September 05, 2026

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051
NSE Symbol: AXISCADES

The Manager
Dptt. of Corporate Services
BSE Limited
Floor 25 Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai – 400 051
BSE Scrip Code: 532395

Dear Sir/Madam,

Sub.: Annual Report for FY 2025-26 and Notice of the Thirty-Sixth (36th) Annual General Meeting ("AGM") of the Company

Pursuant to provisions of the Companies Act, 2013, the rules made thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, please find enclosed the Annual Report, Business Responsibility and Sustainability Report ("BRSR"), and Notice of the 36th Annual General Meeting ("AGM") of the Company for FY 2025-26.

The aforesaid documents are being sent electronically to those shareholders whose e-mail addresses are registered with the Company/Depository Participant(s) ("DPs"). Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company will send a letter to shareholders whose e-mail addresses are not registered with the Company/DPs, providing the web link through which the Annual Report for FY 2025-26 may be accessed on the Company's website.

The 36th AGM of the Company will be held on **Monday, September 28, 2026, at 10.30 A.M. (IST)** through **Video Conference ("VC") / Other Audio-Visual Means ("OAVM")**.

The Notice of the 36th AGM and Annual Report for FY 2025-26 are also available on the Company's website at https://www.axiscades.com.

Information at a glance:

Particulars	**Details**
Date and Time of AGM	Monday, September 28, 2026 at 10:30 A.M. (IST)
Mode	Video Conference ("VC") / Other Audio-Visual Means ("OAVM")
Cut-off date for e-voting	Monday, September 21, 2026
E-voting start time and date	9:00 A.M. (IST), Friday, September 25, 2026
E-voting end time and date	5:00 P.M. (IST), Sunday, September 27, 2026

Kindly take the above information on record.

Yours faithfully,

For **AXISCADES Technologies Limited**

Sonal Dudani

Digitally signed by Sonal Dudani
Date: 2026.09.05 16:22:56 +05'30'

Sonal Dudani

Company Secretary & Compliance Officer

Encl: A/a

AXISCADES

AXISCADES TECHNOLOGIES LIMITED
ANNUAL REPORT FY2025-2026

BUILT THE RUNWAY. READY FOR TAKE-OFF.

Engineering the Foundation for High-Velocity Growth

AXISCADES

AXISCADES TECHNOLOGIES LIMITED
ANNUAL REPORT FY2025-2026

BUILT THE RUNWAY. READY FOR TAKE-OFF.

Engineering the Foundation for High-Velocity Growth

Fiscal 2026 was the pivotal year in which AXISCADES completed its structural re-architecture, transitioning from a service-led “Architect” to a product-led “Constructor”. By divesting legacy, services-based businesses, we unlocked the strategic fuel required to fund our long-term roadmap and secure high-margin product ownership. Simultaneously, the build-out of shared tri-use infrastructure provided the physical foundation needed to scale our active pipeline of mission-critical systems across aerospace, defence, ESAI and, now, space..

This evolution is validated by the outperformance of our specialised growth platforms and a record improvement in operational productivity, as we made a solid beginning in decoupling our top-line potential from headcount expansion. We have finalised the ‘structural engineering’ of our foundation; we ‘built the runway’ in FY2026, and we’re ‘gearing for take-off’ in FY2027. With our core platforms firmly anchored, AXISCADES is now cleared for departure and positioned to convert this runway into visible, non-linear momentum.

Please scan the QR code to download the **ANNUAL REPORT FY2025-2026** or visit www.axiscades.com

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The journey from readiness to rise

Tracing AXISCADES progress from strong foundations to greater opportunities, with the confidence and capability to move forward.

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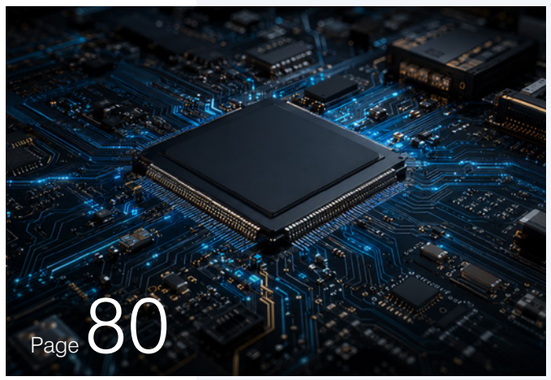

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OVERVIEW

FY2026 was the year we built the runway. This section sets out who we are, what the year delivered and the Platforms around which the enterprise is now concentrated. It establishes the identity and performance from which everything that follows proceeds.

01.

THE BIG PICTURE

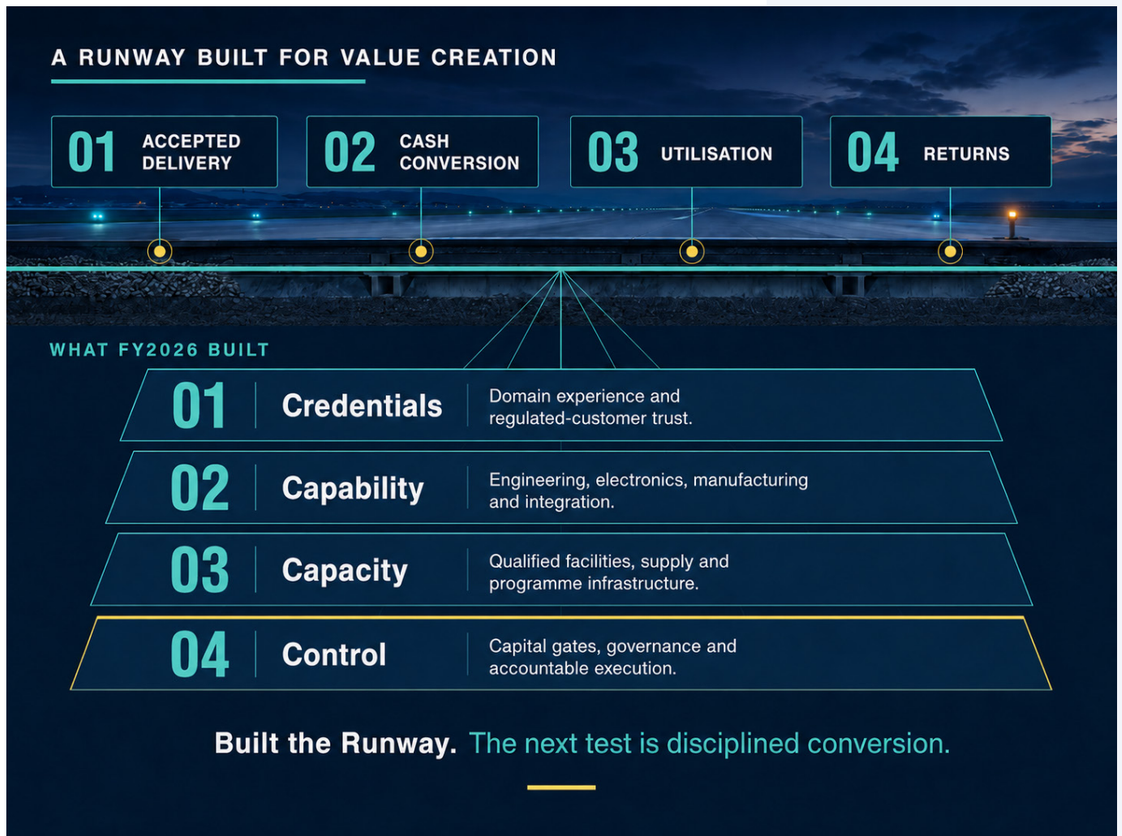
A runway built for focused growth

FY2026 combined stronger operating performance with the capabilities, leadership and choices required for a more focused AXISCADES.

12.4%
FY2026 revenue growth

24.6%
FY2026 EBITDA growth

150 bps
EBITDA margin expansion



AXISCADES entered FY2026 with established engineering credentials and ended it with a clearer basis for scale. The year strengthened the financial and operating foundations of the business while management advanced its move towards product-led, manufacturing-led and intellectual-property-led growth across Aerospace, Defence, ESAI, and in the future, Space.

The year in context

Revenue and EBITDA increased in FY2026, with EBITDA growing faster than revenue and the margin expanding. This operating progress was achieved while the Group invested in facilities, programmes, leadership and execution systems. The result was a stronger base, and also a clear agenda: convert programmes into delivery and cash, commission capacity against qualified demand and keep capital linked to customer-backed milestones. The runway has been built on domain depth, customer relationships, technical talent, manufacturing infrastructure and a more disciplined model for allocating capital.

A clearer perimeter after year-end

During the first quarter of FY2027, AXISCADES announced the Engineering Services Divestment Programme and formalised four growth Platforms: Aerospace Manufacturing, SCM & MRO; Defence Solutions; XiDA Inc, the AI-centric ESAI platform; and the Space Division. These are post-balance-sheet developments. They do not alter the reported FY2026 results; they explain the direction in which the FY2026 foundations are intended to be deployed.

The pages that follow separate reported outcomes from later strategic actions. They describe what AXISCADES is, what changed during the year, how the business creates value and which execution disciplines will determine the next phase.

What FY2026 put in place

The first foundation was a more deliberate portfolio logic. AXISCADES continued to serve a broad FY2026 reporting perimeter, but management increasingly directed attention towards the areas where domain knowledge, regulated-customer access and physical realisation can reinforce one another. Aerospace, Defence and ESAI formed the operating centre of that logic. The later four-Platform structure made the direction more explicit.

The second foundation was capability. Engineering remained the starting point, but not the intended end point. The Company advanced facilities, electronics, test, manufacturing engineering, supply-chain capability and programme leadership so that it can assume responsibility across more of the customer lifecycle. This matters because qualification, configuration control and reliable physical delivery are the gates through which engineering knowledge becomes a more durable commercial position.

The third foundation was institutional. FY2026 brought a stronger focus on programme accountability, financial control, leadership depth and common management systems. These disciplines, while less visible than a facility or a product, determine whether a larger business remains governable. As the Group adds manufacturing, selective acquisitions and more complex international structures, the quality of these controls becomes an important part of the investment case.

How to read this Annual Report

This front end is designed as one connected account. The Overview establishes identity and performance. Strategy explains how resources are converted into outcomes. The Business Review locates execution within the operating domains. Enablers show the shared capabilities required for scale. Responsibility, Risk and Governance explain the conditions under which growth remains trusted and durable. Detailed market, financial and principal-risk analysis remains within the Management Discussion and Analysis.

AXISCADES AT A GLANCE

Engineering depth, increasingly built into products

AXISCADES combines domain engineering, strategic electronics and manufacturing capability for global and national programmes.

AXISCADES Technologies Limited is a Bengaluru-headquartered technology and engineering company serving Aerospace, Defence, electronics, semiconductor and AI applications. The Group works across the product lifecycle, from design and analysis to manufacturing, system integration, supply-chain support, testing and sustainment.

