otherwise stated)

The Company is exposed to foreign currency risk arising from transactions denominated in foreign currencies, primarily with respect to trade receivables, trade payables and other monetary items. The Company manages foreign currency risk through appropriate risk management policies. As at the reporting date, the following foreign currency exposures were not hedged.

Unhedged Foreign Currency Exposure

Foreign currency sensitivity

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount in foreign currency	Amount in INR Lakhs	Amount in foreign currency	Amount in INR Lakhs
USD receivable	3,56,302.40	336.04	1,20,908.00	103.41
EEFC Bank balances	27,821.96	26.24	11,773.84	10.07
USD payable	(4,747.20)	4.37	(6,994.68)	(5.98)
EURO payable	-	-	(26.62)	(0.02)

Foreign currency sensitivity

Particulars	Impact on profit before tax	
	Year ended March 31, 2026	Year ended March 31, 2025
USD sensitivity		
INR/USD – increase by 1%	3.40	0.97
INR/USD – decrease by 1%	(3.40)	(0.97)
EURO sensitivity		
INR/EURO – increase by 1%	-	(0.00)
INR/EURO – decrease by 1%	-	0.00

39.3 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables, deposits, cash held with banks and financial institutions. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company does not foresee any credit risks on other financial assets.

To manage the credit risks arising from customers, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivables.

The movement in expected credit loss is a follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	36.56	22.74
Changes in loss allowance:		
Loss allowance based on expected credit loss	-	13.82
Closing Balance	**36.56**	**36.56**

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(All amounts in INR Lakhs, unless otherwise stated)

Credit Risk Exposure Matrix

As at March 31, 2026

Particulars	Not Due (Current)	< 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
ECL rate	1.36%	11.35%	-	-	-	-	
Gross carrying amount at default	4.96	31.60	-	-	-	-	36.56

As at March 31, 2025

Particulars	Not Due (Current)	< 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
ECL rate	19.93%	18.81%	18.86%	22.31%	27.50%	17.22%	
Gross carrying amount at default	6.53	17.36	3.66	7.15	1.83	0.04	36.56

The movement in provision for liquidated damages is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	27.23	10.22
Changes during the year	64.26	17.01
Closing Balance	**91.49**	**27.23**

Refer note 12 for aging of Expected credit allowance and Liquidated damages

39.4 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of committed credit lines. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

As at March 31, 2026

Particulars	Notes	Contractual cash flows					
		Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years	Total
Lease liabilities	5.2	1,464.12	416.52	896.56	439.31	-	1,752.40
Trade payables	22	453.27	453.27	-	-	-	453.27
Other financial liability	19	450.56	450.56	-	-	-	450.56
Total		**2,367.95**	**1,320.35**	**896.56**	**439.31**	**-**	**2,656.23**

As at March 31, 2025

Particulars	Notes	Contractual cash flows					
		Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years	Total
Lease liabilities	5.2	1,268.55	339.82	669.85	818.67	-	1,828.34
Trade payables	22	297.18	297.18	-	-	-	297.18
Other financial liabilities	19	686.50	686.50	-	-	-	686.50
Total		**2,252.23**	**1,323.50**	**669.85**	**818.67**	**-**	**2,812.02**

(All amounts in INR Lakhs, unless otherwise stated)

40 FAIR VALUE MEASUREMENTS

40.1 The carrying amounts of financial assets and liabilities by categories

At amortised cost

Particulars	Category	Notes	As at March 31, 2026	As at March 31, 2025
Financial assets				
Trade receivables	Amortised Cost	12	515.29	119.55
Cash and cash equivalents	Amortised Cost	13	2,017.95	14,037.01
Bank balances other than cash and cash equivalents	Amortised Cost	14	8,623.53	75.00
Investments (non-current)	Amortised Cost	7	1,336.03	673.80
Investments (current)	FVTPL**	7.2	31,332.14	25,905.50
Loans (non-current)	Amortised Cost	8	4,058.73	2,470.00
Loans (current)	Amortised Cost	8	1,175.60	380.00
Other financial assets (non-current)	Amortised Cost	9	361.63	138.57
Other financial assets (current)	Amortised Cost	15	377.00	3,473.96
Income from options (Derivative) [Refer note 40.4]	FVTPL**	15	-	109.72
Total financial assets			**49,797.90**	**47,383.11**
Financial liabilities*				
Borrowings (current)	Amortised Cost	21	-	-
Trade payables	Amortised Cost	22	453.27	297.18
Other financial liabilities (current)	Amortised Cost	19	450.56	686.50
Total financial liabilities			**903.83**	**983.68**

*Excluding lease liabilities

** Fair value through profit and loss

40.2 Fair value hierarchy

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial assets measured at fair value - recurring fair value measurements	Hierarchy	Notes	As at March 31, 2026	As at March 31, 2025
Investments (Current)	Level 1	7	31,332.14	25,905.50
Income from options (Derivative) [Refer note 40.4]	Level 2	15	-	109.72

40.3 Methods and assumptions

The management assessed that the fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities and borrowings approximate the carrying amount largely due to short-term maturity of this instruments. There is an active market for the Company's quoted equity shares and fair value is based on quoted market prices. Income from option derivatives is measured at fair value based on observable market prices and valuation techniques using market-observable inputs.

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40.4 Valuation techniques, significant unobservable inputs and relationships to fair value

The following table sets out the valuation techniques used in the determination of fair values including the key unobservable inputs used and the relationship between unobservable inputs to fair value.

Item and valuation approach	Significant unobservable inputs	Relationship between Unobservable inputs to fair value
Unlisted equity securities DCF method	Weighted average cost of capital (19.92% – 20.93%; weighted average 20.93%) (March 31, 2025: NA) - Long term revenue growth rate (5%) (March 31, 2025: NA) - Long-term pre-tax operating margin (Based on projected cash flows for the period December 2025 to March 2030) (March 31, 2025: NA)	Increase in long-term revenue growth rate and long-term pre-tax operating margin by 1% and decrease in weighted average cost of capital by 100 basis points would result in an increase in fair value. Decrease in long-term revenue growth rate and long-term pre-tax operating margin by 1% and increase in weighted average cost of capital by 100 basis points would result in a decrease in fair value.
Contingent consideration DCF method	Expected cash outflows (INR 500 Lakhs – INR 552.51 Lakhs) (March 31, 2025: NA)	1% increase (decrease) in expected cash outflows would result in a corresponding increase (decrease) in fair value of contingent consideration.
	Risk-adjusted discount rate (8.50%) (March 31, 2025: NA)	Change in discount rate by 100 basis points would result in an inverse movement in fair value of contingent consideration.

41 OTHER REGULATORY INFORMATION

41.1 Title deeds of immovable properties not held in name of the Company

The Company did not own any immovable properties for the year ended March 31, 2026 and March 31, 2025

41.2 Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder for the year ended March 31, 2026 and March 31, 2025.

41.3 Borrowings secured against current assets

Borrowings from banks and financial institutions are secured against current assets of the Company. The Company is not required to submit periodic stock statements to the lenders in respect of such borrowings.

41.4 Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority for the year ended March 31, 2026 and March 31, 2025.

41.5 Relationship with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended March 31, 2026 and March 31, 2025.

(All amounts in INR Lakhs, unless otherwise stated)

41.6 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies (ROC) beyond the statutory year for the year ended March 31, 2026 and March 31, 2025.

41.7 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under Sec 2(85) the Companies Act, 2013 for the year ended March 31, 2026 and March 31, 2025.

41.8 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current year or previous financial year for the year ended March 31, 2026 and March 31, 2025.

41.9 Utilisation of borrowed funds and securities premium:

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) for the year ended March 31, 2026 and March 31, 2025, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

41.10 Undisclosed income

There is no income surrendered or disclosed as income for the year ended March 31, 2026 and March 31, 2025 in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

41.11 Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency for the year ended March 31, 2026 and March 31, 2025.

41.12 Utilisation of borrowings availed from banks and financial institutions

There are no borrowings as at March 31, 2026 and March 31, 2025.

41.13 Core investment companies (CIC)

The Company does not have any CICs which are registered/ required to be registered with the Reserve Bank of India for the year ended March 31, 2026 and March 31, 2025.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

42 RATIO ANALYSIS

S No.	Ratio	Formula	As at March 31, 2026		As at March 31, 2025		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025		
(a)	Current ratio	Current assets(i) / Current liabilities(ii)	45,126.62	1,578.58	45,873.14	1,589.66	28.59	28.86	(0.94%)	
(b)	Debt-equity ratio	Total debt(iii) / Shareholder's equity	1,464.12	55,108.40	1,268.55	52,318.82	0.03	0.02	9.57%	
(c)	Debt service coverage ratio	Earnings available for debt service(iv) / Debt service(v)	3,295.24	524.04	2,206.49	(165.51)	6.29	(13.33)	(147%)	Previous year debt service was negative, resulting in an abnormally high ratio, whereas the current year reflects a normal positive debt service, leading to a sharp comparative decline despite higher earnings available for debt service
(d)	Return on equity ratio	Profit after tax / Average shareholder's equity	2,221.66	53,713.61	1,908.16	27,483.17	0.04	0.07	(40.43%)	Due to Increase in the average equity of the organisation
(e)	Inventory turnover ratio	COGS / Average inventory	1,362.29	396.78	1,066.48	664.25	3.43	1.61	113.84%	The Inventory Turnover Ratio increased by 118.02% primarily due to higher cost of goods sold combined with a reduction in average inventory levels, indicating improved inventory management and faster stock movement during the current year
(f)	Trade receivables turnover ratio	Net credit sales / Average trade receivables	4,391.59	317.42	4,244.58	482.00	13.84	8.81	57.11%	The Trade Receivables Turnover Ratio increased by 44.75% mainly due to a reduction in average trade receivables relative to net credit sales, indicating improved efficiency in collection and faster realisation of receivables during the year
(g)	Trade payables turnover ratio	Net credit purchases / Average trade payables	734.27	375.23	1,159.56	393.28	1.96	2.95	(33.63%)	The decrease in the trade payables turnover ratio is primarily due to a reduction in net credit purchases and a relatively higher level of outstanding payables, resulting in a longer payment cycle.
(h)	Net capital turnover ratio	Net sales / Working capital	4,391.59	43,548.04	4,244.58	44,283.48	0.10	0.10	5.21%	
(i)	Net profit ratio	Net profit / Net sales	2,221.66	4,391.59	1,908.16	4,244.58	0.51	0.45	12.53%	
(j)	Return on capital employed	EBIT / Capital employed(vi)	3,179.69	56,278.63	2,686.03	53,415.65	0.06	0.05	12.36%	
(k)	Return on investment	Other income (excluding dividend) / Average cash and cash equivalents and other marketable securities	4,087.13	23,693.55	2,149.68	20,228.41	0.17	0.11	62.32%	The Return on Investment increased by 43.62% mainly due to a significant increase in other income and investements made in Bonds & Mutual funds compared to the growth in average cash and marketable securities

Footnote:

(i) Current assets = Inventories + Trade receivables + Cash and cash equivalents + Bank balances other than cash and cash equivalents + Other financial assets + Other current assets + Current tax assets

(ii) Current liabilities = Current borrowings + Trade payables + Other financial liabilities + Current tax (liabilities) + Provisions + Other current liabilities + Current lease liabilities

(iii) Total debts = Non-current borrowings + Current borrowings + Current maturities of long-term borrowings + Non-current lease liabilities + Current lease liabilities

(iv) Earnings for debt Service = Net Profit after taxes + Non-cash operating expenses + Interest (including interest on security deposits)

(v) Debt service = Principal payment of leases + Principal repayment of borrowings + Interest payment on leases + Interest payment on borrowings

(vi) Capital employed = Tangible net worth + Total debt + Deferred tax liability

(All amounts in INR Lakhs, unless otherwise stated)

43 CAPITAL MANAGEMENT

The Company's objectives when maintaining capital are:

(a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of the net debt to adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as the total borrowings and lease liabilities less cash and cash equivalents and other bank balances. Adjusted capital includes all components of equity other than amounts accumulated in cash flow hedging reserve.

The debt-to-capital ratios were as follows:

	Note no	As at March 31, 2026	As at March 31, 2025
Total equity	(i)	55,108.40	52,318.82
Total debt		1,464.12	1,268.55
Less: Cash and cash equivalents		(2,017.95)	(14,037.01)
Net debt	(ii)	**(553.83)**	**(12,768.46)**
Net Debt-to-adjusted capital ratio	(ii)/ (i)	(0.01)	(0.24)

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026, and March 31, 2025.

44 ASSETS HYPOTHECATED AS SECURITY

The assets disclosed below have been hypothecated as common security for current and non-current borrowings. The carrying amounts of assets hypothecated as security for current and non-current borrowings are:

	Note no	As at March 31, 2026	As at March 31, 2025
Current assets			
Inventories	11	82.77	710.79
Loans	8	1,175.60	380.00
Trade receivables	12	515.29	119.55
Cash and cash equivalents	13	2,017.95	14,037.01
Bank balances other than cash and cash equivalents	14	8,623.53	75.00
Other financial assets	15	377.00	3,583.68
Current tax assets (net)	23(a)	106.03	125.30
Other current assets	16	896.31	936.31
Total current assets hypothecated as security		**13,794.48**	**19,967.64**
Total assets hypothecated as security		**13,794.48**	**19,967.64**

Refer note 21 for details for working capital facility obtained by Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

45 COMMITMENTS AND CONTINGENT LIABILITIES

		As at March 31, 2026	As at March 31, 2025
a.	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for:		
	Property, plant and equipment	1,130.20	1,451.33
		1,130.20	**1,451.33**
b.	**Contingent liabilities**		
	Claims against the Company not acknowledged as debts		
	(i) Towards Goods and services taxes demand*	-	384.40
	(ii) Corporate guarantees provided to subsidiary company**	11,512.00	8,000.00
		11,512.00	**8,384.40**

*During the year 2024-25, the Company received an order dated February 17, 2025, under Section 73(9) of the IGST/CGST Act, 2017, pursuant to completion of a GST audit, which included a demand amounting to INR 384.40 Lakhs. Subsequently, the Company filed a rectification application with the Deputy Commissioner of Commercial Taxes on May 15, 2025. Further, a communication was received on July 04, 2025, confirming that the matter has been closed by the GST department.

**The company charges 3 % as Guarantee fee commission for the Outstanding amount given to the subsidiary which is INR 11,520 Lakhs.

The total corporate guarantee outstanding as at March 31, 2026 amounted to INR 11,512 Lakhs.

46 CORPORATE SOCIAL RESPONSIBILITY

	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the Company during the year	20.24	-
Less: Carry forward from previous year	-	-
Amount required to be spent after adjusting the carry forward	**20.24**	**-**
Amount of expenditure inccured	20.76	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Excess spent carry forward to next year	0.52	-
Reason for shortfall	NA	NA
Nature of CSR activities	Apprenticeship Training under Apprentices Act, 1961	NA

47 SEGMENT REPORTING

(a) The Company operates in a single segment, specifically the “manufacture and sale of tooling and components for the aerospace sector.” The information provided to the Chief Operating Decision Maker (CODM) for resource allocation and performance assessment is focused on this segment. Consequently, the figures presented in these Standalone Financial Statements pertain solely to this operating segment.

(b) Refer note 25.1 for breakup of the Company’s revenue by primary geographical market.

(c) During the financial years ended March 31, 2026 and March 31, 2025, three customers collectively contributed approximately 62.17% and 70.33%, respectively, to the Company’s revenue from operations. Individually, these customers accounted for 36.77%, 13.95%, and 11.45% of revenue for the year ended March 31, 2026, compared to 34.14%, 23.01%, and 13.18%, respectively, for the year ended March 31, 2025.

(All amounts in INR Lakhs, unless otherwise stated)

48 The Company has estimated IPO-related expenses aggregating to INR 3,814.30 Lakhs and allocated such expenses between the Company (INR 1,908.90 Lakhs) and the Selling Shareholder (INR 1,905.40 Lakhs) in proportion to the equity shares allotted to the public under the fresh issue by the Company and the offer for sale by the Selling Shareholder, respectively. The Company has received proceeds of INR 23,091.10 Lakhs, net of IPO expenses amounting to INR 1,908.90 Lakhs, from the fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below. Further, out of the IPO expenses of INR 1,908.90 Lakhs, an amount of INR 220 Lakhs remains unutilised as at March 31, 2026.

(Amounts in lakhs)

Objects of the issue as per prospectus	Amount proposed in offer document	Revised amounts as per shareholder's approval	Amount utilised till March 31, 2026	Amount remaining un-utilised as on March 31, 2026
1. Funding of capital expenditure for expansion through purchase of machineries and equipment by Company;	3,636.60	2,354.00	2,354.00	-
2. Funding working capital requirements of Company;	2,528.50	2,528.50	1,346.00	1,182.50
3. Investment in/Loan to Material Subsidiary for:				
a) Funding of capital expenditure for expansion through purchase of machineries and equipment;	4,389.10	3,543.00	3,543.00	-
b) Funding its working capital requirements; and	4,471.50	4,471.50	2,333.00	2,138.50
c) Repayment / prepayment, in full or part, of certain borrowings;	4,000.00	-	-	-
4. Merger & Aquisition, Joint Ventures and Greenfield Projects	-	6,128.70	-	6,128.70
5. General corporate purposes	4,065.40	4,065.40	4,065.40	-
Net Proceeds	**23,091.10**	**23,091.10**	**13,641.40**	**9,449.70**

49 The Company executed a Joint Venture Shareholders' Agreement with Yusuf Bin Ahmed Kanoo Company Limited ("YBA Kanoo") to establish an Advanced Precision Machining and Remanufacturing Facility in Dammam, Saudi Arabia, proposed to operate under the name "YBAK Unimech Advanced Manufacturing Solutions LLC". The entity will be established with Company holding a stake of 51% and YBA Kanoo holding 49%, operating as a standalone manufacturing platform in Saudi Arabia. No financial investment has been made as at March 31, 2026.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

50 SUBSEQUENT EVENTS

Subsequent to the year ended March 31, 2026, the Company entered into definitive agreements to acquire Hobel Bellows Private Limited and Hobel Bellows Co., and the acquisition was completed on April 27, 2026. The Company acquired a 100% controlling stake in these entities, which are specialised manufacturers of metallic bellows and precision-engineered assemblies. The acquisition was carried out through the Company and its wholly-owned subsidiary and involved a total investment of up to INR 45,000 Lakhs. The consideration for the acquisition has been structured through a combination of equity, debt, and compulsorily convertible debentures (CCDs). This acquisition is intended to strengthen the Company's manufacturing capabilities and expand its offerings in higher-value engineered assemblies across both domestic and export markets.

Subsequent to year ended March 31, 2026, Uniflux Renewable Energy Private Limited was incorporated on April 27, 2026. The Company is wholly owned subsidiary of Unimech Aerospace and Manufacturing Limited. It has been incorporated to carry on the business of engineering, innovation, manufacturing and production, and to undertake engineering, procurement and commissioning (EPC) projects relating to green energy, renewable energy and clean energy.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

Anil Puttan Kumar
Chairman and
Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Unimech Aerospace and Manufacturing Limited (formerly Known as Unimech Aerospace and Manufacturing Private Limited)

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **Unimech Aerospace and Manufacturing Limited** (formerly known as Unimech Aerospace and Manufacturing Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information 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, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate as at March 31, 2026, of consolidated profit (including other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 and its associate 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 Institute of Chartered Accountant 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 and the audit evidence obtained by other auditors in terms of their reports referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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. We have determined the matters described below to be the key audit matters to be communicated in our report:

Refer Note 2.2 of Consolidated Financial Statements with respect to the accounting policies followed by the Company for recognizing revenue.

The Group's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of products sold is transferred to the customer and there are no longer any unfulfilled performance obligation. The performance obligation in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Inappropriate assessment could lead to risk of revenue being recognized before transfer of control. In view of the above and since revenue is a key performance indicator of the Company, we have identified timing of revenue recognition from sale of goods as a key audit matter.

Determination of point in time includes assessment of timing of transfer of significant risk and rewards of ownership, establishing the present right to receive payment for the products, delivery specifications including incoterms, timing of transfer of legal title of the asset and determination of the point of acceptance of goods by customer.

Revenue is a key performance indicator for the Company, and judgment is required by management to determine the timing of revenue recognition, especially at year-end in accordance with Ind AS 115 Revenue from Contracts with Customers. Accordingly, revenue recognition has been identified as a key audit matter.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Our Audit procedures in respect of this area included:

- Assessed the appropriateness and consistency of the Company's accounting policies relating to revenue recognition to ensure compliance with Ind AS 115 – Revenue from Contracts with Customers.
- Performed a walkthrough of the entire revenue recognition process to understand the flow of transactions from receipt of customer order to recording of revenue in the books of accounts
- Obtained an understanding of and assessed the design, implementation, and operating effectiveness of internal controls over revenue recognition and measurement in accordance with customer contracts, and identified and tested key controls established by management to ensure accurate recording and recognition of revenue.
- Performed test of details by selecting samples of revenue transactions recorded during the year and verified the same with supporting documents such as sales invoices, customer contracts/purchase orders, and logistics or delivery documents.
- Performed three-way matching for selected sales transactions by verifying customer purchase orders, sales invoices, and proof of delivery documents such as shipping bills for international sales and e-way bills for domestic sales.
- Performed cut-off testing by tracing selected sales transactions to the gate outward register, sales invoices, and e-way bills/shipping bills to ensure that revenue was recognized in the appropriate accounting period.
- Verified underlying documentation including approvals from Special Economic Zone (SEZ) authorities, wherever applicable.
- Designed and performed analytical procedures on revenue transactions to identify unusual or unexpected trends.
- Performed invoice number series testing to ensure completeness of revenue and identify any missing or duplicated invoices.
- Performed confirmation procedures with customers on a sample basis for accounts receivable balances.
- Reviewed and validated the accuracy, classification, and recognition of liquidated damages, where applicable, and performed detailed testing on selected samples, with the sample size determined using a sampling calculator.
- Evaluated the adequacy and appropriateness of disclosures related to revenue recognition in the Financial Statements, ensuring compliance with applicable accounting standards.
- Inquired with management regarding the methodology used to estimate rebate accruals and recalculated the rebate amount on sales up to the period end and verified it against the rebate amount provided by the customers.
- Evaluated whether rebate amounts were appropriately presented as a reduction from revenue in accordance with the guidance on consideration payable to a customer under Ind AS 115.
- Obtained relevant management representation that revenue has been recorded as per the requirements of Ind AS 115.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting but does not include the consolidated financial statements and our auditor's report thereon which are 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 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 Annual Report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS 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 financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate 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 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 Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTERS:

a. We did not audit the financial statements of one associate whose financial statements reflect Group's share of net loss (including other comprehensive loss) of Rs.41.15 lakhs for the year ended March 31, 2026, as considered in the consolidated financial statements. These financial statements have been audited by other auditor 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 this associate and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the report of the other auditor.

b. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. Nil as at March 31, 2026, total revenues of Rs. Nil, net profit/(loss) (including other comprehensive income) of Rs. Nil and net cash inflows/(outflows) amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiary referred to in the Other Matters section above, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our

INDEPENDENT AUDITOR'S REPORT (CONTD.)