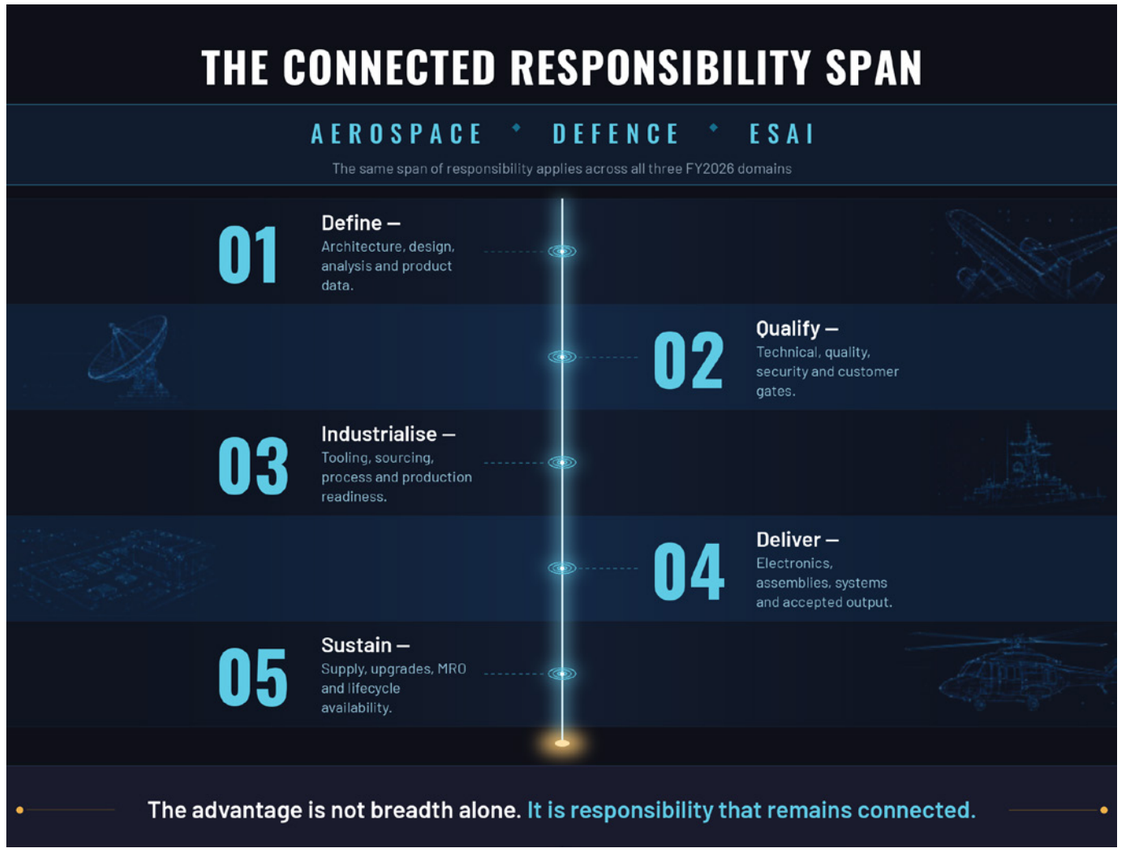
What we do

AXISCADES addresses programmes where engineering precision, configuration control, certification and delivery discipline matter. Its capabilities cover mechanical and electrical design, embedded electronics, test systems, tooling, wire harnesses, precision assemblies, system integration and technical lifecycle support. This combination allows the Company to participate at multiple points in a customer's product and programme lifecycle.

The operating model is built around long-duration relationships with original equipment manufacturers, Tier-1 suppliers, national agencies and technology companies. Customer proximity is supported by delivery and business teams in India, North America and Europe.

AXISCADES AT A GLANCE

(contd...)



FY2026 domain	Core contribution	Direction of travel
Aerospace	Engineering, tooling, electrical systems, manufacturing and lifecycle support	Greater design-to-manufacture responsibility and MRO capability
Defence	Mission electronics, radar and air-defence applications, maritime systems and ground platforms	Complete systems and solutions, supported by indigenous production
ESAI	Electronics design, embedded computing, test systems, semiconductor engineering and AI-enabled applications	Chip-to-product delivery, semiconductor and AI related supply chain, and scalable AI-centric solutions

What changed after 31 March 2026

In the first quarter of FY2027, management formalised a four-Platform structure. Aerospace Manufacturing, SCM & MRO; Defence Solutions; XiDA Inc; and the newly formed Space Division now provide the organising logic for capital, leadership accountability and future disclosures.

We are present at every stage that carries a complex requirement into service. Our advantage is not the breadth of what we do, but the responsibility we keep connected across design, qualification, manufacture and lifecycle support.

Where AXISCADES sits in the value chain

AXISCADES sits between the origin of a complex engineering requirement and the accepted product or system that must perform in service. At one end of the chain, the work may involve architecture, analysis, mechanical or electrical design, embedded development and product data. At the other, it may involve tooling, sourcing, electronics, harnesses, assemblies, integration, test and lifecycle support. The strategic opportunity lies in connecting these activities under clearer programme ownership.

Our business model is anchored in a high-fidelity, IP-driven architecture designed for non-linear scalability and premium value capture across the deep-tech landscape. The Company participates principally in low- and medium-volume, high-complexity contexts where a small number of technically demanding deliverables can carry significant programme consequence. Entry is governed by customer approval, certification, security, quality and performance history. Once established, these same requirements can support longer relationships and recurring participation.

Why the combination matters

Engineering provides insight into how the product should work. Electronics and embedded capability allow that insight to be carried into the product. Manufacturing and supply-chain capability make the design repeatable. Testing, configuration and lifecycle support preserve performance after delivery. The combination reduces the number of external hand-offs that a customer must manage and allows AXISCADES to retain learning across stages.

For investors, the significance is economic as well as technical. A broader span of controlled responsibility can support higher-value participation, deeper customer relevance and more reusable knowledge. It can also increase capital intensity, working-capital exposure and execution risk. The Company looks to expand responsibility only where the commercial model, customer evidence and operating controls are sufficiently mature.

1990
year of incorporation

3
core domains reported in FY2026

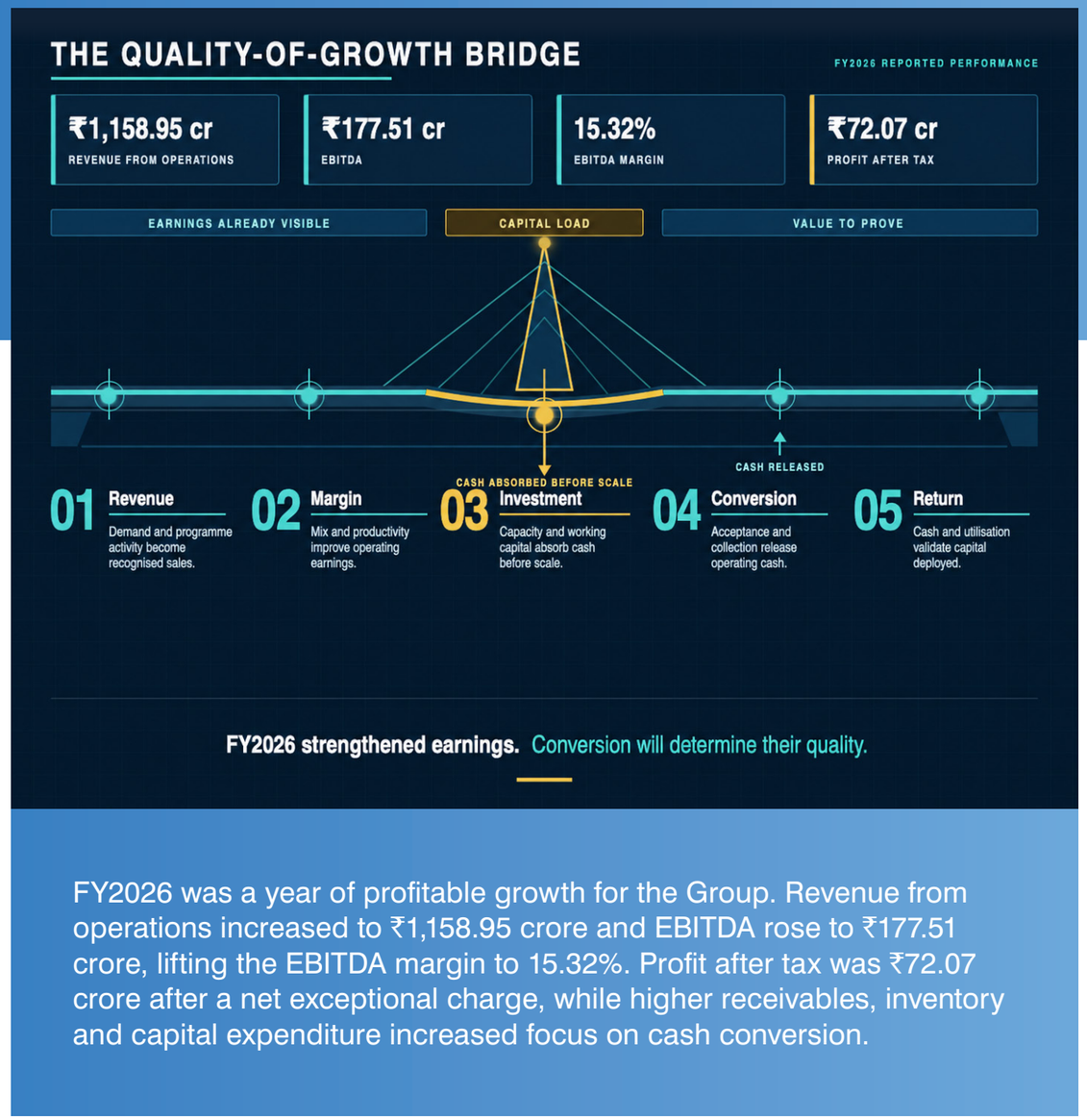
4
growth Platforms formalised after year-end

81.97%
standalone export share

FY2026 PERFORMANCE SNAPSHOT

Growth strengthened; focus on conversion

Higher revenue, faster EBITDA growth and a wider margin demonstrated operating progress in FY2026.



FY2026 was a year of profitable growth for the Group. Revenue from operations increased to ₹1,158.95 crore and EBITDA rose to ₹177.51 crore, lifting the EBITDA margin to 15.32%. Profit after tax was ₹72.07 crore after a net exceptional charge, while higher receivables, inventory and capital expenditure increased focus on cash conversion.

Operating performance

Revenue from operations grew by 12.4% over FY2025. EBITDA grew by 24.6%, close to twice the pace of revenue growth, and the margin expanded by 150 basis points. Profit before tax, before exceptional items, increased by 36.5% to ₹124.76 crore. The year included a net exceptional charge of ₹11.17 crore, after which reported profit before tax was ₹113.59 crore.

The improvement reflects a more favourable domain mix, delivery discipline and productivity. Revenue per employee rose to ₹39.94 lakh and EBITDA per employee increased to ₹6.12 lakh. Employee benefit expense as a share of revenue declined, supporting operating leverage.

Balance Sheet and Cash: Funding the Infrastructure of AXISCADES 3.0

Strategic investments drove consolidated capital expenditure to ₹134.44 crore during the fiscal year as the Group aggressively built out manufacturing infrastructure, advanced testing facilities, and specialised programme capabilities. To support this scaling operational footprint, trade receivables rose to ₹411.34 crore and inventory levels reached ₹78.97 crore, reflecting the high-intensity nature of our current delivery and acceptance cycles. Operating cash flow recorded a transitional outflow of ₹1.36 crore as we deployed liquidity into long-cycle assets, leading net debt to reach ₹230.98 Crore to anchor our infrastructure expansion.

These foundational financial movements represent a rigorous financial framework for our next stage of evolution. Execution in Fiscal 2027 is focusing on the disciplined conversion of deliverables into formal customer acceptance and cash receipts, ensuring every new capital commitment is strictly anchored to qualified market demand and the attainment of visible programme milestones.

The quality of the earnings movement

The central operating signal was the difference between the pace of revenue growth and EBITDA growth. Faster EBITDA growth indicates that mix, delivery productivity and cost absorption moved in the right direction during the year. The increase in profit before exceptional items provides a second view of that improvement because it separates the underlying operating result from charges and gains that do not represent the recurring run rate.

Reported profit after tax moved differently because the year carried a higher tax charge and net exceptional cost. The distinction matters. To provide a clear and balanced view of performance, the report presents statutory measures as the primary basis of reporting, complemented, where relevant, by clearly defined and reconciled management measures that offer additional insight into the Company's underlying operating strength.