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 and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), 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 March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Group companies, its associate company incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and its associate company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 auditor on separate financial statements and the other financial information of the associate referred to in the Other Matters section above:

i. There were no pending litigations which would impact the consolidated financial position of the Group and its associates.

ii. The Group and its associate have long-term contracts for which there no material foreseeable losses. The Group did not have any derivative contract as on March 31, 2026.

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

iv. a. The respective Managements of the Holding Company and its subsidiary, associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the note 40 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 and associate 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 and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company and its subsidiary, associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the note 40 to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary and associate 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 and associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Holding Company, subsidiary company and associate company incorporated in India have neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, and based on the other auditor's report of its associate company incorporated in India whose financial statements have been audited under the Act, the Holding Company, its subsidiary Company and associate company incorporated in India have used accounting software for maintaining their respective books of accounts for the year ended March 31, 2026, 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 software, and further, during the course of our audit we and other auditor of above referred associate did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Holding Company and above referred subsidiary and associate as per the statutory requirements for record retention.

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company and its subsidiary Company and associate company incorporated in India to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us for the Holding Company and on consideration of CARO reports issued for the subsidiary and associate included in the consolidated financial statements of the Group to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary/ Associate/ Joint venture(s))	Clause number of the CARO Report which is qualified or Adverse
1.	Unimech Aerospace and Manufacturing Limited	L30305KA2016PLC095712	Holding	3(vii)
2.	Innomech Aerospace Toolings Private Limited	U29200KA2018PTC118006	Subsidiary	3(vii)
3.	Dheya Engineering Technologies Private Limited	U74999KA2017PTC108341	Associate	3(xvii)

For **M S K A & Associates LLP (formerly known as M S K A & Associates)**
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQH6772

Place: Bengaluru
Date: May 28, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 Holding Company has adequate internal financial controls with reference to consolidated 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate 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 information of the entities or business activities within the Group and its associate 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 or business activities 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.

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.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQH6772

Place: Bengaluru
Date: May 28, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING PRIVATE LIMITED)

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Unimech Aerospace and Manufacturing Limited (formerly Known as Unimech Aerospace and Manufacturing Private Limited) on the Consolidated Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

In conjunction with our audit of the consolidated financial statements of the Unimech Aerospace and Manufacturing Limited (formerly Known as Unimech Aerospace and Manufacturing Private Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and it's subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associate company, which are companies incorporated in India, as of that date.

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 internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Management and the Board of Directors of the Group and its associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. 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 consolidated financial statements of the Group and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI 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 consolidated financial statements was 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 AUDITORS' REPORT (CONTD.)

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors 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 consolidated financial statements of the Group and its associate company, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control 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 control with reference to financial statements includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control 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 consolidated financial statements insofar as it relates to one associate company which is company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 25233552BMJHQH6772

Place: Bengaluru
Date: May 28, 2026

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CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	17,776.59	14,278.41
Right-of-use assets	6	1,860.48	1,779.38
Capital work-in-progress	4	323.53	501.68
Intangible assets	5	187.03	159.21
Investments accounted for using equity method	7	1,114.50	493.42
Financial assets			
Other financial assets	8	720.08	167.50
Income tax assets (net)	22(a)	471.54	251.84
Deferred tax assets (net)	33.3	23.30	-
Other non-current assets	9	294.29	2,788.51
Total non-current assets		**22,771.34**	**20,419.95**
Current assets			
Inventories	10	2,511.42	1,974.67
Financial assets			
Investments	7.1	46,840.91	33,857.69
Trade receivables	11	6,479.84	5,498.30
Cash and cash equivalents	12	3,715.40	14,176.94
Bank balances other than cash and cash equivalents	13	8,623.53	75.00
Other financial assets	14	96.28	3,591.02
Income tax assets (net)	22(a)	106.03	248.36
Other current assets	15	1,209.98	1,135.38
Total current assets		**69,583.39**	**60,557.36**
Total assets		**92,354.73**	**80,977.31**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	2,542.84	2,542.84
Other equity	17	71,196.17	64,347.88
Total equity		**73,739.01**	**66,890.72**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20 (a)	2,747.94	3,417.63
Lease liabilities	6	1,168.86	1,036.59
Provisions	19	246.51	83.81
Deferred tax liabilities (net)	33.3	-	55.16
Total non-current liabilities		**4,163.31**	**4,593.19**
Current liabilities			
Financial liabilities			
Borrowings	20 (b)	8,460.79	3,744.24
Lease liabilities	6	295.26	231.96
Trade payables	21		
- Total outstanding dues of micro enterprises and small enterprises; and		493.53	455.86
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,394.19	1,154.19
Other financial liabilities	18	2,044.27	2,669.88
Other current liabilities	23	495.67	162.98
Provisions	19	893.98	806.17
Current tax liabilities (net)	22(b)	374.72	268.12
Total current liabilities		**14,452.41**	**9,493.40**
Total liabilities		**18,615.72**	**14,086.59**
Total equity and liabilities		**92,354.73**	**80,977.31**

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

Anil Puttan Kumar
Chairman and
Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	24	24,049.04	24,292.58
Other income	25	4,696.93	2,476.67
Total income		**28,745.97**	**26,769.25**
EXPENSES			
Cost of materials consumed	26	6,117.60	5,392.33
Changes in inventories of finished goods and work-in-progress	27	(237.45)	(88.12)
Subcontracting charges	28	1,406.14	2,135.49
Employee benefits expense	29	5,342.37	4,652.90
Finance costs	30	1,538.81	437.05
Depreciation and amortisation expenses	31	2,626.11	1,056.23
Other expenses	32	3,908.86	2,993.84
Total expenses		**20,702.44**	**16,579.72**
Profit before tax for the year		**8,043.53**	**10,189.53**
Income tax expense	33		
Current tax			
Tax expense for the current year		1,718.82	1,606.93
Adjustments for current tax of prior period		35.52	114.15
Deferred tax (Credit)/Charge		(79.98)	116.24
Total income tax expense		**1,674.36**	**1,837.32**
Profit before share of loss from associate entity for the year		**6,369.17**	**8,352.21**
Share of loss from associate entity		**(40.87)**	**(6.56)**
Profit for the year		**6,328.30**	**8,345.65**
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment defined benefit plans	36(b)	(41.60)	(96.81)
Income tax relating to the above item		(1.52)	4.94
Share of other comprehensive loss of associates		(0.28)	-
Other comprehensive loss for the year		**(43.40)**	**(91.87)**
Total comprehensive income for the year		**6,284.90**	**8,253.77**
Earnings per equity share (Nominal value per equity share: INR 5 each)			
Basic (INR)	34	12.44	17.59
Diluted (INR)		12.42	17.59

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Anil Puttan Kumar
Chairman and
Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	8,043.53	10,189.53
Adjustments for:		-
Depreciation and amortisation expense	2,626.11	1,056.24
Unrealised (gain)/loss on foreign currency transaction and translation (net)	(145.07)	140.43
Expected credit loss allowance and liquidated damages	64.26	97.11
Employee share based payment expenses	563.39	-
Provision for rework and warranty costs	1.18	74.47
Finance costs	1,537.90	437.05
Interest income	(3,410.67)	(1,323.44)
Income from options (Derivative)	-	(109.72)
Mark to Market (MTM) gain on Investments	(382.63)	(521.15)
Gain on account of lease modification	(21.60)	(18.15)
Provision no longer required written back	-	(94.52)
(Profit)/loss on sale of property, plant and equipment	89.54	(2.73)
Profit on sale of investment	(310.12)	(204.69)
Operating profit before working capital changes	**8,655.82**	**9,720.43**
Changes in working capital		
(Increase)/Decrease in inventories	(536.76)	(1.43)
(Increase)/Decrease in trade receivables	(907.78)	(964.64)
(Increase)/Decrease in other non current financial assets	(265.61)	-
(Increase)/Decrease in other financial assets	(151.41)	(366.82)
(Increase)/Decrease in other current assets	(116.15)	(33.58)
(Increase)/Decrease in other non current assets	(15.16)	(2.79)
Increase/(Decrease) in trade payables	274.07	350.45
Increase/(Decrease) in other current liabilities	374.22	54.45
Increase/(Decrease) in provisions	197.15	(1,052.44)
Increase/(Decrease) in other financial liabilities	316.56	2,344.62
Net changes in workings capital	**(830.88)**	**327.82**
Cash generated from operations	**7,824.94**	**10,048.25**
Income taxes paid (net of refunds)	(1,769.41)	(1,907.23)
Net cash flows from operating activities (A)	**6,055.53**	**8,141.02**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for acquisition of property, plant and equipment	(3,480.88)	(13,087.27)
Payments for acquisition of intangible assets	(108.21)	(126.24)
Redemption/(Investment) of fixed deposit, net	(5,656.75)	(914.11)
Proceeds from disposal of property, plant and equipment	2.45	10.00
Investment in associate	(552.51)	(499.98)
Investment in bonds and mutual funds	(66,129.78)	(37,844.13)
Proceeds from sale of bonds and mutual funds	53,905.18	5,036.41
Interest income	3,207.29	1,298.03
Net cash flows used in investing activities (B)	**(18,813.21)**	**(46,127.29)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from working capital borrowings	4,568.85	891.57
Proceeds from term loan borrowings	-	4,395.57
Repayment of term loan borrowings	(1,431.35)	(1,080.07)
Net proceeds from issue of equity share capital through private placement	-	24,298.25

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
	Net proceeds from issue of equity share capital through initial public offering	-	23,479.55
	Loan processing fee	(8.22)	-
	Interest paid on borrowings	(467.23)	(396.36)
	Principal payments on lease liabilities	(223.57)	(91.72)
	Interest payments on lease liabilities	(149.78)	(44.13)
	Net cash flows from financing activities (C)	**2,288.70**	**51,452.66**
D.	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**	(10,468.98)	13,466.39
E.	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**	14,176.94	717.77
F.	**EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS**	7.44	(7.22)
G.	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	**3,715.40**	**14,176.94**
Components of cash and cash equivalents (Refer note 12)			
Balances with banks:			
	In current accounts	1,680.44	175.33
	In Exchange Earners' Foreign Currency accounts (EEFC)	254.14	30.18
	In deposits with original maturity for less than three months	1,780.82	13,970.90
Cash on hand		-	0.53
Total cash and cash equivalents at end of the year		**3,715.40**	**14,176.94**

Refer to note 20 (d) for reconciliation of movements of liabilities to cash flows arising from financing activities.

Notes:

(i) The accompanying notes are an integral part of these consolidated financial statements.

(ii) The above Ind AS Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 - "Statement of Cash Flows" notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and the relevant provisions of the Act.

(iii) Purchase of Property, plant and equipment and other intangibles represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital advance, capital creditors and capital work-in-progress of (a) property, plant and equipment and (b) intangible assets.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Anil Puttan Kumar
Chairman and
Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and
Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

(A) EQUITY SHARE CAPITAL (NOTE 16)

	No. of shares	Amount
Equity shares of INR 5 each issued, subscribed and fully paid		
Balance as at April 01, 2025	5,08,56,883	2,542.84
Changes in equity share capital during the year	-	-
Balance as at March 31, 2026	**5,08,56,883**	**2,542.84**
	No. of shares	**Amount**
Balance as at April 01, 2024	4,40,05,080	2,200.25
Add: Increase in shares due to private placement	36,67,090	183.35
Add: Increase in shares due to initial public offering	31,84,713	159.24
Balance as at March 31, 2025	**5,08,56,883**	**2,542.84**

(B) OTHER EQUITY (NOTE 17)

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Share Based Payment Reserve	
Balance as at April 01, 2025	47,435.23	16,912.64	-	64,347.87
Profit for the year	-	6,328.30	-	6,328.30
Other comprehensive loss for the year, net of tax	-	(43.40)	-	(43.40)
Total comprehensive income for the year	**-**	**6,284.90**	**-**	**6,284.90**
Transactions with owners in their capacity as owners:				
Employee share-based compensation reserve (Refer note 17)	-	-	581.71	581.71
Less: Options forfieted during the year	-	-	(18.32)	(18.32)
Balance as at March 31, 2026	**47,435.23**	**23,197.55**	**563.39**	**71,196.17**

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Share Based Payment Reserve	
Balance as at April 01, 2024	-	8,658.87	-	8,658.87
Profit for the year	-	8,345.65	-	8,345.65
Other comprehensive loss for the year, net of tax	-	(91.87)	-	(91.87)
Total comprehensive income for the year	**-**	**8,253.77**	**-**	**8,253.77**
Premium received on issue of equity shares (Refer note 17.1)	49,657.43	-	-	49,657.43
Transaction cost on issue of private placement of equity shares (Refer note 17.1)	(701.75)	-	-	(701.75)
Transaction cost on issue of Initial Public Offering (IPO) of equity shares (Refer note 17.1)	(1,520.45)	-	-	(1,520.45)
Balance as at March 31, 2025	**47,435.23**	**16,912.64**	**-**	**64,347.88**

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala
Partner
Membership No: 233552

Place: Bengaluru
Date: May 28, 2026

Anil Puttan Kumar
Chairman and Managing Director
DIN: 07683267

Place: Bengaluru
Date: May 28, 2026

Ramakrishna Kamojhala
Whole-time Director and Chief Financial Officer
DIN: 07004517

Place: Bengaluru
Date: May 28, 2026

Rashmi Gupta
Company Secretary
ICSI Membership no: A25382

Place: Bengaluru
Date: May 28, 2026

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in INR Lakhs, unless otherwise stated)

1 CORPORATE INFORMATION

Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) (hereafter referred to as the "Holding Company" or "Group") was incorporated as a private limited company on August 12, 2016. The Company converted to a public limited company and changed its name to Unimech Aerospace and Manufacturing Limited pursuant to a shareholders' resolution dated March 04, 2024 along with the issuance of a fresh certificate of incorporation dated June 21, 2024 (Company Identification No: L30305KA2016PLC095712). Pursuant to the approval of the Board of Directors as its meeting held on November 12, 2025, effective from Janaury 01, 2026 the Company changed its registered office from 538, 539, 542 & 543, 7th Main of Peenya lV Phase lndustrial Area, Yeshwanthpur Hobli, Bangalore, Bangalore North Taluk, Karnataka, lndia, 560058 to Plot No. 167, SY No, 74/1 and 74/2, Hitech Defence and Aerospace Park lndustrial Area, Arebinamangala Village, Jala Hobli, Bangalore North Taluk, Bagalur (Bangalore), Bangalore north, Karnataka, lndia - 562149. The change has been carried out in accordance with applicable statutory requirements.

The Holding Company and its subsidiaries together referred to as "the Group." The Group consists of the following subsidiary entities:

a) Innomech Aerospace Tooling Private Limited

b) Unimech Global Manufacturing Solutions Inc. (with effect from May 29, 2024)

The Group specialises in manufacturing complex products, offering "build to print" and "build to specifications" services. This involves machining, fabrication, assembly, testing, and the creation of new products based on the specific requirements of the aerospace, defense, energy, and semiconductor industries. The products are characterised by their complexity and a "high-mix, low-volume" nature, focusing on high-precision items that are not mass-produced. The Group's primary objective is to manufacture these products, tools, and components for use in the civil and defense aerospace sectors. These consolidated financial statements were authorised for issue by the Board of Directors of the Group on May 28, 2026.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

These notes provide a list of the material accounting policies adopted in the preparation of this consolidated financial statements. These policies have been consistently applied to the period presented, unless otherwise stated.

2.1 Basis of preparation

(a) Compliance

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, Ind AS compliant Shedule III as applicable to the consolidated financial statements.

These consolidated financial statements once approved by the Board of Directors needs to be adopted by the shareholders at the annual general meeting of the Group. The Board of Directors can withdraw and re-issue the consolidated financial statements so adopted only in specific cases such as noncompliance with the applicable accounting standards, with the approval of Tribunal, after following the appropriate procedure as per Companies Act, 2013.

(b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis, except for the following items (Refer to individual accounting policies for detail):

1. Net defined benefit employee obligations which is measured at the present value of defined benefit obligation, certain financial assets at fair value [refer 2.2(n) accounting policy on financial instruments]

2. Share based payments - Equity settled options at grant date fair value and cash settled share-based payment liabilities at fair value at each reporting date.

(c) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the consolidated balance sheet.

(All amounts in INR Lakhs, unless otherwise stated)

(d) Presentation currency and rounding off

All amounts disclosed in these consolidated financial statements are reported in Indian Rupees (INR) and have been rounded off to the nearest Lakhs (INR 00,000) except per share data and unless stated otherwise. Amounts mentioned as “0.00” in the denote amounts rounded off being less than rupees one thousand.

(e) Going concern

The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern basis.

(f) Recent accounting pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules, as amended from time to time. During the year ended March 31, 2026, MCA notified amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates and consequential amendments to Ind AS 101, applicable from April 1, 2025, which were evaluated by the Group and found to have no impact as it operates only in jurisdictions with freely convertible currencies. Further, MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, amending Ind AS 1, Ind AS 7, Ind AS 107 and Ind AS 12, applicable from April 1, 2026. The Group assessed these amendments, including those relating to classification of liabilities, supplier finance arrangements and Pillar Two global minimum tax, and concluded that they are either not applicable or do not have a material impact on its consolidated financial statements.

2.2 Summary of material accounting policies

(a) Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. The cost includes the purchase price, directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each consolidated balance sheet date is classified as capital advances under other non-current assets and the assets not put to use before such date are disclosed under ‘Capital work-in-progress’. CWIP is stated at cost, net of accumulated impairment loss, if any.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful life
Factory buildings	10 to 30 years
Plant, machinery and equipment	4 to 15 years
Furniture and fixtures	4 years
Computers	3 years
Office equipment	4 to 5 years
Vehicles	8 years
Leasehold improvements	Over useful life as per Schedule II or the Lease term, whichever is shorter

Leasehold improvements are depreciated on a straight-line basis over their estimated useful lives or the lease term, whichever is shorter. The estimated useful life of leasehold improvements is determined based on management’s assessment of the period over which future economic benefits are expected to be derived, in accordance with Ind AS 16 and Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.

The useful lives of Plant, Machinery and Equipment, furniture and fixtures, and office equipment adopted by the Group differ from the indicative useful lives prescribed under Schedule II of the Companies Act, 2013 and are based on management’s technical assessment, considering the nature of the assets, expected usage, physical wear and tear and maintenance practices.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at end of each reporting period and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the

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asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss, when the asset is derecognised.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets (Software) are amortised over the useful economic life of 3 years on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets under development are carried at cost less any accumulated impairment losses. Such assets are not amortised until they are available for use and are tested for impairment whenever there is an indication of impairment. Upon completion, the cost is transferred to the relevant intangible asset category and amortisation commences over its useful economic life.

The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period.

(c) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(d) Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

Building - Over the lease term

Land - 0 to 99 years

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date, as the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is determined by referencing the Group's recent borrowing rates for similar tenors, adjusted for lease-specific factors such as asset

(All amounts in INR Lakhs, unless otherwise stated)

class, lease term, credit risk, and security, and benchmarked using market interest rates for comparable instruments where necessary. Where direct observable rates are not available, the rate is estimated using a base risk-free rate adjusted for the Group's credit spread.

iii) Short-term leases and leases of low-value assets

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

(e) Inventories

Inventories are initially recognised at cost and subsequently valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials (Including packing materials): Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on weighted average method.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down to net realisable value where the cost of inventories may not be recoverable, including in respect of slow-moving, non-moving, damaged or obsolete inventories, and such write-downs are recognised in the consolidated statement of profit and loss in the period in which they occur.

Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition are charged to consolidated statement of profit and loss.

(f) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(g) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the Holding company's functional currency.

Transactions in foreign currencies are initially recorded by the Holding company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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(h) Revenue from contract with customers

1. Performance obligation and timing of revenue recognition

The majority of the Group's revenue is derived from the sale of goods, with revenue recognised at a point in time when control of the goods has been transferred to the customer. The timing of transfer of control depends on the contractual delivery terms agreed with the customer.

For contracts with delivery terms such as Delivered at Place (DAP), control is typically transferred upon delivery of the goods to the customer's specified location. In contrast, for Ex-Works (EXW) contracts, control is transferred when the goods are made available to the customer at the Group's premises or another designated location.