An investment year with a cash consequence

The increase in capital expenditure reflects the decision to build capability ahead of the next production and qualification cycle. In Aerospace and Defence, this sequence is often unavoidable: customers expect evidence of equipment, process, people and control before they commit larger programmes. It nevertheless creates a timing gap between cash deployed and returns realised. The value of FY2026 investment will therefore be demonstrated through commissioning, customer qualification, utilisation, yield and cash generation in subsequent periods.

Working capital carried a similar timing issue. Receivables and inventory support programme delivery, but they also absorb liquidity and can obscure the quality of reported growth if acceptance or collection is delayed. Management's FY2027 priority is to bring commercial scope, long-lead sourcing, customer inspection, invoicing and collection into a more synchronised operating rhythm.

₹1,158.95 cr
revenue from operations

₹177.51 cr
EBITDA

15.32%
EBITDA margin

₹72.07 cr
profit after tax

ABOUT THE COMPANY

Built around complex products and long programmes

AXISCADES works where engineering knowledge leads to qualification, industrialisation, delivery and years of lifecycle support.

AXISCADES works where a requirement has to survive design reviews, qualification, customer audits and first-article evidence before it becomes a product. That sequence is slow, but it is also the barrier to entry. Our offer is built to carry more of it, from system engineering through electronics, tooling and precision manufacturing to lifecycle support.

A connected offer

The Company's offer starts with product and system engineering. Teams work on mechanical and electrical design, analysis, embedded systems, technical publications and product-lifecycle support. The offer extends into strategic electronics, automatic test equipment, hardware realisation, tooling, wire harnesses, precision manufacturing, integration and supply-chain management.

This connected offer matters because value in regulated industries is created across gates. A sound design must be qualified. A qualified design must be industrialised. Industrial output must meet configuration, quality and acceptance requirements. The supplier that can manage more of these hand-offs can take greater programme responsibility and build more durable customer relationships.

Delivery model

During FY2026, 76% of revenue was delivered offshore and 24% onsite. Time-and-material engagements represented 71% of revenue and fixed-price engagements 29%. These measures describe the reported delivery mix; the strategic direction is to increase scalable, product-led and manufacturing-led value without compromising engineering depth.

AXISCADES supports customers through delivery centres, offices and subsidiaries in India and international markets. The Company operates three offices in India and 13 international offices across seven countries. Group and standalone footprint measures are therefore kept distinct.

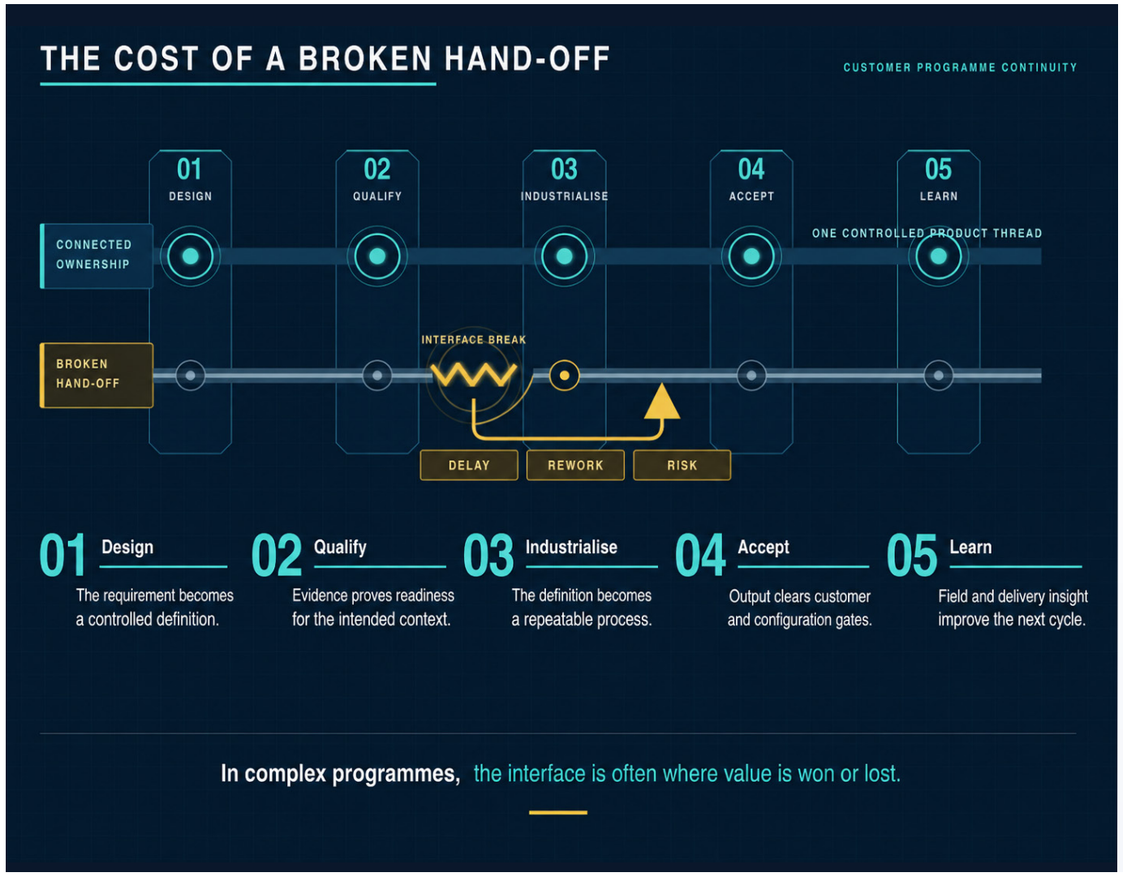
ABOUT THE COMPANY
(contd...)

Customers and markets

Customers include global original equipment manufacturers, Tier-1 suppliers, national defence and research organisations, military end users and technology companies. Work is performed under customer confidentiality and export-control requirements. For that reason, this report describes capabilities and programme classes without disclosing restricted customer or programme information.

Why mission-critical work behaves differently

Aerospace, Defence and advanced electronics do not move directly from idea to volume. Programmes advance through design reviews, qualification, customer audits, security requirements, first-article evidence, configuration approval and final acceptance. A technically sound solution can therefore remain commercially immature until the complete evidence chain is in place. AXISCADES' operating model is built to manage these gates across long programme cycles.



The cost of failure is also different. A late or non-conforming part can interrupt a customer's wider programme. A data or security breach can damage access to sensitive work. An undocumented change can compromise traceability. This makes process discipline, controlled information, supplier quality and honest escalation as important as the original engineering solution.

From specialist supplier to programme participant

The Company participates at a single stage or across several stages. A specialist engagement may begin with design, analysis or a test requirement. Greater responsibility may add industrialisation, sourcing, build, integration and sustainment. Each additional stage creates potential value, but also transfers schedule, capital and performance risk to AXISCADES. The decision to move further is therefore based on customer relevance, control of the interfaces and the return available after risk.

Long-duration participation creates a learning advantage. Product data, process knowledge, supplier experience and field feedback can improve the next delivery and shorten the next development cycle. Where rights permit, this learning can be converted into reference architectures, qualified methods and reusable assets. Where customer ownership or confidentiality applies, it remains segregated and protected.

A globally connected, India-centred model

International teams provide customer proximity, local commercial understanding and access to technology ecosystems. India provides the principal base for engineering, electronics and the manufacturing capacity being developed. The model creates value only when the connection is operational: customer insight must reach the delivery team; technical and supply constraints must return quickly to the customer; and one accountable programme rhythm must span entities, functions and time zones.

What makes the model resilient

Resilience comes from domain diversification, reusable capability, long customer relationships and the ability to serve more than one lifecycle stage. It also depends on a disciplined response to concentration, long-lead supply, working capital, export controls, cyber risk and critical talent. The Company seeks to deepen its position without allowing breadth to weaken programme ownership.

76%
offshore delivery share

16
offices across the globe

29%
fixed-price engagement mix

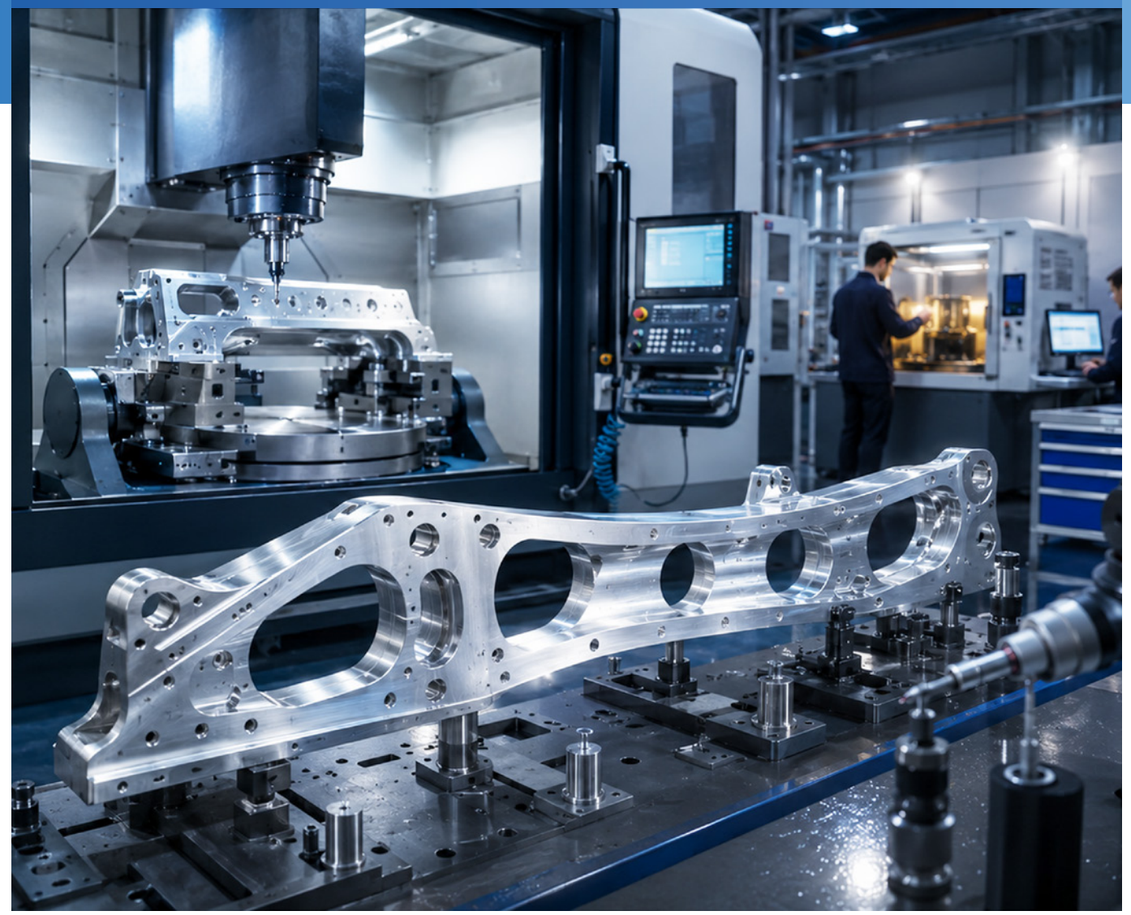
7
countries with operating footprint

VISION, MISSION AND STRATEGIC AMBITION

Ambition, translated into operating choices

The destination is product-led and non-linear growth; the route is governed investment, programme conversion and stronger execution.

AXISCADES' vision and mission set a clear direction: use established domain knowledge to become more product-led, more technology-led and less dependent on linear expansion. Power 930 gives us a long-term FY2030 horizon.



Vision

To be a product-driven, non-linear technology leader in Aerospace, Defence and ESAI, delivering cutting-edge innovation and creating enduring value for stakeholders.

Mission

To drive sustainable growth and strengthen AXISCADES as a technology enabler in Aerospace, Defence and ESAI by deepening core capabilities, forging global partnerships and accelerating expansion through disciplined strategic investment.

Power 930: the strategic ambition

Power 930 expresses management's long-term ambition for the scale and earnings quality of AXISCADES by FY2030. The report deliberately does not present that ambition as a straight-line forecast. Aerospace and Defence programmes have long qualification and delivery cycles; capacity must be commissioned in stages; acquisitions and partnerships require integration; and reported outcomes depend on acceptance, collections and the timing of customer decisions. The FY2026 theme "Built the Runway. Ready for Take-off." describes a year of foundations. AXISCADES invested in leadership, technology, facilities and programme positions while improving operating performance.

Transformation in progress

The vision defines the kind of enterprise AXISCADES intends to become: product-driven, technology-led and capable of non-linear value creation. The mission defines the means: deepen core capability, use partnerships selectively and invest with discipline. Together they require management to make choices about what the Company will own, what it will partner for and what it will decline.

A long-term ambition such as "Power 930" directs attention towards addressable markets, business mix, operating margins, capital needs and the organisational capacity required by FY2030. It also makes the dependencies visible: programme conversion, qualified capacity, supply-chain readiness, acquisition integration, working-capital release and stronger returns.

FY2030
horizon for Power 930

Five
tests of strategic progress

One
shared ambition across the Group

The stakeholder compact behind the ambition

For customers, the ambition means greater responsibility, more indigenous capability and dependable lifecycle support. For employees, it creates deeper technical paths, product ownership and new manufacturing careers. For partners and suppliers, it creates clearer programmes and opportunities to build capability. For the nation, it supports strategic technology and localisation. For investors, it should translate into growth, cash, resilience and returns.

These outcomes are connected.

Customer trust supports programme continuity. Skills and supplier depth support quality. Quality and acceptance support cash conversion. Cash and returns provide the capacity to reinvest. The strategic ambition becomes durable only when this stakeholder compact remains balanced.

INVESTMENT CASE

From architect to constructor: capturing non-linear value.

AXISCADES combines attractive domain demand with engineering depth, strategic infrastructure and a clearer model for capital deployment.

The investment case rests on a practical proposition. AXISCADES already participates in long-cycle Aerospace, Defence and advanced-electronics markets; it has demonstrated operating leverage; and it is building the capability to carry more value from design into products, systems and lifecycle support.

1. Exposure to structurally supported domains

Global aerospace demand is anchored by an unprecedented aircraft order backlog exceeding 17,000 units and nearly twelve years of current production capacity, as major airframers designate India as a primary destination for diversified Tier-1 sourcing and supply-chain resilience. Domestic Defence growth is fundamentally driven by India's ₹6.81 lakh crore budget and an uncompromising national commitment to Atmanirbhar Bharat, where our high-velocity portfolio of active design wins position us to take full-cycle responsibility for prestigious national platforms. The increasing integration of strategic electronics, semiconductor systems, and hardware-driven AI across every platform serves as a critical driver of non-linear value, aligning AXISCADES with a domestic semiconductor market projected to reach US$90 billion by FY2030.

2. Structural advantage and full-lifecycle capability platform

AXISCADES leverages a distinguished multi-decadal engineering pedigree and established OEM trust to bypass "standing start" risks, enabling accelerated entry into mission-critical global programs. This foundational strength—spanning domain engineering, embedded electronics, and manufacturing integration - anchors our structural pivot toward full design-to-manufacture responsibility and ensures high-value, recurring participation throughout the entire product lifecycle. This capability is institutionalised via our shared tri-use infrastructure at the Devanahalli (DAC) and Missile (MAC) complexes, which serve Aerospace, Defence, and Space from a common technology foundation. By consolidating these distinct demand streams into a single tri-use factory base, we generate significant operating leverage that drives down unit costs as production volumes scale.

3. Evidence of structural shift toward high-margin verticals

In FY2026, EBITDA grew faster than revenue and the EBITDA margin expanded. The primary driver of margin accretion was the high-velocity performance of the Defence vertical. While total revenue grew by double digits, the Defence segment's revenue increased by 24.7% (to ₹377.70 crore), while its segment profit grew by an extraordinary 91% YoY. By concentrating resources on indigenous defence programs and mission-critical "Systems & Solutions", the Group replaced legacy low-margin work with high-value contracts that carry structurally superior margins and longer lifecycles.

4. Shared Manufacturing Infrastructure: Driving Value-Chain Migration

AXISCADES is fundamentally pivoting from a service-led "architect" of designs to a product-led "constructor" of mission-ready assemblies, a transformation designed to capture a significantly larger share of the programme value chain. This migration is powered by our new capability clusters at Devanahalli and Hyderabad, where shared precision, test, and assembly infrastructure serves electronics, aerospace, defence, and emerging space applications. This shared architecture improves asset utilisation and shortens programme mobilisation, provided capacity expansion is strictly phased against qualified demand and visible milestones. By migrating toward mission-ready "Systems & Solutions" through this common foundation, we are institutionalising a model for non-linear growth that decouples revenue potential from headcount. This structural shift ensures our top line scales efficiently without a proportional increase in the cost base, anchoring our trajectory toward the ambitious revenue and margin targets defined in the Power 930 roadmap.

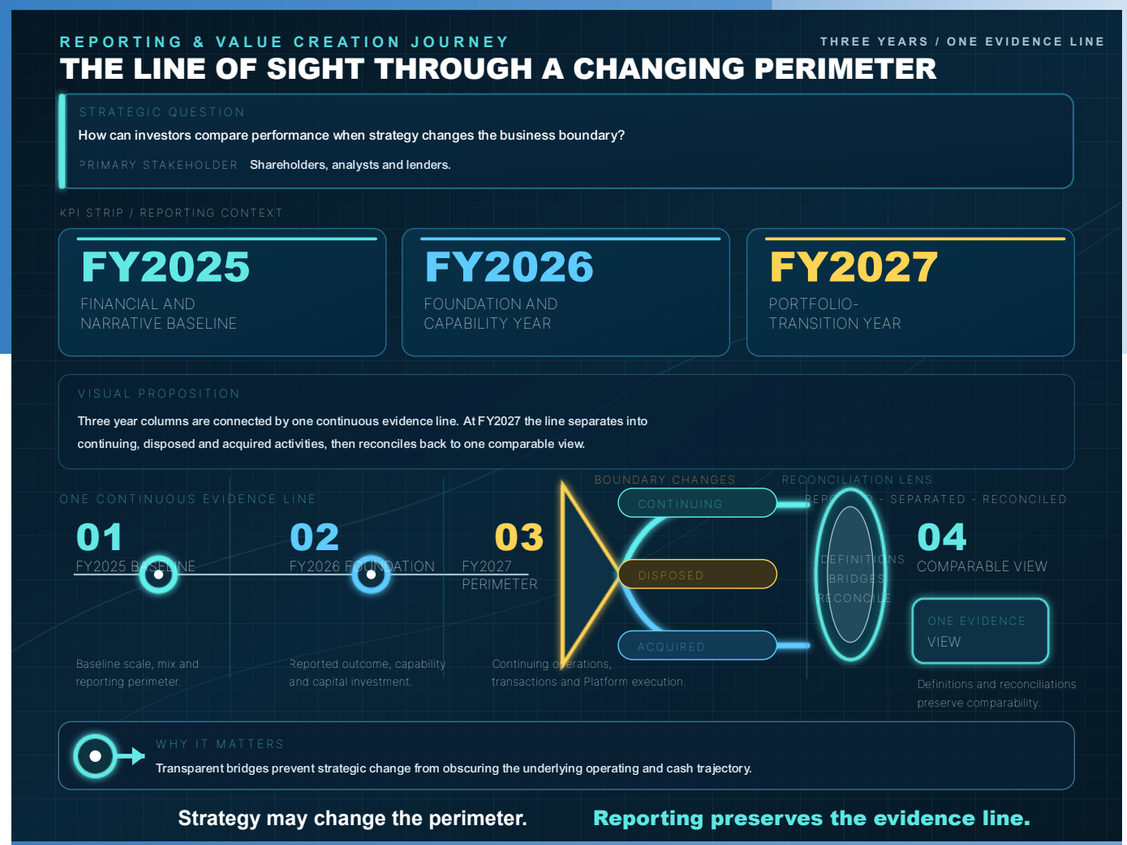
5. Explicit Capital Discipline and Performance Conversion

Our investment rationale is anchored in a rigorous capital-allocation framework that prioritises "execution over announcement," strictly funding programs only against customer-backed milestones and qualified market demand. Bolstered by proceeds from our strategic divestment programme spread in multiple phases over 2-3 years, AXISCADES will maintain substantial liquidity buffers to fully fund the "Power 930" roadmap, supported by short to medium term bridge borrowings. This discipline will extend to inorganic growth, where a "Mirroring Architecture" will integrate acquisitions through embedded leadership and financial controls to protect Group-wide margins. Ultimately, our value lies in the systematic conversion of our active design wins into record-level revenue, cash, and non-linear stakeholder returns.

FY2025 TO FY2027: OUR REPORTING AND VALUE-CREATION JOURNEY

Three years, three different reporting questions

A clear timeline separates the FY2025 baseline, FY2026 foundations and the portfolio transition beginning in FY2027.



Comparability matters most when the business perimeter is changing. This three-year view keeps each period in its proper place: FY2025 established the financial baseline, FY2026 strengthened operating performance and capability, and FY2027 begins the transition towards a more focused Platform structure.

FY2025: establish the baseline

FY2025 marked the first year in which Group revenue exceeded ₹1,000 crore and provided the base for the next phase. The Annual Report described the Company primarily through Aerospace, Defence and ESAI, alongside other engineering services. It also introduced the intent to move towards non-linear, product-led growth.

FY2026: build the foundations

FY2026 delivered higher revenue, faster EBITDA growth and margin expansion. The Company advanced infrastructure, added leadership capability, increased capital expenditure and deepened programme positions. These actions built capacity for future execution while increasing the need for tighter working-capital and cash-conversion discipline.

The FY2026 front end applies integrated-reporting discipline by connecting strategy, six capitals, stakeholders, material matters, risk and outcomes.

FY2027: explain the transition

During the first quarter of FY2027, AXISCADES announced its Engineering Services Divestment Programme and set out four growth Platforms. As transactions progress, investors will receive a transparent bridge between the FY2026 reported perimeter, continuing operations, disposed activities and any management-defined measures.

The FY2027 reporting will therefore be twofold: show progress against the Platform strategy and preserve comparability. Transaction proceeds, closing adjustments, contingent consideration and new investments will be reported when recognised or firmly committed.

Why a three-year lens is necessary

A single-year comparison can mislead when the strategic and reporting perimeter is changing. FY2025, FY2026 and FY2027 answer different questions. The first shows the scale and structure from which the strategy began. The second shows what the existing Group achieved and invested during the reporting year. The third will show how transactions, retained businesses and new Platform accountabilities alter the continuing enterprise.

The three-year lens also separates strategic causality from accounting timing. Capability built in FY2026 may support programmes recognised later. A transaction announced in FY2027 may reshape future results without changing the FY2026 record. Maintaining this distinction protects both the credibility of the theme and the comparability of performance.

PERSPECTIVE

Four leaders, one transition. This section carries their accounts of what changed beneath the FY2026 numbers, why the portfolio was sharpened, and what the Company must now convert into delivery, cash generation and returns on capital.

02.

Dr. Sampath Ravinarayanan
Founder, Chairman & Managing Director

CHAIRMAN'S MESSAGE

Building the Next AXISCADES

> Our strategic realignment is a surgical reallocation of capital and capability, not an exit. We are not narrowing our ambition; we are sharpening it. By concentrating the enterprise around the mission-critical platforms where our engineering pedigree creates the greatest economic value, we have definitively migrated from a service-led 'Architect' to a product-led 'Constructor.' Having built a robust runway in Fiscal 2026, AXISCADES is now cleared for takeoff toward our Power 930 vision.