There is generally limited judgement involved in determining the point at which control passes. Once the goods have been delivered to or made available at the agreed location in accordance with the contractual terms, the Group no longer retains physical possession, has a present right to payment, and does not retain any of the significant risks and rewards of ownership of the goods.

Some goods sold by the Group include warranties which require the Group to repair or replace defective products during the warranty period if the goods fail to comply with agreed-upon specifications. In accordance with Ind AS 115, such warranties are not treated as separate performance obligations and, accordingly, no revenue is allocated to them. Instead, a provision is recognised for the expected costs of fulfilling these warranty obligations in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.

Revenue from sale of services is recognised based on the actual services provided up to the end of the reporting period as a proportion of the total services to be provided, as the customer simultaneously receives and consumes the benefits.

2. Determining the transaction price

Most of the Group's revenue is derived from fixed price contracts and, therefore, the amount of revenue to be earned from each contract is determined by reference to those fixed prices.

Variable consideration relating to volume rebates has been constrained in estimating contract revenue, in order to ensure that it is highly probable that there will not be a future reversal in the amount of revenue recognised when the amount of volume rebates has been determined.

3. Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered).

Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

4. Financing compenents

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for a significant financing component or the time value of money.

5. Scrap sales are usually recognised when control of the scrap is transferred to the buyer (i.e., when sold and invoiced). Income from scrap is generally treated as Other Operating Revenue.

6. Rental incomes are recognised over period of time on a straight-line basis across lease term.

(i) Export incentives

Export incentives are recognised where there is reasonable assurance that the benefits will be received and all attachment conditions will be complied with export benefits on account of export promotion schemes are accrued and accounted in the period of export and are included in other operating revenue.

(j) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.)

(All amounts in INR Lakhs, unless otherwise stated)

(k) Taxes

Tax expense comprises current tax expense and deferred tax.

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items of other comprehensive income is recognised in other comprehensive income. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Minimum Alternative Tax :

Minimum alternate tax (MAT) paid is charged to the consildated statement of profit and loss as current tax for the period. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Group recognises MAT credit as an asset, it is created by way of credit to the consolidated statement of profit and loss and shown as part of deferred tax asset. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Tax holiday:

In the situations where the Group is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the entity’s gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred

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taxes, the temporary differences which originate first are considered to reverse first.

(l) Provisions and Contingent Liability

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consildated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The Group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Provision towards liquidated damages

Provision for liquidated damages against the Group are recognised in the consolidated financial statements based on the management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions and contracts with customer.

Contingent liability is -

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or

(b) a present obligation that arises from past events but is not recognised because - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or - the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognise a contingent liability but discloses its existence.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined Benefit Schemes

Defined benefit scheme surpluses and deficits are measured at:

(i) The fair value of plan assets at the reporting date; less

(ii) Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on government bonds that have maturity dates approximating to the terms of the liabilities and are denominated in the same currency as the post-employment benefit obligations; less

(iii) The effect of minimum funding requirements agreed with scheme trustees.

Remeasurements of the net defined obligation are recognised directly within equity. The remeasurements include:

(i) Actuarial gains and losses

(ii) Return on plan assets (interest exclusive)

(iii) Any asset ceiling effects (interest exclusive)

Service costs are recognised in profit or loss, and include current and past service costs as well as gains and losses on curtailments. Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period. Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in profit or loss. Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

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Longevity bonus liability is accrued for certain class of key managerial persons, as may be decided by the Board from time to time to recognise their immense contribution in driving the organisation, and payable upon their resignation or exit from the Group or substantial changes in the composition of the Group's Board. Amount to be payable is calculated based on latest remuneration of the year multiplied by number of years. Longevity bonus is recognised as liability at the present value of the defined benefit obligation using actuarial valuation at the balance sheet date.

Employee share-based payment arrangements are accounted for in accordance with the applicable accounting standards. Under the equity-settled share-based payments are granted to eligible employees as approved by the Nomination and Remuneration Committee. Each option entitles the holder to subscribe to one equity share of the Group at a predetermined exercise price, subject to the satisfaction of specified vesting conditions.

(n) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

(o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through consolidated statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

(a) Financial assets at amortised cost

(b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the consolidated statement of profit and loss (i.e. fair value through consolidated statement of profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(a) Financial assets carried at amortised cost

A financial assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through consolidated statement of profit and loss under the fair value option.

(i) Business Model test: The objective of the Group's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

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(ii) Cash flow characteristics test: The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

(b) (i) Financial assets at fair value through other comprehensive income

Financial assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-byinstrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

(ii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through consildated statement of profit and loss.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

(a) The rights to receive cash flows from the asset have expired, or

(b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. The Group discloses analysis of the gain or loss recognised in the consolidated statement of profit and loss arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets.

(iv) Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model for the following:

(a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

(b) The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets.

The application of simplified approach does not require the Group to track changes in credit risk.

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Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group recognises an allowance for ECL for all debt instruments not held at fair value through consolidated statement of profit and loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Group uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forwardlooking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognised as other expense in the of consolidated statement of profit and loss.

Financial liabilities

(i) Initial recognition and measurement All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, lease liabilities and derivative financial instruments.

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(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through consolidated statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(b) Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Loans and borrowings After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method.

(iii) Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through consolidated statement of profit and loss.

(iv) Derecognition

(a) A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated statement of profit or loss.

(b) Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(p) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated balance sheet.

(All amounts in INR Lakhs, unless otherwise stated)

(q) Share Capital & Earnings per share

Equity instruments issued by the Group are recognised at the proceeds received, net of directly attributable transaction costs. Equity instruments are classified as equity when the contractual terms evidence a residual interest in the assets of the Group after deducting all of its liabilities. Transaction costs directly attributable to the issue of equity instruments are deducted from equity, net of applicable tax effects.

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. The Group classifies a financial instrument issued by it as equity instrument only if below conditions are met:

a. The instrument includes no contractual obligation to deliver cash or another financial asset to another entity. Nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

b. If the instrument will, or may, be settled in the Group's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Group to deliver a variable number of its own equity instruments. If the instrument is derivative, then it should be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liabilities and accounted for using the accounting policy applicable to the financial liabilities.

(r) Share-based compensation

Equity-settled Transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the consildated statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification

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that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(s) Other income

Interest income from financial assets at FVTPL is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is recognised in consolidated statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired.

(t) Investment in associate entity

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is generally presumed when the Group holds 20% or more of the voting power of the investee, directly or indirectly, unless it can be clearly demonstrated otherwise.

Recognition and Initial Measurement :

Investment in associates is initially recognised at cost, which includes the purchase price and any directly attributable transaction costs.

Subsequent Measurement :

Subsequent to initial recognition, the investment in an associate is accounted for using the equity method. Under the equity method:

- The investment is initially recognised at cost.
- The carrying amount is adjusted to recognise the investor’s share of the consolidated statement of profit and loss of the associate after the date of acquisition.
- The investor’s share of the associate’s profit or loss is recognised in the investor’s consolidated statement of profit and loss.
- Distributions received from the associate reduce the carrying amount of the investment.
- Adjustments are also made for changes in the investor’s proportionate interest in the associate arising from changes in the associate’s other comprehensive income (OCI). Such changes are recognised in the investor’s OCI.

(u) Subcontracting charges

Subcontracting charges represent costs incurred towards services obtained from third-party vendors for execution of a portion of the Group’s operations. Such costs are recognised as an expense in the consildated statement of profit and loss in the period in which the related services are received, in accordance with the accrual principle.

2.3 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Revenue recognition – estimating variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) Leases - estimating the incremental borrowing rate (IBR)

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Group's credit rating).

(iii) Provision for expected credit losses (ECLs) of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for its customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(iv) Defined benefit plan (post-employment gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(v) Useful lives of property, plant and equipment and intangible assets

Management reviews its estimate of the useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, right of use assets and intangible assets.

(vi) Provision for warranties

The Group's product warranty obligations and estimations thereof are determined using historical information of claims received up to the period end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

(vii) Deferred tax assets

Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

(viii) Export incentives

Export incentives are recognised where there is reasonable assurance that the benefits will be received and all attachment conditions will be complied with export benefits on account of export promotion schemes are accrued and accounted in the period of export and are included in other operating revenue.

2.4 Recent Accounting pronouncements

New and amended standards adopted by Group

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after April 01, 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Group does not have any factoring, reverse factoring or supplier finance arrangements. The Group already provides detailed disclosures on financial instruments and financial risk management objectives and policies. Accordingly,

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the amendments relating to supplier finance arrangements are not applicable and did not have any impact on the financial statements.

(b) Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument

The Group has USD term loans, inter group loans and packing credit facilities. Borrowings have been classified based on contractual repayment terms and rights that existed as at March 31, 2026. Working capital facilities form part of the normal operating cycle of the Group. The amendments to Ind AS 1 relating to classification of liabilities did not have any material impact on the consolidated financial statements.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Group is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Group operates.

(d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the consolidated financial statements of the Group.

The Group operates in Canada, France, Germany, India, Malaysia, Poland, Taiwan, the United Kingdom and the United States. These jurisdictions have freely convertible currencies and the Group has not faced any exchangeability restrictions. Foreign currency transactions and balances are translated using observable exchange rates as at March 31, 2026. Accordingly, the amendments to Ind AS 21 relating to lack of exchangeability of currencies are not applicable and did not have any impact on the consolidated financial statements.

(All amounts in INR Lakhs, unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

Description	Factory buildings	Plant, machinery and equipment	Furniture and fixtures	Computers	Office equipment	Vehicles	Leasehold improvements	Land*	Total
Gross block									
Balance as at April 01, 2024	**1,703.41**	**3,032.10**	**79.89**	**91.98**	**64.52**	**95.79**	**26.86**		**5,094.55**
Additions (Includes transfer from CWIP and capital advances)	2,430.64	7,570.49	153.41	174.08	201.46	15.51	107.61		10,653.20
Adjustments	-	7.31	-	-	-	-	-		7.31
Disposals	-	(10.76)	-	-	-	-	-		(10.76)
Balance as at March 31, 2025	**4,134.05**	**10,599.14**	**233.30**	**266.06**	**265.98**	**111.30**	**134.47**		**15,744.30**
Additions (Includes transfer from CWIP and capital advances)	104.82	3,783.75	44.51	27.47	64.21	-	104.49	1,584.70	5,713.95
Disposals	-	(0.25)	(22.22)	(13.29)	(23.89)	-	(146.31)	-	(205.96)
Balance as at March 31, 2026	**4,238.87**	**14,382.64**	**255.59**	**280.24**	**306.30**	**111.30**	**92.65**	**1,584.70**	**21,252.29**
Accumulated depreciation									
Balance as at April 01, 2024	**92.50**	**360.00**	**31.62**	**40.36**	**37.28**	**8.63**	**16.94**	**-**	**587.33**
Depreciation charge for the year	101.52	652.55	28.33	46.08	29.37	12.80	4.12	-	874.77
Adjustments	-	7.31	-	-	-	-	-	-	7.31
Disposals	-	(3.52)	-	-	-	-	-	-	(3.52)
Balance as at March 31, 2025	**194.02**	**1,016.34**	**59.95**	**86.44**	**66.65**	**21.43**	**21.06**	**-**	**1,465.89**
Depreciation charge for the year	183.81	1,657.91	60.23	78.80	70.75	13.90	53.52	-	2,118.92
Disposals	-	(0.24)	(18.80)	(13.12)	(19.53)	-	(57.40)	-	(109.09)
Balance as at March 31, 2026	**377.83**	**2,674.02**	**101.38**	**152.12**	**117.87**	**35.33**	**17.18**	**-**	**3,475.72**
Net block									
Balance as at March 31, 2025	**3,940.03**	**9,582.81**	**173.35**	**179.62**	**199.33**	**89.87**	**113.41**	**-**	**14,278.41**
Balance as at March 31, 2026	**3,861.04**	**11,708.63**	**154.21**	**128.12**	**188.43**	**75.97**	**75.47**	**1,584.70**	**17,776.59**

*Land comprises a plot allotted by the Karnataka Industrial Areas Development Board (KIADB) on a lease-cum-sale basis for a tenure of 10 years, amounting to INR 1,584.70 lakhs. Ownership of the land shall vest with the Holding Company upon satisfying the prescribed condition of undertaking continuous commercial production for a period of two years within the lease tenure.

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3.1 Deemed Cost

On transition to Ind AS (April 01, 2022), the Group had elected to continue with the carrying value of property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

3.2 Contractual obligations

Refer to note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4 CAPITAL WORK-IN-PROGRESS (CWIP)

Particulars	Amount
Balance as at April 01, 2024	**2.38**
Additions	10,919.78
Transfers	(10,420.48)
Balance as at March 31, 2025	**501.68**
Additions	3,717.64
Transfers	(3,895.80)
Balance as at March 31, 2026	**323.53**

4.1 CWIP ageing schedule

As at March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress					
Plant, machinery and equipment	167.77	-	-	-	167.77
Leasehold improvements	155.76	-	-	-	155.76
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**323.53**	**-**	**-**	**-**	**323.53**

As at March 31, 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	
(i) Projects in progress					
Plant, machinery and equipment	501.68	-	-	-	501.68
(ii) Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**501.68**	**-**	**-**	**-**	**501.68**

4.2 There are no projects as CWIP as at March 31, 2026 and March 31, 2025 whose completion is overdue or cost of which has exceeds in comparison to its original plan.

4.3 CWIP of INR 3,778.21 Lakhs has been capitalised under plant, machinery and equipment, INR 104.49 Lakhs has been capitalised under lease hold improvement, INR 12.60 Lakhs has been capitalised under office equipment during the year ended March 31, 2026. CWIP of INR 2,430.64 Lakhs has been capitalised under factory building, INR 7,534.30 Lakhs has been capitalised under plant, machinery and equipment, INR 107.61 Lakhs has been capitalised under lease hold improvement, INR 150.87 Lakhs has been capitalised under furniture and fixtures, INR 196.49 Lakhs has been capitalised under office equipment and INR 0.57 Lakhs has been capitalised under software during the year ended March 31, 2025.

(All amounts in INR Lakhs, unless otherwise stated)

5 INTANGIBLE ASSETS

5.1 Gross block

Gross block	**Software Amount**
Balance as at April 01, 2024	**94.43**
Additions	126.25
Disposals	-
Balance as at March 31, 2025	**220.68**
Additions	108.21
Disposals	-
Balance as at March 31, 2026	**328.88**

Accumulated amortisation	**Software Amount**
Balance as at April 01, 2024	**30.31**
Amortisation for the year	31.16
Disposals	-
Balance as at March 31, 2025	**61.47**
Amortisation for the year	80.37
Disposals	-
Balance as at March 31, 2026	**141.85**
Net block	
Balance as at March 31, 2025	159.21
Balance as at March 31, 2026	**187.03**

5.2 Deemed cost

For the purpose of preparation of these consolidated financial statements, the Group had used the carrying value of its intangible assets recognised as of April 01, 2022 measured as per the Indian GAAP as its deemed cost as on April 01, 2022.

6 RIGHT-OF-USE ASSETS/LEASE LIABILITIES

For the purpose of Ind AS Financial Statements, the Group has adopted Ind AS 116, effective annual reporting period beginning April 01, 2021 and applied the standard to its leases, under modified retrospective transition method.

The Group has elected not to apply the requirements of Ind AS 116 “Leases” to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term except inflation adjustment.

The Group has lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group’s business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

6.1 The carrying amount of right-of-use assets recognised and the movements during the period are as follows:

Gross Block	**Land**	**Buildings**	**Total**
Balance as at April 01, 2024	**559.67**	**331.55**	**891.22**
Additions	-	1,301.27	1,301.27
Balance as at March 31, 2025	**559.67**	**1,632.82**	**2,192.49**
Additions	-	507.92	507.92
Balance as at March 31, 2026	**559.67**	**2,140.74**	**2,700.41**

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Gross Block	Land	Buildings	Total
Accumulated amortisation			
Balance as at April 01, 2024	**17.19**	**245.61**	**262.80**
Amortisation for the year (Note 6.3)	5.73	144.58	150.31
Balance as at March 31, 2025	**22.92**	**390.19**	**413.11**
Amortisation for the year (Note 6.3)	5.73	421.09	426.82
Balance as at March 31, 2026	**28.65**	**811.28**	**839.93**
Net block			
Balance as at March 31, 2025	**536.75**	**1,242.63**	**1,779.38**
Balance as at March 31, 2026	**531.02**	**1,329.46**	**1,860.48**

6.2 The carrying amount of lease liabilities recognised and the movements during the period are as follows:

	Buildings	Total
Balance as at April 01, 2024	**104.09**	**104.09**
Additions	1,256.18	1,256.18
Interest expense on lease liabilities (Note 6.3)	44.13	44.13
Payments during the year (Note 6.4)	(135.85)	(135.85)
Balance as at March 31, 2025	**1,268.55**	**1,268.55**
Additions	419.14	419.14
Interest expense on lease liabilities (Note 6.3)	149.78	149.78
Payments during the year (Note 6.4)	(373.35)	(373.35)
Balance as at March 31, 2026	**1,464.12**	**1,464.12**

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current	1,168.86	1,036.59
Current	295.26	231.96
	1,464.12	**1,268.55**

6.3 The following are the amounts recognised in consolidated statement of profit and loss:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on lease liabilities (Refer note 30)	149.78	44.13
Amortisation of right-of-use assets (Refer note 31)	426.82	150.31
	576.60	**194.44**

6.4 Amounts recognised in the consolidated statement of cash flows

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Total cash outflows with respect to leases	(373.35)	135.85
Total	**(373.35)**	**135.85**

6.5 Right-of-use assets hypothecated as security

Refer note 45 for information on right-of-use assets hypothecated as security by the Group.

6.6 Right-of-use assets primarily comprise Land leased from Karnataka Industrial Area Development Board (KIADB) under a 99-year lease arrangement, recognised in accordance with applicable accounting standards. These assets include Land held by subsidiary with a carrying value of INR 531.02 lakhs, and Buildings held by Holding Company with a carrying value of INR 1,329.46 lakhs.

(All amounts in INR Lakhs, unless otherwise stated)

7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current investments		
Investment in associate		
At amortised cost		
Unquoted Compulsory Convertible Preference Shares		
Dheya Engineering Technologies Private Limited		
5,012 Equity shares of face value INR 10 each (Refer note 7.2)	1,114.50	-
2,387 Compulsory Convertible Preference Shares as at March 31, 2025 (Refer note 7.2)	-	493.42
Total non-current investments	**1,114.50**	**493.42**

7.1 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Current investments		
Investments (quoted)		
Investments at fair value through profit and loss		
Bonds	26,738.63	25,474.97
Mutual funds	20,102.28	8,382.72
Total	**46,840.91**	**33,857.69**
Total investments (Quoted and unquoted)	**47,955.41**	**34,351.11**
Current	46,840.91	33,857.69
Non - current	1,114.50	493.42
Total investment (Quoted and unquoted)	**47,955.41**	**34,351.11**
Aggregate book value of:		
Quoted investments	46,840.91	33,857.69
Unquoted investments	1,114.50	493.42
Aggregate fair market value of:		
Quoted investments	46,840.91	33,857.69
Unquoted investments	1,114.50	493.42
Aggregate amount of impairment in value of investments	-	-

Quoted investments measured at fair value through profit or loss comprise investments in mutual funds, bonds and commercial papers. These investments are quoted in active markets and are measured at fair value at each reporting date, with changes in fair value recognised in the consolidated statement of profit and loss.

7.2 Investments in associate:

Pursuant to approval by the Board of Directors, the Company entered into a Share Subscription and Shareholders Agreement ("SSHA") with Dheya Engineering Technologies Private Limited ("Dheya") for the subscription of Compulsory Convertible Preference Shares (CCPS). As of March 31, 2025, the Company has subscribed to and allotted 2,387 (16.94%) CCPS for a total consideration of INR 499.98 lakhs. The terms of the SSHA also outline certain terms and rights including options to acquire additional CCPS in subsequent tranches. During the current year ended March 31, 2026, the Company entered into an Amendment Agreement dated November 25, 2025, to early exercise the subsequent tranches. Accordingly, during the year ended March 31, 2026, the Company acquired an additional 2,625 CCPS for an aggregate consideration of INR 552.51 lakhs. All other terms and conditions of the SSHA continue to remain in full force and effect and are binding on the parties pursuant the Amendment Agreement. Upon completion of the acquisition of the additional CCPS, the Group exercised right of conversion and the CCPS were converted into fully paid up equity shares of Dheya

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Engineering Technologies Private Limited. As of March 31, 2026, the Company holds 29.99% of the equity share capital of Dheya Engineering Technologies Private Limited.

The investments in associate is measured using the equity method. Set out below is the associate of the Company as at March 31, 2026. The entity listed below have share capital consisting of ordinary shares and preference shares, which are directly held by the company. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of the voting rights held.

Name of the entity	Relationship with the entity	Principal place of business/country of Incorporation	Proportion of ownership interest held by the entity (March 31, 2026)	Proportion of ownership interest held by the entity (March 31, 2025)
Dheya Engineering Technologies Private Limited*	Associate	India	29.99%	16.94%

*The primary business of Dheya Engineering Technologies Private Limited is design, development, manufacturing, sales and servicing of micro gas turbines.

The table below provide the reconciliation of the carrying amount of the Company's interest in the associate:

Particulars	As at March 31, 2026	As at March 31, 2025
Company's share in net assets of the associate as per Purchase price allocation report	358.04	38.28
Goodwill	694.47	461.70
Carrying amount of the Company's interest in the associate	**1052.51**	**499.98**

7.3 Refer note 38 for information about the Group's exposure to financial risks and refer note 39 fair value measurement.

7.4 Details of investment made in Mutual funds and Bonds as at March 31, 2026 and March 31, 2025

Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2026
Axis Money Market Fund	Mutual Funds	5,71,656.51	8,578.02
Aditya Birla SL Arbitrage-Growth	Mutual Funds	27,97,890.29	775.79
HDFC Arbitrage Wholesale-Growth	Mutual Funds	17,32,415.11	554.34
ICICI Prudential Equity Arbitrage Fund - Growth	Mutual Funds	21,67,899.86	776.95
Invesco India Arbitrage-Growth	Mutual Funds	16,63,611.02	554.61
Kotak Equity Arbitrage Reg-Growth	Mutual Funds	14,17,339.47	554.91
Nippon India Arbitrage-Growth	Mutual Funds	27,94,327.24	773.97
SBI Arbitrage Opportunities-Growth	Mutual Funds	21,99,149.21	777.11
Tata Arbitrage Fund Reg-Growth	Mutual Funds	51,71,862.20	775.90
Tata Money Market Reg-Growth	Mutual Funds	22,679.41	1,119.76
HDFC Money Market Fund, Regular - Growth	Mutual Funds	2,770.45	165.55
Axis Money Market Fund	Mutual Funds	2,01,599.98	3,045.95
Invesco Mutual Fund	Mutual Funds	16,70,467.53	530.44
Kotak Mutual Fund	Mutual Funds	14,23,072.00	557.16
HDFC Mutual Fund	Mutual Funds	17,39,164.47	561.83
8.75% Shriram Finance	Bonds	1,500.00	1,603.93
8.97% Muthoot Finance	Bonds	2,500.00	2,570.57
9.25% SK Finance Ltd	Bonds	1,900.00	1,945.03
9.65% 360 ONE Portfolio Managers LTD	Bonds	500.00	528.61
9.65% 360 ONE Portfolio Managers LTD	Bonds	773.00	817.24
9.66% 360 ONE Portfolio Managers LTD	Bonds	50,000.00	520.01

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Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2026
0.00% 360 ONE Portfolio Managers Ltd	Bonds	1,425.00	1,624.78
9.65% MUTHOOT FINCORP LIMITED OP VI TR V 9.65 NCD 19MY28 FVRS1000	Bonds	50,000.00	545.00
9.15% Adani Enterprises Ltd NCD	Bonds	61,306.00	654.92
Yield -9.4000% - CHOLA (P) CALL -8.9800%	Bonds	12.00	1,261.11
Yield -9.4000% - CHOLA (P) CALL -9.5000%	Bonds	3.00	320.95
Yield -9.3500% - SK FINANCE LIMITED -9.2500%	Bonds	500.00	545.28
Yield -9.4000% - 9.50% CHOLAMANDALAM INVESTMENT & FINANCE CALL	Bonds	4.00	427.94
Yield -9.2000% - 9.1500% MUTHOOT FINCORP LTD	Bonds	1,000.00	1,034.04
Yield -9.2000%, 9.1000% MAS FINANCIAL SERVICES	Bonds	10,000.00	1,004.99
Yield -9.0500%, 9.60% AVANSE FINANCIAL SERVICES LTD	Bonds	500.00	520.83
9.65 NCD MUTHOOT FINCORP LIMITED	Bonds	1,00,000.00	1,000.00
SHRIRAM FINANCE LIMITED	Bonds	1,01,855.75	540.79
SK Finance- Quarterly	Bonds	1,00,000.00	1,099.42
360 ONE PORTFOLIO MANAGERS LIMITED 9.65 NCD 13AG27 FVRS1LAC August 13, 2027	Bonds	1,00,516.61	639.58
8.50% Hinduja Leyland May 06, 2030	Bonds	1,00,916.70	1,103.19
8.90% Avanse Financial Services September 10, 2027	Bonds	99,640.80	396.08
0.00% 360 ONE Portfolio Managers Ltd February 26, 2027	Bonds	1,00,000.00	749.44
8.75% Piramal Finance October 29, 2027	Bonds	1,00,461.70	536.70
8.90% Avanse Financial Services September 10, 2027	Bonds	99,539.60	257.93
9.10% SK Finance October 09, 2028- Annually	Bonds	1,00,179.90	1,020.89
0.00% 360 ONE ALTERNATES ASSET MANAGEMENT LIMITED NCD 03DC27 FVRS1LAC (December 03, 2027)	Bonds	1,01,411.80	1,572.23
Muthoot Finance	Bonds	1,50,000.00	1,589.98
AVANSE	Bonds	300.00	307.16
			46,840.91

Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2025
HDFC Money Market Fund - Regular Plan - Growth	Mutual Funds	2,770.45	155.37
Tata Money Market Reg-Growth	Mutual Funds	22,679.41	1,050.06
Aditya Birla SL Arbitrage-Growth	Mutual Funds	27,97,890.29	731.17
HDFC Arbitrage Wholesale-Growth	Mutual Funds	17,32,415.11	522.51
ICICI Prudential Equity Arbitrage Fund -Growth	Mutual Funds	21,67,899.86	731.83
Invesco India Arbitrage-Growth	Mutual Funds	16,63,611.02	522.58
Kotak Equity Arbitrage Reg-Growth	Mutual Funds	14,17,339.47	522.76
Nippon India Arbitrage-Growth	Mutual Funds	27,94,327.24	730.45
SBI Arbitrage Opportunities-Growth	Mutual Funds	21,99,149.21	731.35
Tata Arbitrage Fund Reg-Growth	Mutual Funds	51,71,862.20	730.95

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(All amounts in INR Lakhs, unless otherwise stated)

Investment in Mutual Funds and Bonds	Classification	Quantity	March 31, 2025
Axis Overnight Fund Direct Growth(ON-DG) (Non - Demat) Axis Overnight Fund Direct Growth(ON-DG) (Non - Demat)	Mutual Funds		169.36
Invesco Mutual Fund	Mutual Funds	16,70,467.53	595.08
Kotak Mutual Fund	Mutual Funds	14,23,072.00	594.79
HDFC Mutual Fund	Mutual Funds	17,39,164.47	594.43
9.66% 360 ONE PRIME LTD 60 MONTH SERIES 8 ANNULLY INT	Bonds	50,000.00	508.44
360 ONE PORTFOLIO MANAGERS LIMITED 9.65 NCD 13AG27	Bonds	500.00	1,349.37
9.30% PIRAMAL HOUSING FINANCE January 07, 2027	Bonds	1,000.00	1,935.22
9.30% PIRAMAL HOUSING FINANCE January 07, 2027	Bonds	2,500.00	2,558.41
SHRIRAM FINANCE LIMITED SR PPD IX TR 7 8.75 NCD 04MY26 FVRS1LAC (May 04, 2026)	Bonds	1,500.00	1,617.96
SHRIRAM FINANCE LIMITED SR PPD XXI OP2 TR3 9.20 NCD 22MY26 FVRS1LAC (May 22, 2026)	Bonds	500.00	541.44
SK FINANCE LIMITED 9.25 NCD 02JN28 FVRS1LAC	Bonds	1,900.00	1,946.11
360 ONE PRIME Ltd 364 Days July 23, 2025 (July 23, 2025)	Bonds	200.00	969.40
BAJAJ FINANCE LIMITED 7.90 SR 286 TR 9 LOA 17NV25 FVRS10LAC (November 17, 2025)	Bonds	150.00	1,541.27
HDB FINANCIAL SERVICES LIMITED SR A1 FX 182 7.5 NCD 23SP25 FVRS10LAC (September 23, 2025)	Bonds	150.00	1,551.66
Piramal Enterprises Ltd 363 Days July 24, 2025 (July 24, 2025)	Bonds	200.00	969.95
360 One Portfolio Managers 18M NCD MAY 10, 2025 (May 10, 2025)	Bonds	1,600.00	1,653.07
AVANSE FINANCIAL SERVICES LIMITED SR 20 9.30 NCD 07MY25 FVRS10LAC (May 07, 2025)	Bonds	200.00	2,164.80
SHRIRAM FINANCE LIMITED	Bonds	500.00	573.60
AVANSE FINANCIAL SERVICES LIMITED	Bonds	50.00	573.06
SK Finance	Bonds	1,100.00	1,141.62
360 ONE PRIME LIMITED -CP	Bonds	120.00	612.70
Piramal Enterprises CP	Bonds	140.00	715.43
Security Bonds 7.50% HDB September 23, 2025	Bonds	100.00	1,074.73
Security Bonds 7.90% Bajaj Finance November 17, 2025	Bonds	100.00	807.84
360 ONE PORTFOLIO MANAGERS LIMITED 9.65 NCD 13AG27 FVRS1LAC August 13, 2027	Bonds	600.00	668.92
			33,857.69

(All amounts in INR Lakhs, unless otherwise stated)

8 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
At amortised cost		
(Unsecured, considered good)		
Security deposits	267.38	123.87
Other Deposits**	0.86	-
Deposit with original maturity greater than 12 months*	451.84	43.63
Total other financial assets	**720.08**	**167.50**

Refer note 38 for information about the Group's exposure to financial risks.

*Deposits held as margin money for guarantee issued

**Includes balances related to NSDL Deposits

9 OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
(Unsecured, considered good)		
Capital advances	241.41	2,785.72
Prepaid expenses	2.54	2.79
Other receivables*	21.01	-
Other Deposits**	29.33	-
Total other non-current assets	**294.29**	**2,788.51**

*Relates to TDS receivable from KIADB towards purchase of land

**During the year, the Group entered into a collaboration agreement for providing storage and logistics services to its third-party customers and has placed a security deposit under the agreement. The agreement is subject to the service provider obtaining the necessary approvals, which are still underway at the reporting date.

10 INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
(At lower of cost or net realisable value)		
Raw materials (including packing materials)*	339.40	40.14
Work-in-progress	2,126.12	1,905.39
Finished goods	45.90	29.14
Total inventories	**2,511.42**	**1,974.67**

*Raw materials (including packing materials) includes Goods in Transit (GIT) (March 31, 2026: INR 67.3 Lakhs and March 31, 2025 : 34.85 Lakhs)

10.1 Inventories hypothecated as security

Refer to note 45 for information on inventories hypothecated as security by the Group.

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(All amounts in INR Lakhs, unless otherwise stated)

11 TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured	6,794.12	5,744.88
Less: Expected credit loss allowance (Note 38.3)	(93.95)	(93.95)
Less: Liquidated damages (Note 38.3)	(220.33)	(152.63)
Trade receivables - net	**6,479.84**	**5,498.30**

11.1 Trade receivables ageing schedule

As at March 31, 2026	Current						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	5,972.12	794.64	27.36	-	-	-	6,794.12
Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub total	**5,972.12**	**794.64**	**27.36**	**-**	**-**	**-**	**6,794.12**
Less: Expected credit loss allowance (Note 38.3)	55.21	36.74	2.00	-	-	-	(93.95)
Less: Liquidated damages (Note 38.3)	129.84	90.49	-	-	-	-	(220.33)
Total							**6,479.84**

As at March 31, 2025	Current						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 year	
Undisputed trade receivables – considered good	3548.52	2095.46	35.31	58.70	6.66	0.24	5744.88
Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-	-

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2025	Current						
	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 year	
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Sub total	**3,548.52**	**2,095.46**	**35.31**	**58.70**	**6.66**	**0.24**	**5,744.88**
Less: Expected credit loss allowance (Note 38.3)	40.06	37.17	4.83	10.02	1.83	0.04	(93.95)
Less: Liquidated damages (Note 38.3)	152.63	-	-	-	-	-	(152.63)
Total							**5,498.30**

11.2 There are no trade receivables which are either due from directors or other officers of the Group either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

11.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

11.4 Refer to note 38 for information about the Group's exposure to financial risks.

11.5 Refer to note 45 for information on trade receivables hypothecated as security by the Group.

11.6 There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

11.7 Refer note 37 for transactions with related parties.

12 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks:		
In current accounts	1,680.44	175.33
In Exchange Earners' Foreign Currency Accounts (EEFC)*	254.14	30.18
In deposit with original maturity for less than three months	1,780.82	13,970.90
Cash on hand	-	0.53
Total cash and cash equivalents	**3,715.40**	**14,176.94**

*Balances held in Exchange Earners' Foreign Currency (EEFC) accounts are subject to FEMA regulations, and their utilisation and repatriation are in accordance with applicable regulatory requirements.

Refer to note 45 for information on cash and cash equivalents hypothecated as security by the Group and note 38 for information about the Group's exposure to financial risks.

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

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13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Deposits with original maturity for more than three months but less than twelve months	8,548.53	-
Deposits held as margin money for guarantee issued	75.00	75.00
Total bank balances other than cash and cash equivalents	**8,623.53**	**75.00**

Refer to note 45 for information on bank balances other than cash and cash equivalents hypothecated as security by the Group and note 38 for information about the Group's exposure to financial risks.

14 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
(Unsecured, considered good)		
At amortised cost		
Advances to employees	12.93	7.11
Interest accrued on deposits	82.47	171.58
Deposits with remaining maturity less than 12 months	-	3,300.00
Other receivables*	0.88	112.33
Total other financial assets	**96.28**	**3,591.02**

*Includes forex card balance (March 31, 2026 INR 0.71 Lakhs and March 31, 2025: INR 2.61 Lakhs) and Income from options (Derivative) (March 31, 2026: Nil and March 31, 2025 INR 109.72 Lakhs).

Refer to note 45 for information on other current financial assets hypothecated as security by the Group and note 38 for information about the Group's exposure to financial risks.

15 OTHER CURRENT ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Advances to suppliers	190.38	89.80
Balances with government authorities	883.17	944.51
Prepaid expenses	114.27	72.31
Government incentives	14.84	28.76
Other Deposits*	7.32	-
Total other current assets	**1,209.98**	**1,135.38**

*During the year, the Group entered into a collaboration agreement for providing storage and logistics services to its third-party customers and has placed a security deposit under the agreement. The agreement is subject to the service provider obtaining the necessary approvals, which are still underway at the reporting date.

Refer to note 45 for information on other current assets hypothecated as security by the Group.

15.1 Balance with government authorities is related to balance in Goods and Service Tax (GST) Input credit a/c of INR 84.88 Lakhs, Duty drawback receivable from government of INR 6.16 Lakhs and Export Incentive Scripts (MEIS) of INR 30.09 Lakhs pending to receive from Government. Out of the above balance in GST Input credit a/c, the Group has already applied INR 40.32 Lakhs refund is applied, INR 38.50 Lakhs is yet to be applied and INR 8.68 Lakhs is not appearing in GSTR2B portal due delay from supplier in filing GST returns.

(All amounts in INR Lakhs, unless otherwise stated)

16 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of INR 5 each (March 31, 2025: INR 5 each)	6,00,00,000	3,000.00	6,00,00,000	3,000.00
	6,00,00,000	**3,000.00**	**6,00,00,000**	**3,000.00**
Issued, subscribed and paid up				
Equity shares of INR 5 each (March 31, 2025: INR 5 each) fully paid-up	5,08,56,883	2,542.84	5,08,56,883	2,542.84
Total	**5,08,56,883**	**2,542.84**	**5,08,56,883**	**2,542.84**

16.1 Reconciliation of equity shares outstanding at the beginning and at the end of the Year

Equity shares	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	5,08,56,883	2,542.84	4,40,05,080	2,200.25
Add: Increase in shares due to private placement	-	-	36,67,090	183.35
Add: Increase in shares due to initial public offering	-	-	31,84,713	159.24
Outstanding at the end of the year	**5,08,56,883**	**2,542.84**	**5,08,56,883**	**2,542.84**

16.2 Rights, preferences and restrictions attached to shares

Equity shares have a face value of INR 5 each Holder of equity shares is entitled to participate in dividends. The dividend proposed by the board of directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts and distribution will be in proportion to the number of equity shares held by the shareholders.

16.3 Equity shares held by holding/ultimate Holding Company and by their subsidiaries

No equity shares of the Company are held by its Holding Company or its ultimate holding company including shares held by subsidiaries of the holding company or the ultimate holding company.

16.4 Pursuant to the board meeting and share holders meeting held on July 03, 2024, the Company raised money by way of private placement of 36,67,090 equity shares of face value INR 5/- each at a price of INR 681.74 /-per share (including a premium of INR 676.74 per share) aggregating to INR 25,000 Lakhs.

16.5 The equity shares of the Company were listed on the National Stock Exchange and Bombay Stock Exchange on December 31, 2024, following the completion of an Initial Public Offering ("IPO") of 63,69,426 equity shares, with a face value of share INR 5/- each, at an issue price of INR 785 per equity share (which includes a share premium of INR 780 per equity share). This consisted of a fresh issue of 31,84,713 equity shares and an offer for sale of 31,84,713 equity shares.

16.6 Equity shares allotted by the Company on August 19, 2024 has following terms attached to equity shares as per shareholders' agreement dated July 16, 2024:

On July 16, 2024 the Company has entered into a Shareholders' Agreement ("SHA") with Valuequest Investment Advisors Private Limited, Steadview Capital Mauritius Limited and Evolvence Fund India IV Limited (together referred as "Investors"), pursuant to their investment in equity shares of the Company of INR 25,000 Lakhs("investor equity shares").

The SHA provides certain rights to the Investors including exit rights and buy back rights. In the event the Company is unable to provide an exit to the Investors by way of an Initial Public Offer ("IPO") within a certain timeline, the Company shall provide an exit to the Investors by way of third party sale or Company or promoter buyback or a combination

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thereof on or before March 31, 2028 ("Exit date") in the manner set out in the SHA. The buy back rights of the Investors shall cease to be in effect on and from the date on which the Company files its Draft Red Herring Prospectus ("DRHP") in connection with its proposed IPO, but shall be made effective again in the event the Draft Red Herring Prospectus so filed is withdrawn with no intention of refiling the same.

Pursuant to the filing of its DRHP on August 19, 2024 by the Company, the buy back rights have become ineffective. Consequently, such investor equity shares meet the definition of an equity instrument as per Ind AS 32 Financial Instruments: Presentation and accordingly have been classified as equity from August 19, 2024.

Management has also assessed and concluded that there has not been any significant change in the fair value of the investor equity shares from the date of issue to the date of Draft Red Herring Prospectus filing, and therefore there is no impact to be recognised in the profit and loss.

16.6.1 Shares reserved for issue under options

Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 35.

16.7 Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Group

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 5 each fully paid-up				
Anil Puttan Kumar	1,33,44,200	26.24%	1,33,44,200	26.24%
Ramakrishna Kamojhala	73,06,372	14.37%	73,06,372	14.37%
Mani Puttan	73,06,371	14.37%	73,06,371	14.37%
Preetham Venkatesh Shimoga	48,71,194	9.58%	48,71,194	9.58%
Rajanikanth Balaraman	73,06,372	14.37%	73,06,372	14.37%

16.8 Aggregate number of shares issued pursuant to contract without payment being received in cash, for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date

There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date.

16.9 Shares reserved for issue under options and contracts or commitments of the sale of shares or disinvestment, including the terms and amounts

There are no shares reserved for issue under any options and contracts or commitments of the sale of shares or disinvestment.

16.10 Details of equity shares held by promoters at the end of the Year

Promoter name	As at March 31, 2026			As at March 31, 2025		
	No. of shares	% of total shares	% Change during the period	No. of shares	% of total shares	% Change during the period
Equity shares of INR 5 each fully paid-up						
Anil Puttan Kumar	1,33,44,200	26.24%	0.00%	1,33,44,200	26.24%	0.00%
Ramakrishna Kamojhala	73,06,372	14.37%	0.00%	73,06,372	14.37%	(7.28%)
Mani Puthan	73,06,371	14.37%	0.00%	73,06,371	14.37%	(7.28%)
Preetham Venkatesh Shimoga	48,71,194	9.58%	0.00%	48,71,194	9.58%	(7.27%)
Rajanikanth Balaraman	73,06,372	14.37%	0.00%	73,06,372	14.37%	(7.28%)
Total	**4,01,34,509**	**78.93%**		**4,01,34,509**	**78.93%**	

(All amounts in INR Lakhs, unless otherwise stated)

17 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Reserves and surplus		
Retained earnings (Note 17.1(i))	23,197.55	16,912.65
Securities premium (Note 17.1(ii))	47,435.23	47,435.23
Share Based Payment Reserves (Note 17.1(iii))	563.39	-
Total other equity	**71,196.17**	**64,347.88**

17.1 Movement in reserves and surplus

		As at March 31, 2026	As at March 31, 2025
(i)	**Retained earnings**		
	Opening balance	16,912.65	8,658.87
	Profit for the Year	6,328.30	8,345.65
	Items of OCI recognised directly in retained earnings		
	Remeasurements of post-employment defined benefit plans (net of tax)	(43.12)	(91.87)
	Share of other comprehensive loss of associates	(0.28)	-
	Closing balance	**23,197.55**	**16,912.65**
(ii)	**Securities Premium**		
	Opening balance	47,435.23	49,657.43
	Premium received on issue of equity shares (Refer Note 16.4)	-	-
	Transaction cost on issue of private placement of equity shares (Refer note 33.2)	-	(701.75)
	Transaction cost on issue of Initial Public Offering (IPO) of equity shares (Refer note 33.2)	-	(1,520.45)
	Closing balance	**47,435.23**	**47,435.23**
(iii)	**Share based payment reserve***		
	Opening balance	-	-
	Employee share-based compensation expenses	581.71	-
	Options forfeited during the year	(18.32)	
	Closing balance	**563.39**	**-**

*The Share based payment reserve created for subsidiary employees is recoverable in nature, as the cost recognised in the subsidiary's books

17.2 Nature and purpose of items in other equity

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions to shareholders and these can be utilised as per the provisions of the Companies Act, 2013.