Dear Shareholders,

FY2026 will be remembered as the year in which AXISCADES converted strategic intent into a more definitive institutional direction. We entered the year with a clear conviction: the next phase of value creation would not come from preserving every activity in the portfolio. It would come from concentrating capital, talent and management attention on the businesses where AXISCADES can earn enduring relevance, differentiation and scale. "Built the Runway. Ready for Take-off." captures this conviction. It reflects a deliberate evolution of the enterprise rather than a response to short-term circumstances.

The Company delivered growth while undertaking this change. Revenue from operations increased by 12.4% and EBITDA increased by 24.6%, with Aerospace, Defence and ESAI together contributing approximately 78% of consolidated revenue. These outcomes are important, but the deeper significance of FY2026 lies in what changed beneath the numbers: the quality of the portfolio, the build-out of strategic infrastructure, the strengthening of customer and partner relationships, and a clearer pathway from engineering capability to manufacturing, systems, products and intellectual property.

A strategic moment for India and AXISCADES

The industries in which we operate are being reshaped simultaneously. Global aerospace supply chains are seeking resilience, responsiveness and greater manufacturing depth. Defence modernisation is creating sustained demand for indigenous systems, strategic electronics and integration capability. Space is opening to commercial participation at unprecedented speed. Semiconductors, electronics and artificial intelligence are converging to redefine products, factories and mission-critical systems. India is becoming an increasingly important design, engineering and manufacturing partner in each of these domains.

AXISCADES enters this period with more than 30 years of engineering knowledge, trusted relationships with global original equipment manufacturers, experience in complex defence programmes and a growing electronics and artificial intelligence platform. Our responsibility is to translate those advantages into a business model that captures more value across the product lifecycle. That means moving beyond a predominantly linear services construct towards a more scalable mix of manufacturing, integrated solutions, proprietary products, reusable platforms and IP-led offerings.

From capability breadth to strategic concentration

This evolution should not be read as a rejection of our engineering heritage. Engineering remains the foundation of AXISCADES. It is the knowledge base that allows us to design for manufacturability, qualify safety-critical products, understand customer platforms and solve problems that carry high technical and regulatory barriers. Our strategic task is to carry that knowledge further downstream - from design to build, from analysis to integration, and from project delivery to lifecycle participation.

CHAIRMAN'S MESSAGE
(contd...)

> Power 930 is not a number we hope to reach. It is the discipline by which we choose what to build, where to invest and what to decline. Scale without discipline is not value creation. Our aim is purposeful scale, supported by resilient economics.

During FY2026, we therefore reviewed the portfolio with greater rigour, strengthened the core domains and continued investing in the physical and organisational capabilities required for the next phase. Devanahalli Aero Land became operational, while the Devanahalli Atmanirbhar Complex and the Missile Atmanirbhar Complex advanced as future centres for manufacturing, integration, testing, qualification and lifecycle support. These assets are designed to serve more than one market. The underlying technologies, quality systems and production capabilities can be applied across Aerospace, Defence and Space, creating a common dual-use and tri-use industrial foundation.

This common foundation is central to the emerging AXISCADES 3.0 architecture. Aerospace Manufacturing, supply-chain integration and MRO can provide the manufacturing backbone. ACAT can scale Defence Manufacturing, Strategic Electronics and System Integration. XiDA Inc can build a globally oriented, AI-centric electronics and semiconductor platform. The Space division can apply aerospace and defence capabilities to satellite-bus manufacturing, payload integration and related systems. Each platform has a distinct market purpose, but all four can draw upon shared engineering knowledge, customer relationships, talent, infrastructure and capital discipline.

Power 930 as an organising discipline

Power 930 - our ambition to scale up towards a ₹9,000 crore revenue / ₹960 crore profit after tax target by FY2030 - is not simply a financial destination. It is an organising discipline for the entire enterprise. It requires us to make explicit choices about portfolio fit, addressable markets, operating margins, capital intensity, capability gaps, partnerships, acquisitions, talent and governance. It also requires us to recognise that growth of this scale will not be linear and cannot be achieved by adding headcount alone.

The Board views this ambition with both confidence and responsibility. Confidence comes from the strategic opportunity before us and the capabilities already built. Responsibility comes from the need to protect the balance sheet, maintain high investment thresholds, manage execution risk and report progress transparently. Every material investment must have a clear strategic purpose, a credible route to customer demand and an appropriate return profile. Scale without discipline is not value creation; our aim is purposeful scale supported by resilient economics.

Governance that keeps pace with transformation

A transformation of this magnitude must be accompanied by equally strong governance. During the year, the Board devoted significant attention to strategy, capital allocation, risk, leadership, succession, internal controls and the proposed portfolio actions. Where Board-composition and listing-compliance requirements arose following leadership changes, the Company acted to address them and strengthened the mechanisms for monitoring timely compliance. The detailed statutory disclosures set out the relevant facts and actions; the broader commitment is clear - governance standards must advance in step with the business.

The shift towards a more manufacturing-led model also expands our responsibilities. Quality, occupational health and safety, environmental management, responsible sourcing, data security, export controls and ethical conduct must be embedded in the operating system, not treated as parallel obligations. The Board will continue to oversee these matters as essential components of long-term resilience and stakeholder trust.

A compact with our stakeholders

Our strategy depends on the confidence of many stakeholders. Customers entrust us with complex, safety-critical and mission-sensitive work. Employees contribute specialised knowledge developed over years. Partners provide technology, market access and complementary capability. Governments and regulators expect responsible conduct. Shareholders provide patient capital and hold us accountable for its productive use. We recognise each of these responsibilities.

As the portfolio evolves, we will protect customer continuity, treat employee transitions with care and communicate material developments through appropriate channels. We will also continue aligning our capabilities with India's Atmanirbhar Bharat priorities, not as a slogan but through tangible investments in indigenous design, manufacturing, integration and system ownership.

Significant developments after 31 March 2026

After the close of FY2026, the Company announced the two phases of its Engineering Services Divestment Programme with Akkodis. The first phase covers Heavy Engineering, Energy and Automotive engineering services. The second phase covers Aerospace Engineering Services through a staged transaction, subject to customary approvals and closing conditions. These developments belong to Q1 FY2027 and are not part of FY2026 financial performance; they are discussed here because they materially clarify the strategic direction established during the year.

The divestment programme should be understood as a reallocation of capital and management bandwidth, rather than a retreat from Aerospace or engineering. AXISCADES intends to carry forward the relationships, reputation and domain knowledge built through engineering services into higher-value Aerospace Manufacturing, supply-chain management and MRO, while accelerating Defence, XiDA (ESAI) and Space. The staged partnership with Akkodis is designed to support continuity for customers and employees and to create opportunities for complementary market access during the transition.

These decisions make the portfolio sharper, but they also raise the standard of execution. The capital released must be deployed against disciplined priorities. New facilities must translate into qualified capacity. Partnerships must translate into programmes. Design wins must translate into production. And growth must translate into cash generation and attractive returns on capital.

Looking ahead

As we enter FY2027, AXISCADES is more focused in purpose and more explicit about the enterprise it intends to become. The opportunity is substantial, but it will be earned through patient capability building, programme discipline, prudent capital allocation and consistent governance. We will judge our progress not only by the size of the Company, but by the relevance of its capabilities, the quality of its earnings, the resilience of its relationships and the value created for all stakeholders.

On behalf of the Board, I thank our employees, customers, partners, regulators and shareholders for their trust and contribution during a consequential year. We move forward with clarity of purpose, confidence in our capabilities and respect for the responsibility that accompanies our ambition.

Dr. Sampath Ravinarayanan
Founder, Chairman & Managing Director

CHIEF FINANCIAL OFFICER'S MESSAGE

The Runway is Built for Financial Discipline: Funding Growth, Protecting Resilience

> Financial discipline means converting strategic choices into durable earnings, cash generation and productive capital deployment.

Mr. Shashidhar S.K.
Group Chief Financial Officer

Dear Shareholders,

FY2026 was a year of two truths. Our earnings engine grew stronger — revenue, EBITDA and pre-exceptional profit all advanced. Reported profit after tax did not follow, held back by year-end programme timing, deliberate portfolio-reset costs and a tax base that is not comparable with FY2025. This message explains both: the genuine improvement underneath, and the discipline that will convert it into cash and returns.

A stronger operating year

Consolidated revenue rose 12.4% to ₹1,159 crore. EBITDA grew 24.6% to ₹178 crore, with margin expanding 150 basis points to 15.32%. Profit before exceptional items rose to ₹125 crore, from ₹91 crore. After a net exceptional charge of ₹11 crore, profit before tax was ₹114 crore and reported PAT was ₹72 (FY2025: ₹75 crore), with diluted EPS of ₹16.83. The statutory auditors issued an unmodified opinion on both the standalone and consolidated results.

Reading the PAT bridge

Three factors separate reported PAT from operating progress. First, the mix improved: Aerospace, Defence and ESAI contributed about 78% of revenue at materially higher margins — Aerospace ₹388 crore (17.3%), Defence ₹378 crore (21.9%) and ESAI ₹136 crore (26.1%), validating our shift toward higher-value, scalable work. Second, roughly ₹142 crore of Q4 revenue, carrying over ₹40 crore of EBITDA, shifted beyond 31 March on supply-chain and scheduling factors; the orders remain intact, so this is deferred execution, not lost demand. Third, an ₹11.17 crore net exceptional charge, new Labour Code past-service costs and a goodwill impairment, partly offset by a contingent-consideration gain combined with a normalised tax base, as FY2025 had benefited from a one-time ₹10.01 crore tax reversal.

Cash conversion is the priority

Cash conversion is where we must improve most. Operating activities used ₹1.36 crore, against ₹88.34 crore generated in FY2025, as inventory, work-in-progress and receivables built up around Defence and Strategic Electronics execution, lifting trade receivables to ₹411.34 crore. We collected ₹154.5 crore of that position after year-end, providing validation of the timing story. FY2027 finance runs on programme-level working-capital plans, earlier customer-acceptance alignment, disciplined billing and clear collection accountability.

A balance sheet built for the transition

Total assets grew to ₹1,466 crore and equity to ₹734 crore. We invested about ₹134 crore in plant, tooling and capability at DAL, DAC and MAC to support manufacturing, testing and systems integration. Gross borrowings rose to ₹276 crore, largely programme working capital that retires as deliveries are invoiced. The balance sheet can fund the transition; the discipline lies in sequencing capital and releasing cash.

How we will allocate capital

Our framework is deliberately hierarchical: first, liquidity and working capital for contracted programmes; second, committed capacity linked to visible demand; third, growth in Defence, Space, electronics and AI where we have a right to win; fourth, selective acquisitions that buy capability faster than we can build it; and fifth, balance-sheet resilience. Every project must clear strategic fit, integration capacity, cash visibility, return thresholds and downside resilience. The aim is not to deploy capital quickly, but productively — through milestone-based funding and Board-approved gates.

The Akkodis Divestment

Following the formal conclusion of the reporting period, AXISCADES Technologies Limited entered into a definitive agreement to divest its legacy engineering services portfolio, a move that serves as the final structural gate for our transition into a pure-play product "Constructor". This strategic realignment, announced in May and June 2026, comprises two distinct phases that are post-year-end events and have no statutory impact on the FY2026 audited accounts.

For complete transparency of the programme architecture, Phase 1 involves a one-time, 100% transfer of our Heavy Engineering, Automotive, and Energy engineering services businesses for an aggregate consideration of approximately ₹292 crore. Phase 2, which addresses the Aerospace Engineering Services business, is structured as a staged two-step transaction: Akkodis will initially acquire a 51% stake, with the remaining 49% balance proposed to transfer over a 24-to-30-month window. This allows the Group to retain a meaningful economic interest through the transition while ensuring a seamless handoff for our marquee OEM partners.