Securities premium

Securities premium issued to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Share based payment reserve

Employee stock options represent equity granted to Company employees and Subsidiary company employees, with the fair value recognised as employee compensation over the vesting period and credited to equity.

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18 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Employee benefits payable	1,776.85	1,897.61
Capital creditors	116.36	571.48
Other payables*	151.06	200.79
Total Other current financial liabilities	**2,044.27**	**2,669.88**

*Includes balances related to IPO expenses

19 PROVISIONS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current	Non-Current	Current
Provision for rework and warranty costs	-	238.51	-	256.93
Provision for employee benefits				
Gratuity [Note 36(b)]	246.51	110.00	83.81	100.00
Longevity bonus [Note 36(g)]	-	-	-	108.63
Compensated absences	-	459.47	-	254.61
Others*	-	86.00	-	86.00
Total provisions	**246.51**	**893.98**	**83.81**	**806.17**

*Relates to provision for CSR expenses

19.1 Movement in provision for warranties

Particulars	Amount
Balance as at April 01, 2024	**204.64**
Provision charged to consolidated statement of profit and loss	74.47
Provisions utilised/(reversed) during the period	(22.18)
Balance as at March 31, 2025	**256.93**
Balance as at March 31, 2025	**256.93**
Provision charged to consolidated statement of profit and loss	-
Provisions utilised/(reversed) during the year	(18.42)
Balance as at March 31, 2026	**238.51**

20 (A) NON-CURRENT BORROWINGS

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Secured			
Term loans			
From bank			
USD loans	20 (c) (i)	4,189.06	5,169.73
Unsecured			
Less: Current maturities of long term debts		(1,441.12)	(1,752.10)
Total non-current borrowings		**2,747.94**	**3,417.63**

The details of financial and non financial assets hypothecated as security for borrowings are disclosed in Note 45.

Refer to note 38 for information about the Group's exposure to financial risks.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

20 (B) CURRENT BORROWINGS

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Secured			
Term loan			
From bank			
USD packing credit loans	20 (c) (ii)	7,019.67	1,992.14
Euro packing credit loans	20 (c) (ii)	-	-
Unsecured			
Current maturities of long term debts		1,441.12	1,752.10
Total current borrowings		**8,460.79**	**3,744.24**

20 (C) SECURITY DETAILS AND TERMS OF REPAYMENT FOR CURRENT YEAR

For current year

	No. of instalments remaining as at March 31, 2026	Maturity date as at March 31, 2026	Interest rate (p.a.) as at March 31, 2026	As at March 31, 2026
(i) USD term loans from banks				
- Secured by way of hypothecation of entire present and future movable fixed assets of the Group including plant and machinery, equipment, fixtures and commercial vehicles (excluding fixed assets funded by any other financial institution) on exclusive basis.	20	November 2027	Secured overnight financing rate plus 100 basis points	72.07
	30	September 2028	Secured overnight financing rate plus 100 basis points	418.25
- Secured by way of hypothecation of land and Buildings, Machinery along with a Guarantee provided by the parent Company and promoter directors.	14	May 2027	Secured overnight financing rate plus 100 basis points	192.03
	33	December 2028'	Secured overnight financing rate plus 100 basis points	163.94
	40	July 2029	Secured overnight financing rate plus 100 basis points	2,754.23
	41	August 2029	Secured overnight financing rate plus 100 basis points	600.76
				4,201.28

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	No. of instalments remaining as at March 31, 2026	Maturity date as at March 31, 2026	Interest rate (p.a.) as at March 31, 2026	As at March 31, 2026
(ii) Foreign currency packing credit loans				
- Secured by way of hypothecation of Group's entire current asset both present and future	N.A.	180 days from the date of disbursement	Secured overnight financing rate plus 100 basis points	7,019.67
- Secured by way of hypothecation of current assets of the Group both present and future.	N.A.	180 days from the date of disbursement	EURIBOR rate plus 175 basis points	-
				7,019.67
(iii) Effective interest rate adjustment				(12.22)
Total (i + ii +iii)				**11,208.73**

20 (c) Security details and terms of repayment for previous year

	No. of instalments remaining as at March 31, 2025	Maturity date as at March 31, 2025	Interest rate (p.a.) as at March 31, 2025	As at March 31, 2025
(i) USD term loans from banks				
- Secured by way of hypothecation of entire present and future movable fixed assets of the Group including plant and machinery, equipment, fixtures and commercial vehicles (excluding fixed assets funded by any other financial institution) on exclusive basis.	5	August 2025	Secured overnight financing rate plus 100 basis points	74.19
	32	November 2027	Secured overnight financing rate plus 100 basis points	104.69
- Secured by way of hypothecation of land and Buildings, Machinery along with a Guarantee provided by the parent Company and promoter directors.	42	September 2028	Secured overnight financing rate plus 100 basis points	**529.71**
	26	May 2027	Secured overnight financing rate plus 100 basis points	325.05
	45	December 2028	Secured overnight financing rate plus 100 basis points	202.17
	52	July 2029	Secured overnight financing rate plus 100 basis points	**3,232.31**
	53	August 2029	Secured overnight financing rate plus 100 basis points	701.61

(All amounts in INR Lakhs, unless otherwise stated)

	No. of instalments remaining as at March 31, 2025	Maturity date as at March 31, 2025	Interest rate (p.a.) as at March 31, 2025	As at March 31, 2025
- Secured by way of hypothecation of of asset created out of term loans.	N.A.	June 2024	Repo+1.6%	-
				5,169.73
(ii) Foreign currency packing credit loans				
- Secured by way of hypothecation of Group's entire current asset both present and future	N.A.	180 days from the date of disbursement	Secured overnight financing rate plus 100 basis points	1,431.67
- Secured by way of hypothecation of Group's entire current asset both present and future	N.A.	180 days from the date of disbursement	EURIBOR rate plus 175 basis points	560.47
				1,992.14
Total (i + ii)				**7,161.87**

20 (D) NET DEBT RECONCILIATION

	Borrowings	Lease liabilities	Total
Net debt as at April 01, 2025	**7,161.87**	**1,268.55**	**8,430.42**
Proceeds from working capital borrowings	14,933.44	-	14,933.44
Repayment of working capital borrowings	(10,364.60)	-	(10,364.60)
Interest paid on borrowings	404.97	-	404.97
Proceeds of term loans from banks	-	-	-
Repayment of term loans to banks	(1,431.35)	-	(1,431.35)
Interest paid on lease liabilities	-	(149.78)	(149.78)
Principal paid on lease liabilities	-	(223.57)	(223.57)
Non-cash flows:			
Interest expenses	(404.97)	149.78	(255.19)
Effects of changes in foreign exchange rates	900.27	-	900.27
Prepaid loan processing charges adjusted through effective interest rate	9.10	-	9.10
Addition to lease liabilities	-	419.14	419.14
Net debt as at March 31, 2026	**11,208.73**	**1,464.12**	**12,672.85**
Net debt as at April 01, 2024	**2,885.50**	**104.09**	**2,989.59**
Proceeds from borrowings	10,739.70	-	10,739.70
Repayment of borrowings	(6,532.64)	-	(6,532.64)
Principal paid on lease liabilities	-	(91.72)	(91.72)
Non-cash flows:			
Exchange loss	85.75	-	85.75
Addition to lease liabilities	(16.44)	-	(16.44)
Prepaid loan processing charges adjusted through effective interest rate	-	1,256.18	1,256.18
Net debt as at March 31, 2025	**7,161.87**	**1,268.55**	**8,430.42**

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21 TRADE PAYABLES

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises; and	21.1	493.53	455.86
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,394.19	1,154.19
Total trade payables		**1,887.72**	**1,610.05**

Refer to note 38 for information about the Group's exposure to financial risks.

21.1 Micro small medium enterprises disclosure

Based on the information available with the Group, there are outstanding dues and payments made during the year ended March 31, 2026 to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006. There is interest payable or paid during the year ended March 31, 2026 to any suppliers under the said Act.

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Amount remaining unpaid to any supplier at the end of accounting period :		
Principal	481.80	446.27
Interest	11.73	9.59
Total	**493.53**	**455.86**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting period.	2.99	4.92
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	11.73	9.59

21.2 Trade payables ageing schedule

As at March 31, 2026

Particulars	Current						
	Unbilled dues	Payables 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) MSME	46.13	362.40	82.65	2.35	-	-	493.53
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	686.11	576.18	128.40	3.50	-	-	1,394.19
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	**732.24**	**938.58**	**211.05**	**5.85**	**-**	**-**	**1,887.72**

(All amounts in INR Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	Current						
	Current	Payables 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) MSME	8.75	365.40	81.63	0.08	-	-	455.86
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	259.01	547.88	339.15	4.17	3.10	0.88	1,154.19
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	**267.76**	**913.28**	**420.78**	**4.25**	**3.10**	**0.88**	**1,610.05**

21.3 Payment towards trade payables is made as per the terms and conditions of the contract/purchase orders. Generally, the average credit period on purchases is 30-60 days.

22 TAX ASSETS AND LIABILITIES

22 (a) Tax assets (net)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non Current	Current	Non Current	Current
Opening	-	-	-	-
Add: Income taxes paid	2,944.29	949.93	1,637.98	1,855.29
Less: Current tax payable	(2,472.75)	(843.90)	(1,386.14)	(1,606.93)
Total tax assets (net)	**471.54**	**106.03**	**251.84**	**248.36**

Refer note 45 for information on tax assets hypothecated as security by the Group.

22(b) Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax payable	2,444.58	895.36
Less: Advance tax (including TDS receivables)	(2,069.86)	(627.24)
Total current tax liabilities (net)	**374.72**	**268.12**

23 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	105.08	107.00
Advances from customer	389.12	55.98
Other payables*	1.47	-
Total other current liabilities	**495.67**	**162.98**

*Includes balances relating to employee reimbursements

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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24 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
(i) Sale of goods	23,677.46	23,969.73
(ii) Sale of services	305.70	166.49
	23,983.16	**24,136.22**
(iii) Other operating revenues	65.88	156.36
Total revenue from operations	**24,049.04**	**24,292.58**

(i) Nature of products	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing of aerospace toolings and components	23,677.46	23,969.73
Total	**23,677.46**	**23,969.73**

(ii) Nature of services	Year ended March 31, 2026	Year ended March 31, 2025
Testing charges	182.14	166.49
Job work charges	123.56	-
Total	**305.70**	**166.49**

(iii) Other operating revenues	Year ended March 31, 2026	Year ended March 31, 2025
Rental income	4.74	11.52
Scrap sales	36.21	49.49
Duty drawbacks received*	15.75	48.94
Export incentive*	9.18	42.64
Other sales	-	3.77
Total	**65.88**	**156.36**

*There are no unfulfilled conditions attached to recognition of duty drawbacks and export incentive.

24.1 Disaggregate revenue information

Geographic revenue	Year ended March 31, 2026	Year ended March 31, 2025
Within India	2,540.13	1,274.65
Outside India	21,508.91	23,017.93
Total	**24,049.04**	**24,292.58**

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
India	2,540.13	1,274.65
United States	18,188.42	20,171.06
United Kingdom	183.93	-
Canada	661.93	-
Israel	19.45	-
Germany	2,325.20	2,819.73
Others	129.98	27.14
Total	**24,049.04**	**24,292.58**

(All amounts in INR Lakhs, unless otherwise stated)

Timing of revenue recognition

	Year ended March 31, 2026	Year ended March 31, 2025
Products transferred at a point in time	23,677.46	23,969.73
Services transferred at a point in time	366.84	307.56
Services transferred over the period of time	4.74	15.29
Total	**24,049.04**	**24,292.58**

24.2 Reconciliation of contract price with revenue during the year

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contract price	26,076.54	24,309.59
Adjustments:		
- Sales return and Volume discounts	(1,838.39)	-
- Credit Note	(124.85)	-
- Liquidated damages	(64.26)	(17.01)
Revenue from contracts with customers	**24,049.04**	**24,292.58**

24.3 Performance obligations:

Sale of products:

The performance obligation with respect to sale of products including other operating revenue is satisfied at a point in time that is the when control over the goods is transferred to the customers, generally on the delivery of the goods at the agreed destination as per the terms of contract with customers.

Sale of services:

The performance obligation with respect to sale of services is satisfied at a point in time by measuring the progress towards complete satisfaction of performance obligations during the reporting period and revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously.

25 OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
On fixed deposits at amortised cost	736.63	473.19
Interest on Investments	2,653.09	844.31
Interest on income tax refund	4.26	2.22
Unwinding of discount on security deposits at amortised cost	16.69	3.72
Gains on foreign exchange transactions and translations (net)	571.91	202.27
Mark to market gain on investments	382.63	521.15
Income from options (Derivative) [Refer Note 39]	-	109.72
Gain on account of lease modification*	21.60	18.15
Profit on sale of property, plant and equipement	-	2.73
Profit on sale of investments	310.12	204.69
Provision no longer required written back	-	94.52
Total other income	**4,696.93**	**2,476.67**

*Gain on account of lease modification represents gains arising from re-measurement of lease liabilities pursuant to lease modifications. Refer note 6

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26 COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock	40.14	126.82
Add: Purchases	6,416.91	5,305.65
Less: Closing stock	(339.45)	(40.14)
Total cost of materials consumed	**6,117.60**	**5,392.33**

27 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the beginning of the period		
- Finished goods	29.14	129.46
- Work-in-progress	1,905.38	1,716.95
	1,934.52	**1,846.41**
Less: Inventories at the end of the period		
- Finished goods	45.85	29.14
- Work-in-progress	2,126.12	1,905.39
	2,171.98	**1,934.53**
Net (increase)/decrease	**(237.45)**	**(88.12)**
Total materials consumed	**5,880.15**	**5,304.21**

28 SUB CONTRACTING CHARGES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Subcontracting charges	1,406.14	2,135.49
Total subcontracting charges	**1,406.14**	**2,135.49**

Subcontracting charges represent costs incurred for services obtained from third-party service providers and are recognised as an expense in the period in which the services are received.

29 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	4,137.47	4,275.40
Contribution to provident fund and other funds [Refer note 36(a)]	110.73	80.67
Gratuity expense [Refer note 36(b)]	251.14	63.56
Staff welfare expenses	279.64	233.27
Employee share-based compensation expense*	563.39	-
Total employee benefits expense	**5,342.37**	**4,652.90**

*Refer note 35 for details of Employee share-based compensation plan

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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30 FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on borrowings	404.98	334.38
Interest on income tax	-	8.07
Interest expense on lease liabilities (Refer note 6)	149.78	44.13
Interest on delayed payments to micro enterprises and small enterprises	2.99	4.92
Exchange difference on foreign currency borrowings	962.52	-
Other Borrowing Costs		
Loan processing fee	17.32	45.55
Unwinding of discount on deposits	1.22	-
Total finance costs	**1,538.81**	**437.05**

31 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment (Refer note 3)	2,118.92	874.75
Amortisation on right-of-use assets (Refer note 6)	426.82	150.31
Amortisation on intangible assets (Refer note 5)	80.37	31.17
Total depreciation and amortisation expense	**2,626.11**	**1,056.23**

32 OTHER EXPENSES

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
Consumption of stores and spares		453.75	347.27
Manpower contract expenses		1,265.55	759.64
Machinery rent (Short-term lease)*		25.33	3.70
Water, fuel and electricity charges		376.74	221.98
Repairs and maintenance			
Factory and building		52.41	43.46
Plant and Machinery		87.15	37.83
Others		18.67	20.37
Factory expenses		27.47	5.49
Freight outward charges		193.74	200.96
Security charges		84.84	31.34
Printing and stationery		18.28	22.44
Directors sitting fees		35.00	55.00
Information technology expenses		68.42	64.05
Insurance		22.65	15.67
Legal and professional charges		347.71	389.12
Recruitment expenses		5.21	21.74
Audit fees	32.1	67.74	56.54
Sales promotion		6.11	52.69
Expected credit loss allowance		-	80.10
Travelling and conveyance		344.32	301.85
Transportation charges		62.69	-

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Particulars		Year ended March 31, 2026	Year ended March 31, 2025
Communication expenses		2.81	4.35
Rates and taxes		53.64	34.75
Bank charges		35.83	11.05
Loss on foreign exchange transactions and translations (net)		1.76	-
Office expenses		27.07	24.20
Subscription charges		9.37	2.08
Rework and warranty costs		1.18	74.47
Contributions towards corporate social responsibility	41	114.02	100.86
Bad debts		-	0.74
Loss on Sale of Property, Plant & Equipment		89.54	-
Miscellaneous expenses		9.86	10.10
Total		**3,908.86**	**2,993.84**

*Machinery rent comprises payments for machinery taken on short-term lease arrangements, which are expensed on a straight-line basis

32.1 The following is the break-up of audit fees (exclusive of goods and service tax)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Audit fee		
As auditor:		
Statutory audit	36.00	41.50
Limited review	24.00	7.00
Reimbursement of expenses	7.74	8.04
Total audit fee	**67.74**	**56.54**

32.2 Expense incurred towards issue of equity shared adjusted with securities premium (Refer note 17.1)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expenses related to Pre-IPO issue (Private Placement) including audit services	-	701.75
Expenses related to IPO issue	-	1,520.45
Total	**-**	**2,222.20**

33 INCOME TAX

33.1 Income tax expense charged to the consolidated statement of profit and loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax		
- In respect of current period	1,718.82	1,606.93
- In respect of previous years	35.52	114.15
	1,754.34	**1,721.08**
Deferred tax - Origination and reversal of temporary differences		
- In respect of current period	(79.98)	116.24
Income tax expense charged to the consolidated statement of profit and loss	**1,674.36**	**1,837.32**
Deferred tax related to items recognised in other comprehensive income		
Remeasurements of post-employment defined benefit plans	**1.52**	**(4.94)**

(All amounts in INR Lakhs, unless otherwise stated)

33.2 Reconciliation of tax charge

	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	8,043.53	10,189.54
Income tax expense at tax rates applicable	25.17%	25.17%
Expected income tax expense/(benefit) at statutory tax rate	2,024.39	2,564.50
Tax effects of:		
- Item not deductible for tax		
Interest on delayed payments to micro enterprises and small enterprises	0.75	1.24
Adjustments for tax pertaining to earlier periods	35.52	114.15
Income tax relating to remeasurements of post-employment defined benefit plans	(1.52)	9.82
Disallowances	-	-
Others adjustments	(384.78)	(852.40)
Income tax expense	**1,674.36**	**1,837.32**

33.3 Deferred tax relates to the following:

Year ended March 31, 2026

Particulars	Assets	Liabilities	Net	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Total
Provisions	165.99	-	165.99	111.05	1.52	112.57
Trade receivables	32.23	-	32.23	16.18	-	16.18
Lease liabilities	368.49	-	368.49	49.22	-	49.22
Property, plant and equipment and intangible assets	-	(2.72)	(2.72)	15.38	-	15.38
Right-of-use assets	-	(334.60)	(334.60)	(21.85)	-	(21.85)
Other financial assets	-	-	-	17.21	-	17.21
Others	-	(20.32)	(20.32)	(20.32)	-	(20.32)
Investments	-	(185.77)	(185.77)	(89.93)	-	(89.93)
Deferred tax assets/(liabilities)	**566.71**	**(543.41)**	**23.30**	**76.94**	**1.52**	**78.46**

Year ended March 31, 2025

Particulars	Assets	Liabilities	Net	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	Total
Provisions	53.42	-	53.42	27.83	(4.94)	22.89
Trade receivables	16.05	-	16.05	10.32	-	10.32
Lease liabilities	319.27	-	319.27	293.07	-	293.07
Property, plant and equipment and intangible assets	-	(18.10)	(18.10)	(33.07)	-	(33.07)
Right-of-use assets	-	(312.75)	(312.75)	(291.11)	-	(291.11)
Other financial assets	-	(17.21)	(17.21)	(17.21)	-	(17.21)
Others	-	-	-	(0.47)	-	(0.47)
Investments	-	(95.84)	(95.84)	(95.84)	-	(95.84)
Deferred tax assets/(liabilities)	**388.74**	**(443.90)**	**(55.16)**	**(106.47)**	**(4.94)**	**(111.40)**

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33.4 Reconciliation of deferred tax assets/(liabilities) (net):

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	(55.16)	56.24
Tax asset/(liability) recognised in consolidated statement of profit and loss	78.46	(111.40)
Total	**23.30**	**(55.16)**

34 EARNINGS PER EQUITY SHARE

Basic earnings per equity share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
(a)	**Earnings used in calculating earnings per equity share**		
	Basic Earnings per share		
	Profit attributable to equity shareholders as per consolidated statement of profit and loss	6,328.30	8,345.66
	Diluted earnings per share		
	Profit attributable to equity shareholders as per consolidated statement of profit and loss	6,328.30	8,345.66
(b)	**Weighted average number of shares used as denominator**		
	Equity shares outstanding as at April 1	5,08,56,883	4,40,05,080
	Add: Increase in shares due to fresh issue on July 16, 2024	-	26,02,127
	Add: Increase in shares due to fresh issue on December 27, 2024	-	8,28,898
	Weighted average number of equity shares outstanding during the year for basic EPS	**5,08,56,883**	**4,74,36,105**
	Adjustments for calculation of diluted EPS:	-	-
	Add: Impact of Employee stock option scheme	84,886	-
	Weighted average number of equity shares adjusted for the effect of dilution	**5,09,41,769**	**4,74,36,105**

(c) EPS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic earnings per equity share (INR) (a/b)	12.44	17.59
Diluted earnings per equity share (INR) (a/b)	12.42	17.59

35 SHARE-BASED PAYMENT

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

The Group has share-based payment schemes “Unimech Employee Stock Option Plan 2024” for employees of the Group. In accordance with the terms of the plan, the Parent Company may grant options to eligible employees of the Group, as approved by the Nomination and Remuneration Committee (“Committee”). Each employee share

(All amounts in INR Lakhs, unless otherwise stated)

option confers the right to apply for and be allotted one equity share of the Parent Company at an exercise price, on satisfaction of the vesting conditions.

Employees Stock Option Plan 2024

Under the Unimech ESOP 2024, 98,526 options were granted on May 13, 2025 to eligible employees of the Group and would normally vest over a maximum period of 3 years from the date of grant, in proportions specified in the vesting schedule approved by the Committee. Options vest primarily on passage of time and are subject to service and loyalty conditions

The estimated weighted average contractual life of the options is approximately 3.08 years.

B. Measurement of fair values

Fair value of share options granted:

The weighted average fair value of the share options granted during the year is INR 972.45 per option. The fair value of the employee share options has been measured using the Black–Scholes valuation model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

Inputs into the model

Particulars	Option granted under Unimech ESOP 2024
Grant date share price	976.90
Exercise price	5.00
Expected volatility	50.00%
Option life	1.08 – 3.08 years
Dividend yield	0.00%
Risk-free interest rate	5.95% – 6.08%

C. Reconciliation of outstanding share options

The number of share options under the share option programme were as follows:

Employees stock option plan	For the year ended March 31, 2026
	Number of options
Options outstanding at the beginning of the year	-
Granted during the year	98,526
Exercised during the year	-
Forfeited during the year	3,686
Expired during the year	-
Options outstanding at the end of the year	**94,840**
Exercisable at the end of the year	-

The share options outstanding at the end of the reporting period had a weighted average exercise price of INR 5.00 and a weighted average remaining contractual life of approximately 3.08 years.

D. Share-based payment expense recognised during the year

The Group has recognised an employee share-based payment expense of INR 563.39 Lakhs during the year ended March 31, 2026 in the Group, in accordance with Ind AS 102. The expense has been recognised on a straight-line basis over the vesting period, based on the grant-date fair value of the options and the estimated number of options expected to vest after considering employee attrition.

The share-based payment expense has been included under Employee benefits expense in the consolidated statement of profit and loss.

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36 EMPLOYEE BENEFITS

(a) Defined contibtion plans

Contributions were made to provident fund and Employee State Insurance in India for the Group as per the regulations. These conrtibutions are made to registered funds administered by the Government of India. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any other contructive obligation.

During the year, the Group has recognised the following amounts in the Consolidated Statement of Profit and Loss:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Employer's contribution to provident fund	110.27	79.90
Employer's contribution to Employee State Insurance	0.46	0.77
	110.73	**80.67**

(b) Defined benefit plan- Gratuity

i) Information regarding gratuity plan

The Group has a defined benefit gratuity plan in India (Gratuity plan). The Gratuity plan is a final salary plan for India employees. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. This defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk. The present value of the defined benefit obligiation and the relevant service cost are measured using Projected Unit Credit Method, with actuarial valution being carried out at each reporting date.

ii) Reconciliation of defined benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	**216.00**	**54.25**
Interest cost	16.96	2.90
Benefits paid during the year	(0.06)	(0.88)
Liability Transferred In/Acquisitions		
Liability transferred out	-	-
Past service cost	102.41	
Current service cost	137.90	61.81
	257.22	**63.83**

Reconciliation for balances included in Statement of Profit/Loss

Particulars	As at March 31, 2026	As at March 31, 2025
Interest cost (Net)	10.84	1.75
Past service cost	102.40	-
Current service cost	137.90	61.81
Included in Statement of Profit/Loss (Refer note 29)	**251.14**	**63.56**

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(All amounts in INR Lakhs, unless otherwise stated)

iii) Reconciliation of defined benefit obligation (Contd.,)

	As at March 31, 2026	As at March 31, 2025
Remeasurement loss/(gain)		
Actuarial loss/(gain) arising from:		
Changes in demographic assumptions	54.14	26.06
Changes in financial assumptions	(72.60)	66.43
Experience adjustments	60.23	5.45
Included in other comprehensive income	**41.77**	**97.94**
Balance as at the end of the year	**514.98**	**216.01**

iv) Reconciliation of Planned Assets

	As at March 31, 2026	As at March 31, 2025
Opening balance	**32.19**	**29.93**
Interest on plan assets	6.13	2.16
Contribution by employer	120.00	-
Actuarial return on plan assets less interest on plan assets	0.17	0.11
Closing balance	**158.49**	**32.19**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation	514.98	216.01
Fair value of plan assets	158.49	32.19
Deficit of funded plans	**356.49**	**183.81**
Unfunded plans	-	-
Deficit before asset ceiling	**356.49**	**183.81**
Classified as:		
Non-current	246.49	83.81
Current	110.00	100.00

(c) Actuarial assumptions

	As at March 31, 2026	As at March 31, 2025
Discount rate (per annum)	7.59% & 7.73%	6.96% & 6.85%
Rate of future increase in salary	15.0%	15.0%
Expected return on planned assets	7.59% & 7.73%	6.96% & 6.85%
Attrition rate		
Employee served for 2 years and below	30.0%	
Employee served for 3 years and above	5.0%	
Employee served for 4 years and below		10% & 15%
Employee served for 5 years and above		5% & 7.50%

The weighted-average duration of the defined benefit obligation as at March 31, 2026 was 15-17 years (March 31, 2025: 20-16 years) for gratuity plan.

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(d) Categories of plan assets

Particulars	As at March 31, 2026	As at March 31, 2025
Assets under insurance schemes	100%	100%

(e) Sensitivity analysis

	As at March 31, 2026	As at March 31, 2025
Discount rate		
1% increase	(77.87)	(33.12)
1% decrease	70.81	30.82
Future increase in salary		
1% increase	35.90	21.13
1% decrease	(36.69)	(21.02)
Attrition rate		
1% increase	(22.71)	(16.28)
1% decrease	24.43	19.01

(f) Maturity analysis

Particulars	As at March 31, 2026	As at March 31, 2025
Within one year	12.27	3.03
Between one and two years	12.72	3.76
Between two and three years	13.06	5.20
Between three and four years	19.18	6.90
Between four and five years	21.99	9.46
Between five and ten years	147.32	59.73
Later than ten years	2,020.10	654.84

(g) Defined benefit plan- Longevity bonus

Longevity bonus liability is accrued for certain class of key managerial persons, as may be decided by the Board from time to time to recognise their immense contribution in driving the organisation, and payable upon their resignation or exit from the Company or substantial changes in the composition of the parent company's Board. Amount to be payable is calculated based on latest remuneration of the year multiplied by number of years. Longevity bonus is recognised as liability at the present value of the defined benefit obligation using actuarial valuation at the consolidated balance sheet date.

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	108.62	1,349.14
Interest cost	-	-
Benefits paid during the year	(43.81)	(1,240.52)
Current service cost/provision reversal	(64.81)	-
Actuarial (Gains)/Loss	-	-
Incremental obligation on termination*	-	-
Balance as at the end of the year	**-**	**108.62**

*Pursuant to board resolution dated March 30, 2024, Company terminated longevity scheme and recorded actual provision in the books of accounts.

(All amounts in INR Lakhs, unless otherwise stated)

Actuarial assumptions	**As at March 31, 2026**	**As at March 31, 2025**
Discount rate (per annum)	NA	NA
Expected return on Assets	NA	NA
Rate of future increase in salary	NA	NA
Attrition rate		
Employee served for 4 years and below	10% & 15%	10% & 15%
Employee served for 5 years and above	5% & 7.5%	5% & 7.5%
Classified as:		
Non-current	-	-
Current	-	108.62

(h) Liabilities for Compensated absences

The liabilities for compensated absences relate to the Group's liabilities for earned leave which are classified as other long-term employee benefits. The entire amount of the above liabilities are presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The liabilities for compensated absences not expected to be settled within the next 12 months amounts to INR 401.65 Lakhs (March 31, 2025: INR 237.85 Lakhs). Expense recognised in consolidated statement of profit and loss for the year (Note 29) amounts to INR 277.81 Lakhs (March 31, 2025: INR 205.68 Lakhs).

37 RELATED PARTY DISCLOSURES

In accordance with the requirements of Ind AS - 24 'Related party disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

37.1 Names of related parties and description of relationship:

Particulars	**Country of incorporation and principal place of business**	**Principal activities**	**Proportion of ownership interest**	
			As at March 31, 2026	**As at March 31, 2025**
Subsidiaries				
Innomech Aerospace Toolings Private Limited	India	Manufacturing of aerospace tools	99.99%	99.99%
Unimech Global Manufacturing Solutions Inc	United States of America	Manufacturing of aerospace tools	0.00%	NA
Associate				
Dheya Engineering Technologies Private Limited (Refer note 7.1)	India	Design, development, manufacturing, sales and servicing of micro gas turbines.	29.99%	16.94%

Key Managerial Personnel (KMP)

Mr Anil Puttan Kumar - Managing Director and Chairman

Mr Ramakrishna Kamojhala - Whole Time Director and Chief Financial Officer

Mr Mani Puttan - Whole Time Director

Mr Preetham Venkatesh Shimoga - Whole Time Director

Mr Rajanikanth Balaraman - Whole Time Director

Mr Krishnappayya Desai - Company Secretary (From March 11, 2024 and upto April 05, 2025)**

Mr Akash Shetty - Company Secretary (From June 25, 2025 upto March 03, 2026) **

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Independent Directors

Mr Mukund Srinath (from July 03, 2024)

Mr Ashok Tandon (from July 03, 2024)

Mr Pavan Krishnamurthy (from July 03, 2024)

Mrs. Vidya Rajarao (from July 03, 2024)

Mr Ranganathan Sridhar (from July 03, 2024)

* The Company incorporated Unimech Global Manufacturing Solutions Inc. on May 29, 2024, in Delaware, United States. As at the reporting date, the Company has not made investment into the subsidiary and operations have not yet commenced.

Refer note 51 for details on Joint Venture Shareholders' Agreement with Yusuf Bin Ahmed Kanoo Company Limited

** During the year, there was a change in the Company Secretary and Compliance Officer of the Company

37.2 Details of transactions with related parties for the year ended:

Particulars		As at March 31, 2026	As at March 31, 2025
	Key Management Personnel		
(a)	**Employee Benefit expenses**		
	Managerial remuneration*		
	Mr Anil Kumar Puttan**	180.00	180.00
	Mr Mani Puttan**	144.00	144.00
	Mr Preetham Shimoga**	144.00	144.00
	Mr Rajanikanth Balaraman**	144.00	144.00
	Mr Ramakrishna Kamojhala**	144.00	144.00
	Mr Krishnappayya Desai	0.22	16.11
	Mr Akash Shetty	16.88	-
(b)	**Other expenses - Sitting fees**		
	Mr Mukund Srinath (from July 03, 2024)	6.00	11.00
	Mr Ashok Tandon (from July 03, 2024)	8.50	12.00
	Mr Pavan Krishnamurthy (from July 03, 2024)	7.50	12.50
	Mrs. Vidya Rajarao (from July 03, 2024)	5.50	11.00
	Mr Ranganathan Sridhar (from July 03, 2024)	7.50	8.50
(c)	**Sale of products and services**		
	Dheya Engineering Technologies Private Limited	19.29	-

*Managerial remuneration does not include cost of employee benefits such as other long term employee benefits. Since, provision for long term employee benefits are based on an actuarial valuation carried out for the Group as a whole and not determined at individual employee level.

37.3 Outstanding balances in relation to related parties

Particulars		As at March 31, 2026	As at March 31, 2025
	Key Management Personnel		
(a)	**Employee benefits payable**		
	Mr Anil Kumar Puttan	10.04	9.67
	Mr Mani Puttan	8.12	7.86
	Mr Preetham Shimoga	8.12	7.86
	Mr Ramakrishna Kamojhala	8.12	7.86
	Mr Rajanikanth Balaraman	8.12	8.43

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		As at March 31, 2026	As at March 31, 2025
	Mr Krishnappayya Desai	-	1.16
	Mr Akash Shetty	0.20	0
(b)	**Employee benefits payable and other payable**		
	Provisions for variable pay for directors	503.00	503.00
(c)	**Longevity Bonus payable to the Whole Time Director and Managing Director**	-	108.63
(d)	**Other expenses - Sitting fees payable**		
	Mr Mukund Srinath	1.00	0.50
	Mr Ashok Tandon	1.00	0.50
	Mr Pavan Krishnamurthy	1.50	0.50
	Mrs. Vidya Rajarao	1.00	0.50
	Mr Ranganathan Sridhar	1.00	0.50
(e)	**Associate**		
	Dheya Engineering Technologies Private Limited		
	Receivables	6.04	-

37.4 Terms and conditions of transactions with related parties

The borrowings of the Group are secured by personal guarantees of Directors of the Group. Further, the Group has also given guarantee for various borrowing arrangements entered into by Innomech Aerospace Toolings Private Limited which is an wholly owned subsidiary of the Holding Company. Transactions with related parties were made in the ordinary course of business and on an arm's length basis.

37.5 The Group's borrowings are secured by personal guarantees provided by the promoters of the Company, and they are not charging the Company any fees for the same.

38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

38.1 The Group is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the board of directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

38.2 Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of the financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus the Group's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Group manages its interest rate risk by having a balanced portfolio of fixed borrowings amounting to Nil (March 31, 2025: Nil) and variable rate borrowings amounting to INR 11,208.72 Lakhs (March 31, 2025: INR 7,161.87 Lakhs).

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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax will be affected through the impact on floating rate borrowings, as follows:

Particulars	As at	Closing balance	Impact on profit before tax	
			1% Increase	1% Decrease
Variable rate borrowings	March 31, 2026	11,208.73	112.09	(112.09)
Variable rate borrowings	March 31, 2025	7,161.87	71.62	(71.62)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

The Group is exposed to foreign currency risk arising from transactions denominated in foreign currencies, primarily with respect to trade receivables, trade payables and other monetary items. The Group manages foreign currency risk through appropriate risk management policies. As at the reporting date, the following foreign currency exposures were not hedged.

Foreign currency sensitivity

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Unhedged Foreign Currency Exposure

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount in foreign currency	Amount in INR Lakhs	Amount in foreign currency	Amount in INR Lakhs
USD receivable	95,73,111	8,421.33	63,12,618.49	5,399.09
USD payable	43,75,543	(3,869.11)	80,92,768.37	(6,933.60)
EEFC Bank balances	2,69,462	254.14	33,096.23	30.18
GBP receivable	7,493	8.68	3,540.00	3.92
GBP payable	33,639	(35.75)	1,309.55	(1.45)
Euro receivable	15,99,788	1,654.92	3,36,846.79	311.92
Euro payable	2,13,277	(219.85)	6,05,278.29	(560.54)

Foreign currency sensitivity

Particulars	Impact on profit before tax	
	As at March 31, 2026	As at March 31, 2025
USD sensitivity		
INR/USD – increase by 1%	45.52	(15.35)
INR/USD – decrease by 1%	(45.52)	15.35
GBP sensitivity		
INR/GBP – increase by 1%	(0.27)	0.02
INR/GBP – decrease by 1%	0.27	(0.02)
EURO sensitivity		
INR/EURO – increase by 1%	14.35	2.49
INR/EURO – decrease by 1%	(14.35)	(2.49)

(All amounts in INR Lakhs, unless otherwise stated)

38.3 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's receivables, deposits, cash held with banks and financial institutions. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Group does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Group does not foresee any credit risks on other financial assets.

To manage the credit risks arising from customers, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivables.

The movement in expected credit loss is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	93.95	35.47
Add: Provision for expected credit loss	-	58.48
Less: Amounts written off/reversed	-	-
Closing balance	**93.95**	**93.95**

Credit Risk Exposure Matrix

As at March 31, 2026

Particulars	Not Due (Current)	< 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years
ECL rate	0.92%	4.62%	7.31%	-	-	-
Gross carrying amount at default	55.21	36.74	2.00	-	-	-
Total						**93.95**

As at March 31, 2025

Particulars	Not Due (Current)	< 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years
ECL rate	1.13%	1.77%	13.69%	17.06%	27.50%	16.10%
Gross carrying amount at default	40.06	37.17	4.83	10.02	1.83	0.04
Total						**93.95**

The movement in provision for liquidated damages is as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	152.63	172.47
Add: Provision created during the year	83.72	17.01
Less: Utilised during the year	(16.01)	(36.85)
Closing balance	**220.33**	**152.63**

Refer note 11 for aging of Expected credit allowance and Liquidated damages

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

38.4 Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of committed credit lines. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

As at March 31, 2026

Particulars	Notes	Contractual cash flows				
		Carrying amount	0-1 year	1-3 years	More than 5 years	Total
Current borrowings	20 (b)	8,460.79	8,967.72	-	-	8,967.72
Long-term borrowings	20 (a)	2,747.94	-	3,289.85	516.41	3,806.26
Lease liabilities	6	1,464.12	416.52	896.56	439.31	1,752.40
Trade payables	21	1,887.72	1,887.72	-	-	1,887.72
Other financial liabilities	18	2,044.27	2,044.27	-	-	2,044.27
Total		**16,604.84**	**13,316.22**	**4,186.41**	**955.72**	**18,458.36**

As at March 31, 2025

Particulars	Notes	Contractual cash flows				
		Carrying amount	0-1 year	1-3 years	More than 5 years	Total
Current borrowings	20 (b)	3,744.24	3,744.24	-	-	3,744.24
Long-term borrowings	20 (a)	3,417.63	-	759.54	2,670.44	3,429.98
Lease liabilities	6	1,268.55	231.96	534.13	502.46	1,268.55
Trade payables	21	1,610.05	1,610.05	-	-	1,610.05
Other financial liabilities	18	2,669.88	2,669.88	-	-	2,669.88
Total		**12,710.35**	**8,256.12**	**1,293.67**	**3,172.90**	**12,722.70**

*The amounts are inclusive of interest

39 FAIR VALUE MEASUREMENTS

39.1 The carrying amounts of financial assets and liabilities by categories

At amortised cost

Particulars	Category	Notes	As at March 31, 2026	As at March 31, 2025
Financial assets				
Trade receivables	Amortised Cost	11	6,479.84	5,498.30
Cash and cash equivalents	Amortised Cost	12	3,715.40	14,176.94
Bank balances other than cash and cash equivalents	Amortised Cost	13	8,623.53	75.00
Investments (current)	FVTPL**	7	46,840.91	33,857.69
Other financial assets (non-current)	Amortised Cost	8	720.08	167.50
Other financial assets (current)	Amortised Cost	14	96.28	3,481.30
Income from options (Derivative)	FVTPL**	14	-	109.72
Total financial assets			**67,590.54**	**57,859.87**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Category	Notes	As at March 31, 2026	As at March 31, 2025
Financial liabilities*				
Borrowings (non-current)	Amortised Cost	20 (a)	2,747.94	3,417.63
Borrowings (current)	Amortised Cost	20 (b)	8,460.79	3,744.24
Trade payables	Amortised Cost	21	1,887.72	1,610.05
Other financial liabilities (current)	Amortised Cost	18	2,044.27	2,669.88
Total financial liabilities			**15,140.72**	**11,441.80**

*Excluding lease liabilities

** Fair value through profit and loss

39.2 Fair value hierarchy

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial assets measured at fair value - recurring fair value measurements	Hierarchy	Notes	As at March 31, 2026	As at March 31, 2025
Investments (Current)	Level 1	7	46,840.91	33,857.69
Income from options (Derivative)	Level 2	14	-	109.72

39.3 Methods and assumptions

The management assessed that the fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities and borrowings approximate the carrying amount largely due to short-term maturity of this instruments. There is an active market for the Group's quoted equity shares and fair value is based on quoted market prices. Income from option derivatives is measured at fair value based on observable market prices and valuation techniques using market-observable inputs.

39.4 Valuation techniques, significant unobservable inputs and relationships to fair value

The following table sets out the valuation techniques used in the determination of fair values including the key unobservable inputs used and the relationship between unobservable inputs to fair value.

Item and valuation approach	Significant unobservable inputs	Relationship between Unobservable inputs to fair value
Unlisted equity securities **DCF method**	Weighted average cost of capital (19.92% – 20.93%; weighted average 20.93%) (March 31, 2025: NA) - Long term revenue growth rate (5%) (March 31, 2025: NA) - Long-term pre-tax operating margin (Based on projected cash flows for the period December 2025 to March 2030) (March 31, 2025: NA)	Increase in long-term revenue growth rate and long-term pre-tax operating margin by 1% and decrease in weighted average cost of capital by 100 basis points would result in an increase in fair value. Decrease in long-term revenue growth rate and long-term pre-tax operating margin by 1% and increase in weighted average cost of capital by 100 basis points would result in a decrease in fair value.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

Item and valuation approach	Significant unobservable inputs	Relationship between Unobservable inputs to fair value
Contingent consideration DCF method	Expected cash outflows (INR 500 Lakhs – INR 552.51 Lakhs) (March 31, 2025: NA)	1% increase (decrease) in expected cash outflows would result in a corresponding increase (decrease) in fair value of contingent consideration.
	Risk-adjusted discount rate (8.50%) (March 31, 2025: NA)	Change in discount rate by 100 basis points would result in an inverse movement in fair value of contingent consideration.

40 OTHER REGULATORY INFORMATION

40.1 Title deeds of immovable properties not held in name of the Group

The Group did not own any immovable properties whose title deeds are not held in the name of the Group for the year ended March 31, 2026 and March 31, 2025.

40.2 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 and Rules made thereunder for the year ended March 31, 2026 and March 31, 2025.

40.3 Borrowings secured against current assets

The Group has borrowings from banks or financial institutions on the basis of security of current assets.

40.4 Wilful defaulter

The Group has not been declared as wilful defaulter by any bank or financial institution or government or any government authority for the year ended March 31, 2026 and March 31, 2025.