The combined programme represents an aggregate potential value of approximately ₹2,256 crore ($237 Million), including significant performance-linked contingent components. Stakeholders are cautioned that these indicative pre-tax amounts are subject to regulatory approvals and transaction adjustments and should not be interpreted as immediate net cash receipts.

This capital is designated as "strategic fuel" to fully fund our "Power 930" roadmap. Deployment is architected across three critical dimensions: intensive infrastructure build-out at our DAL, DAC, and MAC Atmanirbhar clusters; strategic acquisitions to onboard advanced manufacturing capacity and certifications in Aerospace and ESAI; and the scaling of our high-margin platforms including Defence Solutions (ACAT), XiDA Inc (AI-ESAI), and our newly established Space division.

In alignment with our financial discipline, deployment will be released in surgical phases synced with the arrival of divestment tranches. Any interim timing mismatches between capital expenditure requirements and transaction receipts will be bridged through existing balance sheet strength and disciplined short-term financing. Having effectively "Built the Runway." in Fiscal 2026, this programme ensures AXISCADES is now "Ready to Take-off." for high-velocity take-off.

Priorities for FY2027

They are straightforward: convert deferred programmes into accepted revenue and cash; reduce receivable and unbilled intensity; improve EBITDA-to-cash conversion; commission capacity against customer milestones; protect margin quality; and deploy transaction proceeds with discipline. We will also sharpen the disclosure bridge between the FY2026 base, the retained businesses and the post-transaction structure, so performance can be judged on a comparable footing.

This is the financial logic of a transforming AXISCADES: a focused portfolio, a higher-value earnings mix, productive capital and stronger cash discipline. The transition brings timing and comparability effects, and we will explain them transparently. Our commitment is that strategic ambition stays matched by financial control, and that every rupee of capital works toward durable, long-term value.

My thanks to our finance, operations, programme and governance teams for their work through a demanding year.

Mr. Shashidhar S.K.
Group Chief Financial Officer

CHIEF OPERATING OFFICER'S MESSAGE

Building the Physical Runway: Shared Tri-Use Infrastructure

> We build the physical backbone for a company, transforming integrated capabilities into dependable, end-to-end execution.

Mr. D. Murali Krishnan
Chief Operating Officer

Dear Shareholders,

FY2026 marked a decisive change in the operating character of AXISCADES. We continued to deliver engineering and technology programmes, but we also began building the physical, organisational and systems backbone required for a Company with a larger role in manufacturing, integration and complete-system delivery. This shift is central to our journey which is now ready to take-off in FY2027. It demands sharper programme ownership, stronger supply-chain resilience, tighter quality and acceptance controls, and infrastructure that is commissioned against visible customer demand.

The year brought meaningful progress across Defence, Aerospace and ESAI. It was also a year where AXISCADES experienced a fourth-quarter revenue shift, which reinforced that growth in manufacturing-linked businesses must be judged not only by the opportunity pipeline or order wins, but also by the discipline with which programmes move through procurement, production, inspection, customer acceptance, invoicing and collection. Our task is to convert capability into dependable execution and execution into cash.

Expanding our Defence manufacturing capabilities

Defence was one of the clearest areas of capability expansion during FY2026. In missile systems, we entered pilot programmes involving wire-harness development and advanced the groundwork for a dedicated manufacturing presence in Hyderabad. These steps take AXISCADES beyond an integration role and towards a deeper role in the manufacture, integration and testing of mission-critical systems.

In Land Systems, the approximately ₹250 crore tank-trailer programme for the Indian Army progressed rapidly. More than 62 trailers had reached readiness and testing stages as the first delivery batch moved towards customer acceptance. The programme has required coordinated design, partner-led production, inspection and logistics planning, and is building a repeatable execution capability in a segment that was relatively new to the Company.

We also secured and began capability creation around two additional complete-system opportunities: a mobile mast system for missile-defence applications and a mobile firing platform for weapon testing. These programmes require design validation, manufacturing ecosystem development, integration and responsibility for final acceptance. Their significance lies not only in their order value, but in the operating competencies they are helping AXISCADES build.

Creating the infrastructure for the next operating model

Devanahalli Aero Land, or DAL, was substantially fitted out during FY2026, and the movement of teams and activities into the facility began before year-end. The campus now brings together engineering, electronics manufacturing, acoustic testing, laboratories, wire-harness activity and initial production programmes. Consolidating these capabilities in one operating environment improves collaboration between design, manufacturing, quality and programme teams, while creating room for future expansion.

The EMS facility became operational during the year, supported by dedicated testing and acoustic-laboratory capabilities. The broader ESAI team also began migrating from its earlier location into DAL. This is an important step in moving the business beyond design services towards hardware realisation, assembly, testing and production-oriented customer engagements.

The Devanahalli Atmanirbhar Complex, or DAC, also moved from concept to execution during FY2026, with groundbreaking and civil construction commencing during the year. Land for the Missile Atmanirbhar Complex, or MAC, was secured during FY2026. These facilities are being developed in stages, with each phase aligned to programme demand, equipment requirements, certifications, people and customer qualification. Capacity creation will remain disciplined and milestone-led.

CHIEF OPERATING OFFICER'S MESSAGE
(contd...)

> Tooling, wire harnesses, composites, precision components and MRO each demand a different discipline. What they share is our domain knowledge, our customer relationships and our engineering depth. That is the bridge we are building deliberately.

Building Aerospace manufacturing capability organically

Alongside the strategic transition in Aerospace Engineering Services, we began creating a distinct Aerospace manufacturing base. During FY2026, AXISCADES expanded capability in aerospace tooling and commenced work for Indian and international customers in tool design. We also progressed an end-to-end electrical wire interconnection system programme for a European aerospace customer, covering both design and manufacturing. The design phase was under way during the year, with manufacturing capability being established at DAL.

These organic initiatives provide an important operating bridge between our engineering heritage and the manufacturing platform we intend to build. Tooling, wire harnesses, composites, precision components, supply-chain management and MRO each require different operating disciplines, but all benefit from AXISCADES' domain knowledge, customer relationships and engineering depth.

Applying the lessons of the fourth quarter

FY2026 did not close exactly as planned. Approximately ₹142 crore of revenue could not be recognised before year-end because of supply-chain disruption, input-material availability, programme scheduling and transaction-related transition factors. The underlying orders remained intact and management views the disruption as a one-off timing event. Nevertheless, it exposed areas where a manufacturing-led AXISCADES will need to strengthen forward controls, and the timing shift affected revenue, EBITDA and cash conversion in the fourth quarter.

The principal lesson has been internalised by strengthening the identification and stocking of critical long-lead items, placing orders earlier, improving supplier tracking and building greater resilience into the supply chain. Where technically and commercially possible, alternative sourcing and procurement buffers will be developed. This may require more selective working-capital deployment, but the objective is to protect delivery predictability and customer commitments.

We are also tightening programme-level control over inspection schedules, customer acceptance milestones, configuration changes and billing readiness. A programme is not complete when production ends; it is complete when the product is accepted, invoiced and collected. That full order-to-cash view will increasingly define our operating cadence.

Strengthening systems, accountability and continuity

The transition towards a more integrated operating model also requires better systems. During FY2026, the Company initiated a CRM programme, acquired licences, began configuration and conducted initial user training. This forms the first layer of a broader effort to improve pipeline visibility, programme hand-offs and management information. The next stage will progressively connect commercial commitments with order-to-cash and procure-to-pay workflows across procurement, production, quality, delivery and cash milestones.

In early FY2027, we took the next step towards a unified Defence delivery structure across electronics and systems integration, supported by dedicated operations leadership and a more focused systems mandate. The objective is to create one operating view across Defence programmes, with clearer accountability from commercial commitment through delivery and cash realisation.

Customer continuity remained a first-order priority as the portfolio was reshaped. The businesses being divested and the retained growth platforms have largely distinct customer and delivery teams, reducing direct execution risk. At the same time, the movement of enabling functions and co-located teams requires careful transition planning. The retained organisation is therefore strengthening core capabilities in operations, quality, programme management, supply chain, finance, HR and IT so that customers experience no loss of responsiveness or ownership.

Our FY2027 operating priorities

First, convert the deferred and embedded programmes into delivery, acceptance, revenue and cash with greater predictability. Second, complete the transition of capabilities into DAL and bring the first phases of DAC and MAC online against qualified demand during FY2027. Third, scale Defence manufacturing and complete-system delivery while protecting quality, safety and compliance. Fourth, strengthen the operating systems that connect pipeline, procurement, production and cash. Fifth, maintain customer and employee continuity through the portfolio transition.

Our operating measures will increasingly reflect these priorities: pipeline depth and conversion, on-time programme milestones, facility commissioning, quality and acceptance performance, working-capital discipline and cash conversion. Tracking pipeline conversion signals whether newer capabilities are gaining traction with existing customers and global OEMs, before opportunities convert into orders and larger engagements. Together, these indicators will help management intervene before a programme delay becomes a revenue or liquidity issue.

FY2026 built the runway for AXISCADES. The facilities, programmes and capabilities created during the year are meaningful, but their value will be proven only through consistent execution. I thank our colleagues, customers, suppliers and partners for their commitment during a year of transition. We enter FY2027 with a clearer operating model and a shared responsibility to turn that clarity into delivery, cash and durable value creation.

Mr. D. Murali Krishnan
Chief Operating Officer

CHIEF GROWTH AND STRATEGY OFFICER AND INVESTOR RELATIONS HEAD'S MESSAGE

Designing the Next AXISCADES: Focused Platforms, Scalable Growth

> Power 930 is not simply a financial aspiration. It is the architecture for transforming AXISCADES into a focused, platform-led manufacturing enterprise.

Mr. Mukund Santhanam
Chief Growth and Strategy Officer and
Head – Investor Relations

Dear Shareholders,

AXISCADES is entering a new strategic phase. The central question before us is no longer how many activities the Company can participate in, but where its capabilities, capital and leadership attention can create the greatest long-term value. We are deliberately concentrating the enterprise around businesses where engineering depth can be converted into manufacturing, intellectual property, complete solutions, recurring programmes and scalable global relevance.

FY2026 was the year in which we built the runway for the move to AXISCADES 3.0. The Company advanced the Power 930 ambition, expanded its opportunity pipeline, invested in new infrastructure and began separating its future growth platforms from activities that no longer represented the best use of capital and management bandwidth. Developments announced after the reporting date, including the proposed divestment of the Engineering Services businesses, lay the foundations for the future and are therefore discussed as Q1 FY2027 events.

Power 930: a strategic architecture for value creation

Power 930 articulates the scale of our ambition for FY2030: to build AXISCADES into a substantially larger, more profitable and more valuable enterprise, with a directional revenue ambition of approximately ₹9,000 crore and a PAT ambition of approximately ₹960 crore, subject to execution, market conditions and the successful completion of the strategic initiatives under way. The ambition is intended to drive choices, not merely outcomes. It shapes the businesses we prioritise, the capabilities we build, the acquisitions we evaluate, the capital we allocate and the operating milestones by which progress will be judged.

The pathway will not be linear. It will combine organic expansion, inorganic capability addition, portfolio rotation, partnerships, productisation and deeper participation in customer programmes. The common objective is to increase the proportion of revenue derived from higher-value activities where AXISCADES can own more of the lifecycle, capture greater intellectual property and create stronger operating leverage.

A portfolio built around four growth platforms

Our future portfolio is being organised around four principal growth platforms: Aerospace Manufacturing, Defence Solutions, the AI-centric ESAI platform being developed under XiDA, and Space division. These businesses are distinct, but they share common capabilities in engineering, electronics, embedded systems, manufacturing, testing, quality, programme management and customer integration.