40.5 Relationship with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended March 31, 2026 and March 31, 2025.

40.6 Registration of charges or satisfaction with Registrar of Companies

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year end for the year ended March 31, 2026 and March 31, 2025.

40.7 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017 for the year ended March 31, 2026 and March 31, 2025.

40.8 Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme(s) of arrangement which has an accounting impact on current or previous financial year for the year ended March 31, 2026 and March 31, 2025.

40.9 Utilisation of borrowed funds and share premium:

No funds have been advanced or loaned or invested by the Group to or in any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding, that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(All amounts in INR Lakhs, unless otherwise stated)

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

40.10 Undisclosed income

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961 for the year ended March 31, 2026 and March 31, 2025.

40.11 Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous financial year for the year ended March 31, 2026 and March 31, 2025.

40.12 Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such borrowings were taken for the year ended March 31, 2026 and March 31, 2025.

41 CORPORATE SOCIAL RESPONSIBILITY (CSR)

	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the respective entities in the Group during the year and approved by the board	138.84	71.56
Carry forward from previous year	33.31	3.78
Amount of expenditure incurred	114.02	100.86
Amount of shortfall for the year	-	-
Amount of cummulative shortfall at the end of the year	-	-
Excess spent carry forward to next year	8.48	33.31
Nature of CSR activities	Apprenticeship Training under Apprentices Act, 1961	Apprenticeship Training under Apprentices Act, 1961

42 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 the Holding Company and 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 entity	Principal activities	Country	Ownership Interest held by the Company	
			As at March 31, 2026	As at March 31, 2025
Innomech Aerospace Toolings Private Limited**	Manufacture of aerospace tools	India	100.00%	100.00%
Unimech Global Manufacturing Solutions Inc.(With effect from May 29, 2024)	Manufacture of aerospace tools	United States	0.00%	0.00%

** Includes shares held by nominee shareholder

There were no ownership interests held by non-controlling shareholders during the reporting period or the prior periods.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts in INR Lakhs, unless otherwise stated)

b) Additional information, as required under schedule III of the Companies Act, 2013

Balance as at March 31, 2026

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Unimech Aerospace and Manufacturing Limited	74.73%	55,108.40	34.46%	2,180.79	0.00 %	4.25	34.77 %	2,185.32
Subsidiaries								
Indian								
Innomech Aerospace Toolings Private Limited	25.57%	18,855.12	65.32%	4,133.78	109.80 %	(47.65)	65.02%	4,086.13
Less: Elimination entries	(0.30)%	(224.51)	0.22%	13.72	-	-	(0.21)%	13.45
Total	**25.27%**	**18,630.61**	**65.54%**	**4,147.50**	**109.80%**	**(47.65)**	**64.80%**	**4,099.58**
Total	**100.00%**	**73,739.01**	**100.00%**	**6,328.30**	**109.80%**	**(43.40)**	**99.57%**	**6,284.90**

Balance as at March 31, 2025

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Unimech Aerospace and Manufacturing Limited	78.21%	52,312.26	22.79%	1,901.60	15.97%	(14.67)	22.86%	1,886.93
Subsidiaries								
Indian								
Innomech Aerospace Toolings Private Limited	22.08%	14,768.08	77.40%	6,459.82	84.03%	(77.20)	77.33%	6,382.62
Less: Elimination entries	(0.28)%	(189.62)	(0.19)%	(15.77)	0.00%	-	0.00%	(15.77)
Total	**21.79%**	**14,578.46**	**77.21%**	**6,444.05**	**84.03%**	**(77.20)**	**77.14%**	**6,366.84**
Total	**100.00%**	**66,890.75**	**100.00%**	**8,345.65**	**100.00%**	**(91.87)**	**100.00%**	**8,253.77**

(All amounts in INR Lakhs, unless otherwise stated)

43 CAPITAL MANAGEMENT

The Group's objectives when maintaining capital are:

(a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk. The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of the net debt to adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as the total borrowings and lease liabilities less cash and cash equivalents and other bank balances. Adjusted capital includes all components of equity other than amounts accumulated in cash flow hedging reserve.

The debt-to-capital ratios were as follows:

	Note no	As at March 31, 2026	As at March 31, 2025
Total equity	(i)	**73,739.01**	**66,890.72**
Total debt		12,672.85	8,430.42
Less: cash and cash equivalents		(3,715.40)	(14,176.94)
Net debt	(ii)	**8,957.45**	**(5,746.52)**
Net Debt-to- adjusted capital ratio	(ii)/(i)	12.15%	(8.59%)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

The Group is not subject to any externally imposed capital commitments.

44 THE CODE ON SOCIAL SECURITY 2020

During the year ended March 31, 2026, the Central Government of India has notified 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, collectively referred to as the 'New Labour Codes', effective from November 21, 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity.

The new Labour Codes introduced by the Government of India, inter alia, requires gratuity to be calculated based on wages constituting at least 50% of total remuneration. This has resulted in an increase in gratuity benefits in respect of services rendered in prior periods, and accordingly, expense recognised in Consolidated Statement of Profit or Loss includes past service cost amount of INR 102.4 Lakhs as recognised in the current period on account of change in new labour code of salary definition change. In accordance with Ind AS 19, the past service cost has been recognised in the Consolidated statement of profit and loss in the current year in which the plan amendment became effective.

45 ASSETS HYPOTHECATED AS SECURITY

The assets disclosed below have been hypothecated as common security for current and non-current borrowings: The carrying amounts of assets hypothecated as security for current and non-current borrowings are:

	As at March 31, 2026	As at March 31, 2025
Non-current assets		
Land (right-of-use assets)	531.02	536.75
Factory building	3,861.04	3,940.03
Plant and machinery	11,708.63	9,582.81

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2026	As at March 31, 2025
Furniture and fixtures	154.21	173.35
Computers	128.12	179.62
Office equipment	188.43	199.33
Vehicles	75.97	89.87
Total non-current assets hypothecated as security	**16,647.42**	**14,701.76**
Current assets		
Inventories	2,511.42	1,974.67
Investments	46,840.91	33,857.69
Trade receivables	6,479.84	5,498.30
Cash and cash equivalents	3,715.40	14,176.94
Bank balances other than cash and cash equivalents	8,623.53	75.00
Other financial assets	96.28	3,591.02
Current tax assets (net)	106.03	248.36
Other current assets	1,209.98	1,135.38
Total current assets hypothecated as security	**69,583.39**	**60,557.36**
Total assets hypothecated as security	**86,230.81**	**75,259.12**

Refer note 20 for details of borrowing obtained by Group.

46 COMMITMENTS AND CONTINGENT LIABILITIES

		As at March 31, 2026	As at March 31, 2025
a.	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for:		
	Property plant and equipment	1,153.77	2,787.89
		1,153.77	**2,787.89**
b.	**Contingent liabilities**		
	Claims against the Group not acknowledged as debts		
	Towards Goods and services taxes demand*	-	384.40
		-	**384.40**

*During the year 2024-25, the Group received an order dated February 17, 2025, under Section 73(9) of the IGST/CGST Act, 2017, pursuant to completion of a GST audit, which included a demand amounting to INR 384.40 Lakhs. Subsequently, the Group filed a rectification application with the Deputy Commissioner of Commercial Taxes on May 15, 2025. Further, communication was received on July 04, 2025, confirming that the matter has been closed by the GST department.

47 DEFERRED TAX ASSETS – NON-RECOGNITION BY SUBSIDIARY

Innomech Aerospace Toolings Private Limited, a subsidiary of the Group, has not recognised deferred tax assets on unused tax losses and deductible temporary differences as at the reporting date, in accordance with Ind AS 12 – Income Taxes, due to uncertainty regarding the availability of sufficient future taxable profits against which such assets can be utilised.

The Group is currently eligible for a tax holiday under the provisions of the Income Tax Act, 1961, up to FY 2034–35 and is therefore subject to Minimum Alternate Tax (MAT) provisions during this period. Accordingly, MAT credit entitlement has been recognised to the extent considered recoverable based on management's assessment. The MAT credit recognised in the books is as follows:

As at March 31, 2026: INR 2,616.73 Lakhs

As at March 31, 2025: INR 2,836.19 Lakhs

The recoverability of MAT credit is reviewed at each reporting date based on projected future taxable profits.

(All amounts in INR Lakhs, unless otherwise stated)

48 The Company has estimated IPO-related expenses aggregating to INR 3,814.30 Lakhs and allocated such expenses between the Company (INR 1,908.90 Lakhs) and the Selling Shareholder (INR 1,905.40 Lakhs) in proportion to the equity shares allotted to the public under the fresh issue by the Holding Company and the offer for sale by the Selling Shareholder, respectively. The Company has received proceeds of INR 23,091.10 Lakhs, net of IPO expenses amounting to INR 1,908.90 Lakhs, from the fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below. Further, out of the IPO expenses of INR 1,908.90 Lakhs, an amount of INR 220 Lakhs remains unutilised as at March 31, 2026.

(Amount in Lakhs)

Objects of the issue as per prospectus	Amount proposed in offer document	Revised amounts as per shareholder's approval	Amount utilised till March 31, 2026	Amount remaining un-utilised as on March 31, 2026
1. Funding of capital expenditure for expansion through purchase of machineries and equipment by Holding company;	3,636.60	2,354.00	2,354.00	-
2. Funding working capital requirements of Holding company;	2,528.50	2,528.50	1,346.00	1,182.50
3. Investment in Material Subsidiary for:				
a) Funding of capital expenditure for expansion through purchase of machineries and equipment;	4,389.10	3,543.00	3,543.00	-
b) Funding its working capital requirements; and	4,471.50	4,471.50	2,333.00	2,138.50
c) Repayment/prepayment, in full or part, of certain borrowings;	4,000.00	-	-	-
4. Merger & Aquisition, Joint Ventures and Greenfield Projects	-	6,128.70	-	6,128.70
5. General corporate purposes	4,065.40	4,065.40	4,065.40	-
Net Proceeds	**23,091.10**	**23,091.10**	**13,641.40**	**9,449.70**

49 SEGMENT REPORTING

(a) The Group operates in a single segment, specifically the "manufacture and sale of tooling and components for the aerospace sector." The information provided to the Chief Operating Decision Maker (CODM) for resource allocation and performance assessment is focused on this segment. Consequently, the figures presented in these consolidated financial statements pertain solely to this operating segment.

(b) Refer to note 24.1 for breakup of the Group's revenue by primary geographical market.

(c) During the year ended March 31, 2026, revenue from operations of three customers represented approximately - 72.37% (March 31, 2025: three, 87.60%) customers represented approximately 44.50% (March 31, 2025: 66.46%), 14.12% (March 31, 2025: 11.61%) and 13.75% (March 31, 2025: 9.54%) of the Group's revenue from operations respectively.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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(All amounts in INR Lakhs, unless otherwise stated)

50 The Holding company executed a Joint Venture Shareholders' Agreement with Yusuf Bin Ahmed Kanoo Group Limited ("YBA Kanoo") to establish an Advanced Precision Machining and Remanufacturing Facility in Dammam, Saudi Arabia, proposed to operate under the name "YBAK Unimech Advanced Manufacturing Solutions LLC". The entity will be established with Group holding a stake of 51% and YBA Kanoo holding 49%, operating as a standalone manufacturing platform in Saudi Arabia. No financial investment has been made as at March 31, 2026.

51 SUBSEQUENT EVENTS

(a) Subsequent to the year ended March 31, 2026, the Group entered into definitive agreements to acquire Hobel Bellows Private Limited and Hobel Bellows Co., and the acquisition was completed on April 27, 2026. The Group acquired a 100% controlling stake in these entities, which are specialised manufacturers of metallic bellows and precision-engineered assemblies. The acquisition was carried out through the Company and its wholly-owned subsidiary and involved a total investment of up to INR 45,000 Lakhs. The consideration for the acquisition has been structured through a combination of equity, debt, and compulsorily convertible debentures (CCDs). This acquisition is intended to strengthen the Group's manufacturing capabilities and expand its offerings in higher-value engineered assemblies across both domestic and export markets.

Subsequent to year ended March 31, 2026, Uniflux Renewable Energy Private Limited was incorporated on April 27, 2026. The Company is wholly owned subsidiary of Unimech Aerospace and Manufacturing Limited. It has been incorporated to carry on the business of engineering, innovation, manufacturing and production, and to undertake engineering, procurement and commissioning (EPC) projects relating to green energy, renewable energy and clean energy.

As per our report of even date attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No: 105047W/W101187

For and on behalf of the Board of Directors of
Unimech Aerospace and Manufacturing Limited
(formerly known as Unimech Aerospace and Manufacturing Private Limited)
CIN: L30305KA2016PLC095712

Pankaj S Bhauwala Partner Membership No: 233552	**Anil Puttan Kumar** Chairman and Managing Director DIN: 07683267	**Ramakrishna Kamojhala** Whole-time Director and Chief Financial Officer DIN: 07004517	**Rashmi Gupta** Company Secretary ICSI Membership no: A25382
Place: Bengaluru Date: May 28, 2026	Place: Bengaluru Date: May 28, 2026	Place: Bengaluru Date: May 28, 2026	Place: Bengaluru Date: May 28, 2026

unimech

UNIMECH AEROSPACE AND MANUFACTURING LIMITED

Plot No. 167, Sy. No. 74/1 and 74/2 Hitech Defense and Aerospace Park Industrial Area, Arebinnamangala Village, Jala Hobli, Bengaluru North Taluk, Bengaluru, Karnataka, 562149,

CIN: L30305KA2016PLC095712, **E-mail Id:** investorrelations@unimechaerospace.com,

Website: www.unimechaerospace.com, **Tel. No.:** +91 6364900858.

NOTICE TO MEMBERS

Notice is hereby given that the **Tenth (10th) Annual General Meeting (AGM)** of the Members of **Unimech Aerospace and Manufacturing Limited** ('the Company') will be held at 11:00 AM (IST) on Friday, August 28, 2026, through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mani Puttan (DIN: 08042129), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. **To consider and approve the raising of funds by way of qualified institutions placement to eligible investors through issuance of securities by the Company:**

   To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c), 179 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof), Depositories Act, 1996, the Foreign Exchange Management Act, 1999 and the rules and regulation framed thereunder, as amended (the '**FEMA**'), including the Foreign Exchange Management (Non-debt Instruments) Regulations, 2019, as amended and in accordance with any other applicable laws, rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the '**GoI**'), the Reserve Bank of India (the '**RBI**'), and the Securities and Exchange Board of India (the 'SEBI'), BSE Limited ('**BSE**'), the National Stock Exchange of India Limited on which the Company's shares are listed ('**NSE**' and together with BSE the '**Stock Exchanges**'), Ministry of Corporate Affairs ('**MCA**'), the Registrar of Companies, Karnataka at Bengaluru, and including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the '**SEBI ICDR Regulations**'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the '**Listing Regulations**'), the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements entered into by the Company with the Stock Exchanges (the '**Listing Agreements**') and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, MCA, RBI, GoI or any concerned statutory, regulatory, governmental or any other authority and subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the '**Board**', which term shall include any committee thereof which the Board may have duly constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution), the consent, authority and approval of the members of the Company be and is hereby accorded to raise further capital and to create, offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, for such part of issue and for such categories of persons as may be permitted by applicable law), such number of fully paid-up equity shares of face value of Rs. 5 each ('**Equity Shares**'), and/or convertible securities (including warrants, or otherwise, in registered or

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bearer form) (all of which are hereinafter referred to as '**Securities**') or any combination of the Securities thereof in accordance with the applicable laws, in such manner in consultation with the placement agent/ lead manager / book running lead manager and/or other advisor(s) or otherwise, for an aggregate consideration not exceeding Rs. 750,00,00,000 only (Rupees Seven Hundred and Fifty Crore only) or an equivalent amount thereof (inclusive of such premium or discount, as the case may be, as may be fixed on such Securities), in one or more tranches, whether Rupee denominated or denominated in one or more foreign currencies, in the course of domestic and / or international offering(s) in one or more foreign markets, at such price or prices as may be permissible under applicable law by way of a qualified institutions placement ('**QIP**') of Securities in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations and other applicable laws, or through any other permissible mode and/or combination thereof as may be considered appropriate under applicable law, through issue of placement document to eligible investors that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers ('**QIB**') in accordance with the SEBI ICDR Regulations, or otherwise, foreign/ resident investors (whether institutions, incorporated bodies, mutual funds, trusts, individuals or otherwise), venture capital funds (foreign or Indian), alternative investment funds, foreign portfolio investors, qualified foreign investors, Indian and/ or foreign multilateral financial institutions, mutual funds, insurance companies, banks, non-resident Indians, pension funds and/ or any other categories of investors as may be permissible under applicable laws, whether they be holders of the Securities or not (collectively called the '**Investors**') to all or any of them, jointly or severally through an offer/placement document and/ or other letter or circular ('**Offering Circular**') as may be deemed appropriate, as may be decided and permitted under applicable laws and regulations, and on terms and conditions, including the terms of the issuance, security, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including the terms of the issuance, security as may be deemed appropriate including the discretion to determine the categories of Investors to whom the offer, issuance and allotment of such Securities shall be made, with authority to retain oversubscription up to such percentage as may be permitted under applicable regulations and for such objects or purposes, in such manner and on such terms as may be deemed appropriate by the Board at its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the lead manager/ book running lead manager/and or placement agents and/or underwriter(s) and/or other advisor(s).

RESOLVED FURTHER THAT the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company. If any issue of Equity Shares is made such Equity Shares shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT if any issue of Equity Shares is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the allotment of such Equity Shares, as may be decided by the Board shall be completed within a period of 365 days from the date of this resolution, or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

RESOLVED FURTHER THAT any issue of Equity Shares made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the '**QIP Floor Price**'), with the authority to the Board to offer a discount of not more than five percent or such percentage as permitted under applicable law on the QIP Floor Price.

RESOLVED FURTHER THAT in the event Equity Shares are proposed to be allotted to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (or relevant committee thereof) decides to open the proposed issue of such Equity Shares (the 'Issue') or any other date in accordance with applicable law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead managers, underwriters, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed for, involved in or concerned with the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.

RESOLVED FURTHER THAT Mr. Anil Kumar Puttan (Chairman and Managing Director), Mr. Ramakrishna Kamojhala (Whole-Time Director and Chief Financial Officer), Mr. Mani Puttan (Whole-Time Director), Mr. Rajanikanth Balaraman (Whole-Time Director) and Mr. Preetham Venkatesh Shimoga (Whole-Time Director), be and are hereby severally authorised to further sign, execute, deliver and complete all documentation on behalf of the Company in relation to the aforesaid resolution, in connection with the Issue, to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalisation and approval of the draft offer document(s) and final offer document(s), seeking listing of shares and credit thereof, determining the form and manner of the Issue, finalisation of the timing of the Issue, identification of the investors to whom the securities are to be allotted, determining the issue price, face value, execution of various transaction documents, signing of declarations, utilisation of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the Issue, the Board of Directors either by itself or through a special committee of the Board so constituted be and are hereby authorised to obtain approvals, statutory, contractual or otherwise, in relation to the Issue and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Equity Shares."

4. **To grant Loans, give Guarantees and/or provide Security to any bodies corporate/person(s) and Investments in any bodies corporate in excess of limits specified under Section 186 of the Companies Act, 2013:**

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of the resolution(s) passed earlier and pursuant to the provisions of Section 186 of Companies Act, 2013 and such other applicable provisions of the Companies Act, 2013, read with the Companies (Meetings of Board and its Power) Rules, 2014 and other applicable Rules, Regulations, Guidelines framed thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors to:

(a) give any loan to any body corporate(s) / person (s);

(b) give any guarantee or provide security in connection with a loan to any body corporate(s) / person (s); and

(c) acquire by way of subscription, purchase or otherwise, securities of any body corporate;

from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial in the interest of the Company, up to an amount of Rs. 20,00,00,00,000 (Rupees Two Thousand Crores Only) over and above the limits mentioned under Section 186 (2) of the Companies Act, 2013.

RESOLVED FURTHER THAT in terms of the provisions of Rule 11 of the Companies (Meetings of Board and its powers) Rules, 2014 and Section 186 and other applicable provisions of the Companies Act, 2013 the aforesaid mentioned limits do not apply and is in addition to:

A. any loan given to its wholly owned subsidiary company or any guarantee or security provided in respect of any loan availed by its wholly owned subsidiary company.

B. any guarantee given or security provided by a holding company in respect of loan made by any bank or financial institution to its subsidiary company.

C. acquisition made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient for implementation of the above resolution and matters connected therewith

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or incidental thereto including but not limited to delegation of all or any of the powers herein conferred to any Committee or any director(s) or any other officer(s) of the Company, or to settle any questions, difficulties or doubts that may arise with regard to the above resolution, without being required to seek any further clarification, consent or approval of the Members.

RESOLVED FURTHER THAT this resolution shall remain in full force and effect until amended or rescinded by the Board and a new resolution is passed by the members in this connection."

5. **To consider and grant approval to advance any Loan/ give Guarantee/provide Security under Section 185 of the Companies Act, 2013:**

   To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modifications or re-enactments thereof for the time being in force) approval of the Board be and is hereby accorded to recommend to the shareholders the approval for advancing loan(s) in one or more tranches including loan represented by way of book debt to, and/or giving guarantee(s), and/or providing security(ies) in connection with any loan taken/ to be taken by any Company(ies) which are Group Companies, Associate Companies, Joint Venture Companies or Subsidiary Companies of the Company or any other person in whom any of the Directors of the Company are interested as specified in the explanation to Section 185(2) of the Act, upto a sum as approved by Shareholders under Section 186, in its absolute discretion as deemed beneficial and in the best interest of the Company.