Aerospace Manufacturing will build on our domain heritage while moving decisively towards tooling, precision manufacturing, composites, avionics, wiring harnesses, supply-chain management and selected MRO opportunities. The objective is to participate in the physical aircraft value chain, where long programme lives, qualification barriers and customer trust can support durable relationships. Organic initiatives already under way provide the base; targeted acquisitions are expected to accelerate manufacturing depth, certifications, customer access and scale.

Defence Solutions will deepen AXISCADES' role across strategic electronics, missile systems, radar and surveillance, electronic warfare, platform upgrades, land systems, UAS and Counter UAS, and complete-system integration. The growth model is to convert design positions and development programmes into repeat production, broaden the scope of responsibility from subsystem to system, and increase participation in both Indian and global supply chains.

The Company's existing ESAI capabilities have been housed under US-headquartered XiDA, to create a globally scalable electronics, semiconductor and AI platform by combining the Company's onshore capabilities with stronger customer proximity, reusable intellectual property, product engineering and hardware realisation. The opportunity extends across semiconductor design and post-silicon engineering, embedded systems, automotive and industrial electronics, consumer technology and AI-enabled solutions. The rebranding and platform architecture were initiated conceptually in FY2026, with formal implementation progressing after year-end.

CHIEF GROWTH AND STRATEGY OFFICER AND INVESTOR RELATIONS HEAD'S MESSAGE
(contd...)

> Our acquisition philosophy is disciplined. We look for capabilities, certifications, customer access and intellectual property. An acquisition must strengthen the platform and improve the quality of future earnings. Size alone is never a sufficient reason.

Space is being developed as a separate strategic vertical because its technology cycles, regulatory environment, partnerships, and business models differ meaningfully from conventional Aerospace. Our initial focus areas include satellite-bus manufacturing, payload and satellite integration, onboard computing, space situational awareness with selective use of shared Aerospace, Defence and electronics capabilities. During FY2026, we progressed discussions with global space primes and entered into an initial partnership for terrestrial space situational awareness capability. These steps are intended to create a credible, focused entry into a market where India is gaining strategic and commercial relevance.

Organic growth: building capabilities before scale

Organic growth remains the foundation of the strategy. AXISCADES is investing in facilities, laboratories, electronics manufacturing, wire harnesses, tooling, integration and testing so that the Company can take on larger and more complex programme responsibility. DAL became the first visible expression of this model during FY2026, while DAC and MAC represent the next stages of capacity creation.

The objective is not to build infrastructure in anticipation of undefined demand. Each investment will be linked to visible programmes, partner and qualification requirements and a clear path to utilisation. Capital will be released in stages against milestones, enabling the Company to preserve flexibility while creating the capacity needed for Power 930.

Organic growth also includes a stronger product and IP agenda. Across Defence, electronics, AI and Space, we intend to identify reusable architectures, modules, platforms and solutions that can be deployed across multiple customers. This is essential to move from purely linear growth towards a business model with greater scalability and margin potential.

Inorganic growth: acquiring capabilities, not simply revenue

Inorganic acquisitions will be an important accelerator, particularly in Aerospace manufacturing, electronics, semiconductor and AI-led capabilities. Our acquisition philosophy is disciplined: we will seek businesses that add capabilities, certifications, customer access, manufacturing competence, intellectual property or geographic reach. Acquisitions must strengthen the strategic platform and improve the quality of future earnings; size alone is not a sufficient rationale.

The proposed recycling of capital from the Engineering Services divestment creates greater strategic flexibility. Subject to transaction completion and applicable approvals, proceeds can support debt reduction, organic capacity creation, targeted acquisitions and the development of higher-value platforms. Capital allocation will therefore be central to the credibility of Power 930. We will balance ambition with return thresholds, integration discipline and execution capacity.

A broader pipeline and a more diverse customer universe

One of the most important developments during FY2026 was the expansion of the opportunity pipeline. Historically, AXISCADES operated with relatively concentrated customer sets in both engineering services and Defence. The Power 930 process has widened that universe to include additional Indian defence organisations, global OEMs, international technology partners and new programme categories.

The pipeline itself is not of value until it converts, but it is an important leading indicator of strategic relevance. Our emphasis will be on the quality of the pipeline, the probability and timing of conversion, the capital required to execute, the margin profile and the potential for repeat production. Over time, a more disciplined pipeline methodology should allow investors to understand how opportunity is translating into orders, programmes and cash flows.

Partnerships as strategic accelerators

AXISCADES will continue to use partnerships to accelerate market entry, technology access and programme credibility. In Aerospace, Defence and Space, partnerships can provide certification pathways, customer access, technology transfer and participation in larger global programmes. The strategic principle is clear: partnerships must complement internal capability rather than substitute for it. Our goal is to build valuable capability in India while operating as a trusted partner to global and domestic customers.

From strategic clarity to measurable progress

The strategic transformation will be measured through a combination of financial and non-financial milestones: growth in qualified pipeline and order intake; conversion of development programmes into production; commissioning and utilisation of manufacturing capacity; expansion of product and IP-led revenue; successful acquisition and integration; improved margins and cash conversion; and disciplined deployment of capital.

Several execution risks must be managed carefully. These include acquisition integration, programme timing, supply-chain constraints, working-capital intensity, technology obsolescence, customer concentration and the organisational demands of managing multiple growth platforms. The role of strategy is not only to define where the Company will go, but also to identify the trade-offs and sequencing required to reach that destination responsibly.

The road ahead

FY2026 sharpened our strategic choices. FY2027 must begin translating those choices into operating milestones: completing the portfolio transition responsibly, commissioning capacity, converting the expanded pipeline, progressing targeted acquisitions, building XiDA and Space with focus, and scaling Defence and Aerospace manufacturing.

Power 930 gives the organisation a common destination. FY2026 was the year we built the runway: through concentration rather than dispersion, capability rather than breadth, disciplined capital allocation rather than activity, and platforms that can scale beyond linear services. We are not seeking growth at any cost. We are designing a Company that can compound technology, customer trust, manufacturing capability and intellectual property into long-term value.

I thank our colleagues, Board, customers, partners and shareholders for their support through this transformation. The future AXISCADES is being built deliberately. Our responsibility is to ensure that its ambition is matched by discipline, its investments by returns and its strategy by execution.

Mr. Mukund Santhanam
Chief Strategy and Growth Officer and Head – Investor Relations

STRATEGY

Four markets, six capitals, five priorities, one destination. This section explains where AXISCADES chooses to compete, how resources become outcomes, and how progress against the Power 930 ambition will be measured rather than asserted.

03.

BUSINESS MODEL

Value grows as responsibility travels further

AXISCADES connects engineering, qualification, industrialisation, production and lifecycle support within long-duration customer programmes.

The business model converts domain knowledge and customer access into programme outcomes. AXISCADES applies people, technology, facilities and partnerships across a series of controlled gates, earns through engineering and product delivery, and reinvests cash and learning into reusable capability.

Input	What it enables
Domain knowledge	An understanding of programme, certification, mission and lifecycle requirements
Technical talent	Engineering, electronics, software, manufacturing, quality and programme execution
Customer relationships	Access to long-cycle opportunities and qualification pathways
Technology and intellectual property	Reusable designs, embedded systems, test assets and AI-enabled methods
Facilities and supply chain	Industrialisation, production, integration, testing and sustainment
Financial capital and governance	Selective investment, risk control and operating resilience

6
linked value-creation stages

5
principal earning routes

3
gates before scale: qualify, accept, collect

Activities: the six-stage value path

1. **Select:** qualify the customer problem, strategic fit, contract route and expected return.
2. **Engineer:** develop architecture, design, analysis, electronics, software and product data.
3. **Qualify:** meet technical, regulatory, quality, security and customer-acceptance requirements.
4. **Industrialise:** define tooling, sourcing, processes, fixtures, test methods and production readiness.
5. **Build and integrate:** manufacture, assemble, test, configure and deliver products or complete systems.
6. **Sustain:** support supply chains, upgrades, maintenance, repair, overhaul and lifecycle availability.

Not every programme necessarily uses all six stages. The strategic objective is to take responsibility for more of the chain where AXISCADES can improve customer outcomes and earn an appropriate return.

How we earn

Revenue is earned through engineering engagements, fixed-price deliverables, product and system supply, manufacturing and integration, supply-chain support and lifecycle services. Commercial structures vary by programme. Cash conversion depends on clear milestones, customer inspection and acceptance, timely invoicing and collection.

BUSINESS MODEL
(contd...)

Outputs and outcomes

Outputs include qualified designs, test systems, electronics, harnesses, tools, manufactured assemblies, integrated solutions and lifecycle support. Customer outcomes are improved development speed, reliable delivery, localisation, availability and reduced programme risk. For AXISCADES, the intended outcomes are durable relationships, reusable capability, higher-value revenue, cash generation and returns on invested capital.

How economics change along the value path

Each stage has a different economic character. Engineering assignments are principally knowledge- and talent-led. Qualification adds specialist evidence, customer interaction and time. Industrialisation introduces tooling, process, supplier and production-readiness costs. Build and integration require inventory, capacity, quality control and working capital. Sustainment can create longer-duration participation, but requires service readiness, product data and performance accountability.

The strategic objective is not to move every programme to the final stage. It is to identify where a greater span of responsibility improves the customer outcome and the return after capital and risk. In some programmes, a high-value engineering or test role may be the right position. In others, design ownership and manufacturing are inseparable.

The commercial architecture

Commercial terms tend to reflect the risk accepted at each gate. Engineering work may be billed through time-and-material or defined milestones. Product and system work requires clarity on specifications, change control, long-lead material, customer-furnished information, inspection, acceptance, warranty and payment triggers. Lifecycle arrangements require clear service levels, configuration records and responsibility for obsolescence.

This architecture affects cash as much as revenue. A programme can appear technically advanced while remaining commercially immature if scope, acceptance evidence or billing triggers are unresolved. AXISCADES therefore brings commercial, engineering, supply, quality and finance decisions together earlier in the programme. The intended result is less ambiguity at the point of delivery and a shorter path from accepted output to collection.

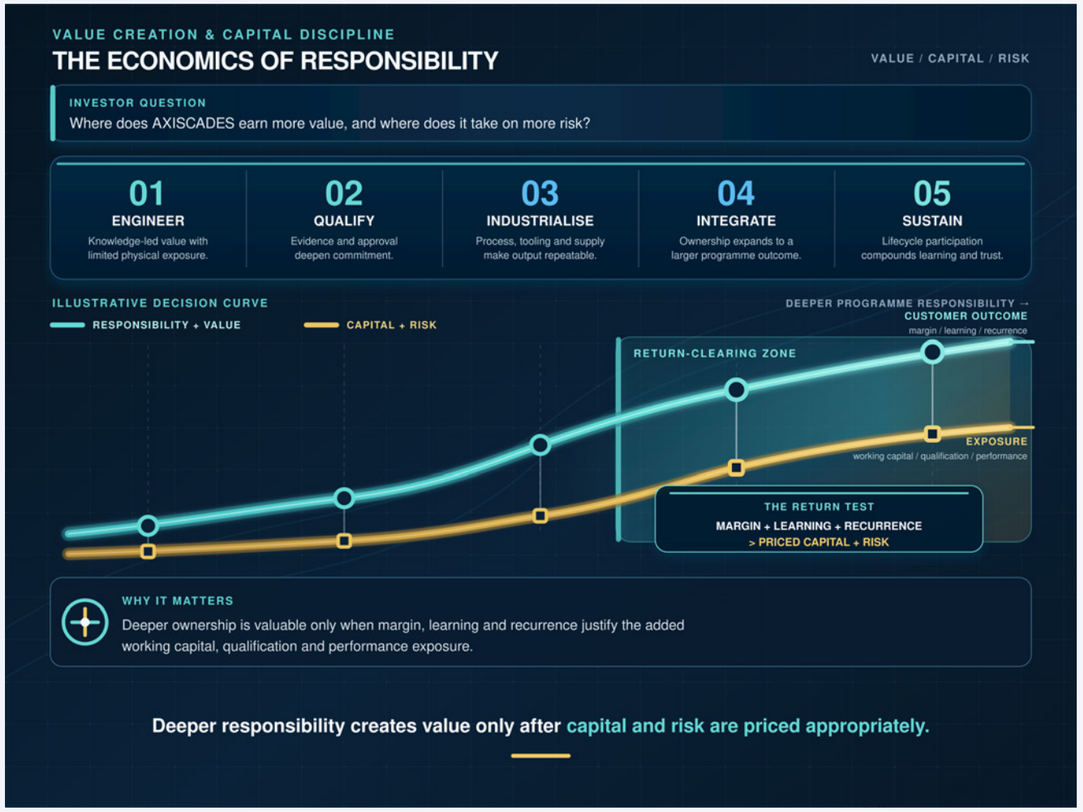
Learning as an economic asset

Every completed programme can leave behind more than revenue. It can create design rules, test libraries, process parameters, qualified supplier knowledge, configuration practices and field insight. When ownership and customer rights allow, these assets can improve the next bid, shorten the next qualification cycle or become part of a configurable product or platform. This is the practical mechanism behind non-linear growth.