   RESOLVED FURTHER THAT subject to approval of the shareholders, the Board of Directors of the Company, be and is hereby severally authorised to negotiate, finalise and agree to the terms and conditions of the aforesaid loans/guarantees/securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all such acts, deeds or things incidental or expedient thereto."

By Order of the Board
For **Unimech Aerospace and Manufacturing Limited**

Place: Bengaluru
Date: August 03, 2026

Rashmi Gupta
Company Secretary and Compliance Officer
M. No.: A25382

NOTES:

1. Pursuant to the Ministry of Corporate Affairs ('MCA') General Circular No 03/2025 dated September 22, 2025 and the circulars issued time to time by Securities and Exchange Board of India ('SEBI') collectively referred to as ('the Circulars'), the Companies are allowed to hold Annual General Meeting ('AGM') through Video Conference ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of members at a common venue. Accordingly, the 10th AGM of your Company is being convened and conducted through VC.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') setting out the material facts concerning the business with respect to Item Nos. 3 to 5 forms part of this Notice.

3. Soft copies of the Annual Report for Financial Year 2025-26 and the Notice of the General meeting will be emailed to shareholders, whose e-mail addresses are registered with the Company/Registrar & Transfer Agent ('RTA')/ Depository Participants ('DP').

   As per Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, where the complete details of the Annual Report for the Financial Year 2025-26 are available, will be sent to those shareholders who have not registered their email address with the Company/ RTA/DP.

   The Company shall send the hard copy of the full annual report to those shareholders who request the same at investorrelations@unimechaerospace.com mentioning their DP ID/ Client ID.

4. The venue of the AGM shall deemed to be the Corporate Office of the Company situated at Plot No. 3, Sy No. 21-P, Aerospace SEZ Sector, Hitech Defence and Aerospace Park, Kavadadasanahalli, Devanahalli, Bengaluru, Karnataka-562135, as the meeting is being convened through VC or OAVM. Accordingly, the route map of the venue is not annexed to this notice.

5. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, in respect of the Director seeking re-appointment at this AGM, is annexed.

6. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. Since the AGM is being held in accordance with the aforesaid Circulars through VC, the facility for appointment of proxies by the Members will not be available for this AGM. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013 ('the Act'), representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

7. Mrs. Kalaivani S, Company Secretary in Practice (CP No. 22158), Bengaluru, has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. After the conclusion of voting at the AGM, the Scrutiniser will submit a report after taking into account the votes cast at the AGM and through remote e-voting in accordance with provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended. The consolidated results in respect of voting, along with the Scrutiniser's Report will be sent to the Stock Exchanges and will also be hosted on website of the Company.

8. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorise their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/ authorisation letter to the Scrutiniser at email id kalaivani@vjkt.in or to the Company at the email id companysecretary@unimechaerospace.com or upload on the VC portal/e-voting portal (CDSL).

9. Participation of Members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

10. Members are required to immediately inform the respective Depository Participants, in case of shares held in dematerialised/electronic form, the details about their email addresses, if any, so that all notices and other statutory documents which are required to be sent to the members, as per the provisions of the Act and the Listing Regulations, can be sent to their registered email addresses.

11. The business set out in the Notice will be transacted through an electronic voting system and the Company is providing the facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under note no.17. The voting facility through the electronic voting system shall

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be made available during the AGM and members attending the meeting through VC who have not cast their vote by remote e-voting shall be able to exercise their right during the meeting through electronic voting system.

12. The Statutory Registers and a certificate from Secretarial Auditor of the Company certifying that the ESOP Scheme of the Company are being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.

13. All documents mentioned in the Resolutions are available for inspection by the Members at the Corporate Office of the Company from 10:00 AM to 12:00 Noon on any working day and will also be made available at the 10th AGM of the Company.

14. The Notice of the 10th AGM of the Company along with the Annual Report for the Financial Year 2025-26, is being sent through electronic means to those shareholders, whose email addresses are registered with the Company/DP as on July 31, 2026. The Notice of the AGM along with the Annual Report for the Financial Year 2025-26 is being made available on the Company's website http://www.unimechaerospace.com and on the website of stock exchanges i.e., BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. Detailed procedure for attending the AGM and voting through remote e-voting and e-voting at the AGM is provided in the Notice of AGM.

15. Members wanting to update their details with the Company, the following procedure may be followed:

I. REGISTRATION OF EMAIL ID FOR SHAREHOLDERS HOLDING PHYSICAL SHARES:

16. The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with KFin Technologies Limited at the website https://ris.kfintech.com/clientservices/isc/isrforms.aspx. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB). On submission of the shareholders details, an OTP will be received by the shareholder which needs to be entered in the link for verification.

II. FOR PERMANENT EMAIL REGISTRATION FOR DEMAT SHAREHOLDERS:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective DP by following the procedure prescribed by the Depository Participant. Members holding shares in dematerialised mode are requested to register/update their KYC details including email address with the relevant Depository Participants.

17. **ELECTRONIC VOTING**

Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, May 05, 2022, December 28, 2022, September 25, 2023, September 19, 2024 and September 22, 2025, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has availed the services of KFin Technologies Limited for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM, will be provided by KFin Technologies Limited. The instructions for shareholders for remote e-voting and joining the meeting are set out at the end of the Notice.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting:	Tuesday, August 25, 2026 9:00 AM IST
End of remote e-voting:	Thursday, August 27, 2026 5:00 PM IST

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFin Technologies Limited upon expiry of the aforesaid period.

Participation in the AGM:

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

18. Members are requested to address all correspondences including dividend related correspondences, if any, to the RTA KFin Technologies Limited, Selenium Building, Tower – B, Plot No 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana 500032, Phone: +18003094001. Members must quote their DP ID & Client ID and contact details such as e-mail address, contact no. etc., in all correspondences with the Company/RTA.

19. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the security market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN detail to the RTA, KFin Technologies Limited Unit: Unimech Aerospace and Manufacturing Limited, Selenium Building, Tower – B, Plot No 31 & 32, Financial District Nanakramguda, Serilingampalle (M), Hyderabad, Telangana 500032.

20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of Company at www.unimechaerospace.com and on the website of the Company's RTA at https://ris.kfintech.com/clientservices/isc/isrforms.aspx.

21. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to RTA. Further, members desirous of cancelling/varying nomination pursuant to Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to RTA. These forms will be made available by RTA on request.

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22. **Item No. 2 - Additional Information on Directors Retiring by Rotation:**

[Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings]

Mr. Mani Puttan

He holds a Bachelor's degree of Technology in Mechanical Engineering (Computer Integrated Manufacturing) from Indira Gandhi National Open University, New Delhi and Master's degree in Business Administration from Toulouse Business School, France. He has over 19 years of experience and prior to joining the Company, he was associated with International Aerospace Manufacturing Private Limited in the capacity of Production Manager, with Goodrich Aerospace Services Private Limited in the capacity of Operations Supervisor and with Maini Precisions Products Private Limited as Dy. Manager - Engineering.

Director Identification Number (DIN)	08042129
Designation	Whole Time Director
Date of Birth and Age	December 26, 1976; 49 years
Date of appointment on the Board	September 01, 2018
Shares held as on March 31, 2026	73,06,371 Equity Shares.
Qualifications	Bachelor of Technology in Mechanical Engineering and Master's degree in Business Administration
Expertise in specific functional areas	Operations, Projects, Business Development, administration, and general management
Terms and Conditions of re-appointment	Proposed to be reappointed as Director, liable to retire by rotation.
Details of Remuneration sought to be paid	NA
Remuneration last drawn	Please refer to Directors Remuneration Section in the Corporate Governance Report
Number of Meetings of the Board attended	5
Name of listed entities from which the person has resigned in the past three years	Nil
Directorships (except in Foreign Companies to be mentioned)	Innomech Aerospace Toolings Private Limited
Membership / Chairmanship of all Committees of other Boards	Corporate Social Responsibility Committee of Innomech Aerospace Toolings Private Limited
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Brother of Mr. Anil Kumar Puttan who is the Chairman and Managing Director of the Company

In this Notice and Annexure thereto, the terms "Shareholders" and "Members" are used interchangeably.

By Order of the Board
For **Unimech Aerospace and Manufacturing Limited**

Place: Bengaluru
Date: August 03, 2026

Rashmi Gupta
Company Secretary and Compliance Officer
M. No.: A25382

EXPLANATORY STATEMENT

STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013, SETTING OUT THE MATERIAL FACTS CONCERNING THE RESOLUTION:

Item No. 3:

To raise capital by way of a qualified institutions placement or such other permissible mode under applicable law, to eligible investors through an issuance of equity shares and/ or other eligible securities.

Your Company anticipates growth opportunities in its existing operations and continues to evaluate various avenues for growth and expansion. Towards this, the Company continues to require capital for achieving such growth and expansion. Accordingly, our Company intends to undertake a capital raise by way of qualified institutions placement to eligible investors through an issuance of equity shares or other eligible securities in accordance with applicable law and use the proceeds from the Issue, towards inter-alia, various capital expenditure, working capital requirements, general corporate purposes and such other purpose(s) as may be permissible under applicable laws.

Accordingly, as approved by the Board of Directors of the Company ('**Board**') at its meeting held on August 03, 2026 and in order to fulfil the aforesaid objects of the Company, it is hereby proposed to have an enabling approval for raising funds by way of issuance of equity shares of face value of Rs. 5 ('**Equity Shares**'), and/or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with or without warrants and/ or convertible preference shares or any security convertible into Equity Shares (all of which are hereinafter collectively referred to as "**Securities**") or any combination thereof, in accordance with applicable law, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of domestic and/or International offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the placement agent/ lead manager/ book running lead manager and/or other advisor(s) or otherwise, for an aggregate amount not exceeding Rs. 750,00,00,000 (Rupees Seven Hundred and Fifty Crore Only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under applicable law by way of qualified institutions placement ('**QIP**') in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) ("**SEBI ICDR Regulations**"), Section 42 and other applicable provisions of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable laws. The issue of Securities may be at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable law and to such classes of investors as the Board (including any duly authorised Committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with placement agent/ lead manager / book running lead manager and other agencies that may be appointed by the Company, subject to the SEBI ICDR Regulations, Companies Act, 2013 and other applicable guidelines, notifications, rules and regulations.

The Board (including any duly authorised Committee thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the members of the Company. The proposed issue of capital is subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, BSE Limited (**BSE**) and the National Stock Exchange of India Limited ('**NSE**' and together with BSE the '**Stock Exchanges**'), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies, Karnataka at Bengaluru, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time, as may be required in this regard domestically or internationally.

In case the Issue is made through a qualified institutions placement:

(i) the allotment of Securities shall only be made to qualified institutional buyers ('**QIBs**') as defined under SEBI ICDR Regulations;

(ii) the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution in accordance with the SEBI ICDR Regulations and applicable laws;

(iii) a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;

(iv) the floor price will be calculated as per the formula prescribed under the SEBI ICDR Regulations;

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(v) the 'relevant date' for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised Committee decides to open the proposed QIP of equity shares as eligible securities; and in case eligible securities are eligible convertible securities, then either the date of the meeting in which the Board or a duly authorised Committee of the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for the equity shares as provided under the SEBI ICDR Regulations;

(vi) the equity shares of the same class, which are proposed to be allotted through qualified institutions placement or pursuant to conversion or exchange of eligible securities offered through qualified institutions placement, have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;

(vii) an issuer shall be eligible to make a qualified institutions placement if any of its promoters or directors is not a fugitive economic offender;

(viii) no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations. It is clarified that qualified institutional buyers belonging to the same group or who are under same control shall be deemed to be a single allottee;

(ix) the Securities to be offered and allotted shall be in dematerialised form and shall be allotted on fully paid up basis;

(x) the Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognised stock exchange, or except as may be permitted from time to time;

(xi) the schedule of the QIP will be as determined by the Board or its duly authorised committee; and

(xii) The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at this meeting.

Further, Section 62(1)(c) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing members of such company and to any persons other than the existing members of the Company by way of a Special Resolution. Since the special resolution proposed in the business of the notice may result in the issuance of Equity Shares of the Company to the existing members of the Company and to persons other than existing members of the Company, approval of the members of the Company is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of SEBI ICDR Regulations.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Companies Act, 2013 only after receipt of prior approval of its members by way of a Special Resolution. Consent of the members would therefore be necessary pursuant to the aforementioned provisions of the Companies Act, 2013 read with applicable provisions of the SEBI ICDR Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), for issuance of Securities. The Equity Shares allotted pursuant to the issue shall rank in all respects *pari passu* with the existing Equity Shares of the Company.

The Equity Shares to be allotted would be listed on the Stock Exchanges. The offer/issue/ allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations, including Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/ or re-enactment(s) thereof ('FEMA'), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Debt Instruments) Regulations, 2019. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Listing Regulations.

In terms of Section 102(1) of the Companies Act, 2013, none of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

This notice does not constitute an offer or invitation or solicitation of an offer of securities to the public within or outside India. Nothing in this notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorised or where it is unlawful to do so.

The Board has approved the Issue pursuant to its resolution dated August 03, 2026. The Board recommends the aforesaid resolution for the approval by the members as a Special Resolution.

This explanatory statement may also be regarded as a disclosure under the Listing Regulations.

Item No. 4:

In terms of the provisions of Section 186 of the Companies Act, 2013 and Rules made thereunder, no Company shall directly or indirectly, without prior approval by means of a Special Resolution passed at a General Meeting, give any loan to any person or other body corporate or give guarantee or provide security in connection with a loan to any other body corporate or person and acquire by way of subscription, purchase or otherwise the securities of any other body corporate, exceeding 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more. In view of the business requirements, the Company may be required to make investment or to give loan or to extend guarantee/letter of comfort/letter of support/security in connection with loan taken by affiliate/ joint venture/associate/subsidiary of the Company or any other body corporate. Hence, approval of the Members is being sought by way of a Special Resolution to make investment or to give loan/guarantee or provide security/ letter of comfort/letter of support to other body corporate upto an amount of Rs. 200,00,00,00,000 (Rupees Two Thousand Crore Only) over and above the limits mentioned under Section 186(2) of the Companies Act, 2013, as set out at Item No. 4 of this Notice.

The members may note that Board of Directors or a duly authorised Committee would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/ accruals and/or any other appropriate sources, from time to time on such terms, as agreed by the parties in the best interest of the Company.

The Board of Directors recommend the resolution set forth in Item no. 4 for your approval as a Special Resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise in the resolution except to the extent of their directorship and shareholding in the body corporate(s)/person (s).

Item No. 5

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), the Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity/ entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, subject to approval of the shareholders by way of a Special Resolution in the General Meeting. It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested including loan(s) already granted, loan represented by way of Book Debt, and/or guarantee(s) already given and/or security(ies) already provided in connection with any loans already taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), upto a sum as approved by Shareholders under Section 186, from time to time, for any purposes as may be required for their principal business activities and other matters connected therewith and incidental thereto, within the limits as specified under Item no. 5.

The members may note that Board of Directors or a duly authorised Committee would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/ accruals and/or any other appropriate sources, from time to time on such terms, as agreed by the parties in the best interest of the Company and shall be used by the borrowing Company only for its principal business activities and other matters connected and incidental thereto.

The Board of Directors recommend the resolution set forth in Item no. 5 for your approval as a Special Resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise in the resolution except to the extent of their directorship and shareholding in the body corporate(s)/person (s).

By Order of the Board
For **Unimech Aerospace and Manufacturing Limited**

Place: Bengaluru
Date: August 03, 2026

Rashmi Gupta
Company Secretary and Compliance Officer
M. No.: A25382

NOTICE (CONTD.)

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

The Company has availed the services of KFin Technologies Limited ("**KFin**") for conducting the AGM through VC/OAVM and enabling participation of shareholders at the meeting thereto and for providing services of remote e-voting and e-voting during the AGM (Insta Poll).

a) Any person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on Friday, August 21, 2026, shall be entitled to avail the facility of remote e-voting. The remote e-voting period commences on Tuesday, August 25, 2026 at 9:00 A.M. IST and ends on Thursday, August 27, 2026 at 5:00 P.M. IST. The remote e-voting module shall be disabled by KFin for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/it shall not be allowed to change it subsequently.

b) The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

c) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with KFin for facilitating voting through electronic means, as the authorised e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the AGM will be provided by KFin.

d) In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers ('ESPs'), thereby facilitating seamless authentication and convenience of participating in e-voting process.

e) Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID, PAN, mobile number at investorrelations@unimechaerospace.com Saturday, August 22, 2026 (9.00 A.M. IST) and Monday, August 24, 2026 (5.00 P.M. IST). Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

The procedure for remote e-voting is as under:

1. Members holding shares in dematerialised mode are requested to register/update their KYC details including email address with the relevant Depository Participants. Members holding shares in physical form are requested to register/ update their KYC details including email address by submitting duly filled and signed Form ISR-1 at einward.ris@kfintech.com along with the copy of the share certificate (front and back), self-attested copy of the PAN card and such other documents as prescribed in the Form. Form ISR-1 is available on the website of the Company at www.unimechaerospace.com and on the website of KFin at https://ris.kfintech.com/clientservices/isc/isrforms.aspx

2. In compliance with the provisions of Sections 110 and 108 of the Act read with the Management Rules, SS-2 and Regulation 44 of the SEBI Listing Regulations, as amended, the Company is providing facility to the Members to exercise votes through electronic voting system ('e-voting') on the e-voting platform provided by KFin to enable them to cast their votes electronically.

3. The details of the process and manner for e-voting are explained hereinbelow:

I. Login method for e-voting for Individual shareholders holding securities in demat mode.

Pursuant to SEBI circular - SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/website of Depository(ies)/Depository Participants ("DPs") in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login method
Individual shareholders holding securities in demat mode with NSDL	**A. Users registered for NSDL IDeAS facility:** 1. Open web browser and type the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section. 2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "**Access to e-voting**" under e-voting services and you will be able to see e-voting page. 3. Click on options available against Company name or e-voting service provider - **KFintech** and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.
	B. Users not registered for IDeAS e-Services: Option to register is available at https://eservices.nsdl.com Select "**Register Online for IDeAS**" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp and proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.
	C. By visiting the e-voting website of NSDL: 1) Visit the e-voting website of NSDL. Open web browser and type the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the "**Login**" icon, available under the '**Shareholder/Member**' section. 2) A new screen will open. Enter your User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. 3) Click on options available against Company name or e-voting service provider - **KFintech** and you will be re-directed to e-voting service provider website for casting your vote during the e-voting period.
	D. NSDL Speede Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

NOTICE (CONTD.)

Type of shareholders	Login method
Individual Shareholders holding securities in demat mode with CDSL	**A. Existing users who have opted for Easi/Easiest:** 1) Open web browser and type: www.cdslindia.com and click on login icon and select New System Myeasi 2) Shareholders can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication. 3) After successful login on Easi/Easiest, the user will also be able to see the e-voting Menu. The menu will have links of ESPs. Click on **KFintech** to cast your vote.
	B. Users who have not opted for Easi/Easiest: Option to register for Easi/Easiest is available at www.cdslindia.com Proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.
	C. By visiting the e-voting website of CDSL: 1) The user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com. The system will authenticate the user by sending OTP on registered Mobile & e-mail ID as recorded in the demat Account. 2) After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also be able to directly access the system of e-Voting Service Provider, i.e., **KFintech.**
Individual Shareholders (holding securities in demat mode) logging through their depository participant(s)	1) Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option. 2) Once you click on e-voting option, you will be redirected to NSDL/CDSL website after successful authentication, wherein you can see e-voting feature. 3) Click on option available against Company name or e-voting service provider- KFintech and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Important Note: *Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at respective websites.*

Helpdesk for Individual Shareholders holding securities in demat mode who need assistance for any technical issues related to login through Depository i.e., NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000

II. **Login method for e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

1) Initial password is provided in the body of the e-mail.

2) Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

3) Enter the login credentials i.e., User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.

4) After entering the details, click on LOGIN.

5) You will reach the password change menu wherein, you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

6) You need to login again with the new credentials.

7) On successful login, the system will prompt you to select the EVENT, i.e., 9965

8) On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/ 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut- off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.

9) Members holding multiple folios/demat accounts may choose to vote separately for each folio/ demat account.

10) Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on all the resolutions.

11) Corporate/institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at kalaivani@vjkt.in and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BFL_EVENT No.'

In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com or call KFin on 1-800-309-4001 (toll free).

NOTICE (CONTD.)

Information at a glance

Particulars	Details
Time and date of AGM	August 28, 2026, 11:00 A.M. IST
Mode	Video conference and other audio-visual means
Cut-off date for e-voting	Friday, August 21, 2026
E-voting start time and date	Tuesday, August 25, 2026 9:00 AM IST
E-voting end time and date	Thursday, August 27, 2026 5:00 PM IST
Speaker Registration	Between Saturday, August 22, 2026 to Monday, August 24, 2026
Name, address and contact details of e-voting service provider	Contact Name: Mr. N Shyam Kumar Senior Manager KFin Technologies Limited, Unit: Unimech Aerospace and Manufactuting Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032 Contact details: Email ID: einward.ris@kfintech.com; Contact number: 1800-309-4001
Name, address and contact details of Registrar and Transfer Agent	Mr. N Shyam Kumar Senior Manager KFin Technologies Limited, Unit: Unimech Aerospace and Manufactuting Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad-500 032 Contact details: Email ID: einward.ris@kfintech.com; Contact number: 1800-309-4001

NOTES

Unimech Aerospace and Manufacturing Limited
Plot No. 3, Sy. No. 2l-P, Aerospace SEZ Sector,
Hitech Defence & Aerospace Park,
Kavadadasanahalli, Channarayapatna,
Bengaluru Rural, Devanahalli, Bengaluru - 562 135.