Learning is not automatically reusable. Customer information may be restricted, programme data may be segregated, and technical know-how may belong wholly or partly to another party. The Company endeavours to identify its own intellectual capital, protect it contractually, control access and distinguish permitted reuse from customer-specific knowledge. Governance of the asset is therefore part of its economic value.

The reinvestment loop

Cash generated from engineering, products, manufacturing and lifecycle activity is allocated first to programme continuity and financial resilience, then to qualified capacity, technology, people and selective inorganic growth. Operating and customer learning influences where that capital goes next. A strong business model therefore closes the loop between market choice, programme outcome, cash and reinvestment.



VALUE CREATION FRAMEWORK

Six capitals, tested through outcomes

Value is created when capital inputs reinforce one another and result in customer, employee, national and investor outcomes.

AXISCADES uses an integrated value-creation lens to connect strategy with resources, relationships and consequences. The framework does not treat the six capitals as separate stores of value. It shows how financial, manufactured, intellectual, human, social and relationship, and natural capital combine within programmes.

AXISCADES 3.0 represents a fundamental structural realignment designed to transition the Group from a design-led "architect" of engineering services to a product-led "constructor" of mission-ready systems. Our Value Creation Framework is architected to leverage a multi-decadal engineering pedigree to capture non-linear value across high-growth, structurally supported domains. By reorganising our resources into distinct strategic objectives, we ensure that every capital input is converted into high-fidelity outputs that drive superior stakeholder outcomes.

Knowledge Sovereignty: Embedding Global Deep-Tech IP via Mirroring Architecture

Primary Capital: Intellectual

Inputs:	Our value creation is anchored by a distinguished engineering legacy and specialised proprietary knowledge gained over 15,000 cumulative man-years of domain experience. This includes deep technical expertise in mission-critical avionics, radar data processing, and electronic warfare subsystems.
Outputs	We are converting this legacy into an aggressive migration from providing man-hour intensive services to taking full design-to-manufacture responsibility for mission-ready systems. Central to this is our "Mirroring Architecture," which facilitates the seamless transfer and embedding of sophisticated international technology and manufacturing IP into our domestic clusters.
Outcomes	The ultimate result is the establishment of a formidable technical moat and an IP-led growth engine. By institutionalising a "Constructor" mandate, the Group captures expansive value across the entire product lifecycle, ensuring that AXISCADES moves from being a service provider to a primary owner of mission-critical outcomes.

The Talent Runway: Institutionalising the "Constructor" Mandate for Non-Linear Scale

Primary Capital: Human

Inputs:	Our framework relies on a stable, high-fidelity workforce of 2,902 professionals (as of 31 March 2026) grounded in deep domain expertise across Aerospace, Defence, and ESAI.
Outputs	We are institutionalising a "Constructor" skill set where traditional engineering excellence is fortified by programme ownership, shop-floor capability, and supply-chain orchestration. This human capital runway is being further sharpened by a strategic talent realignment, including the contracted transfer of approximately 2,200 employees to Akkodis to focus our core team on high-margin manufacturing.
Outcomes	We have definitively established a non-linear growth engine that decouples revenue potential from headcount expansion. This structural shift resulted in record operational productivity during the period, with **Revenue per Employee rising to ₹39.94 Lakh**, enabling AXISCADES to deliver superior value per professional as we climb toward our ₹9,000 crore revenue target.

Operational Excellence: Shared Infrastructure and Structural Leverage

Primary Capital: Manufactured

Inputs:	We deploy strategic capital allocation to bypass "standing start" risks, pivoting rapidly toward asset-heavy operations. This is anchored by our investment in physical manufacturing and testing assets.
Outputs	Our primary output is the build-out of advanced infrastructure at our Atmanirbhar capability clusters. This includes a tri-use factory foundation equipped for precision machining, advanced composites, and electronics manufacturing, specifically architected to serve Aerospace, Defence, and Space programs from a common infrastructure.
Outcomes	This shared-use architecture realises structural operating leverage, where common facilities shorten programme mobilization and drive down unit costs as production volumes scale. This creates a globally scalable platform with a defensible manufacturing moat.

Market Leadership: Compounding Relationships and National Pedigree

Primary Capital: Relationships

Inputs:	AXISCADES' relationship capital is built on long-standing executive-level trust with global OEMs, deep aerospace certification experience, and strategic alignment with India's national indigenisation priorities under the **Atmanirbhar Bharat** initiative.
Outputs	Our primary output is the build-out of advanced infrastructure at our Atmanirbhar capability clusters. This includes a tri-use factory foundation equipped for precision machining, advanced composites, and electronics manufacturing, specifically architected to serve Aerospace, Defence, and Space programs from a common infrastructure.
Outcomes	This shared-use architecture realises structural operating leverage, where common facilities shorten programme mobilization and drive down unit costs as production volumes scale. This creates a globally scalable platform with a defensible manufacturing moat.

VALUE CREATION FRAMEWORK

(contd...)

Social Trust: nurturing people that need upliftment

Primary Capital: Social

Inputs:	The Group's social capital is anchored in its community relationships and a structured CSR framework focused on healthcare, education and rural development.
Outputs	CSR investments are directed towards meaningful community platforms, including holistic village development through the Gandhigram Trust and future-focused education initiatives such as the science-centric Param Project.
Outcomes	These initiatives create measurable social value while strengthening the community foundation around the Company's manufacturing and technology clusters. By supporting local communities, rural families and education-led development, AXISCADES seeks to ensure that its growth contributes to inclusive progress and long-term stakeholder value.

Performance Conversion: Capital Discipline and Value Capture

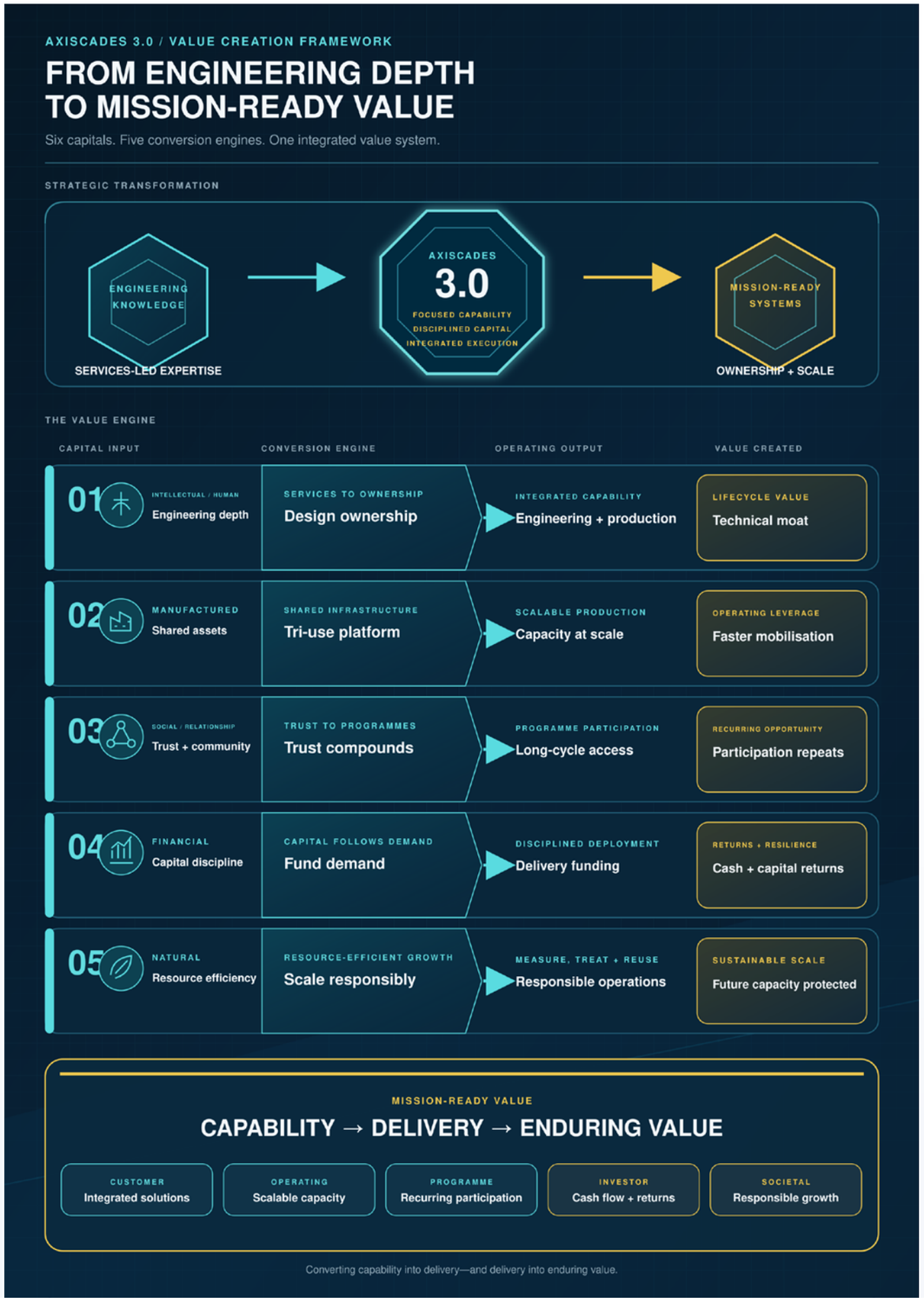
Primary Capital: Financial

Inputs:	Our financial framework is anchored by a strengthened equity base and the strategic de-risking of long-term liquidity through proceeds from our divestment programme. We prioritise a performance-driven engine where capital is judged by the operating capacity it enables.
Outputs	These resources fund high-intensity delivery cycles across our design wins and a disciplined capital expenditure programme. This includes the implementation of a "Mirroring Architecture" for seamless acquisition integration and the strategic absorption of working capital to support growth milestones.
Outcomes	The definitive outcome is a scaled asset base that provides institutional-grade stability and structural leverage. By rigorously anchoring capital to qualified demand, we institutionalise a model for superior stakeholder returns and enhanced liquidity buffers.

Performance Conversion: Capital Discipline and Value Capture

Primary Capital: Natural

Inputs:	As our manufacturing footprint grows, we utilise certified environmental management systems and resource-efficient infrastructure as core inputs for sustainable transformation.
Outputs	These protocols generate the systematic tracking of energy consumption and the treatment and recycling of water as manufacturing intensity increases. We provide high-end engineering solutions that optimise energy efficiency and material use for our customers.
Outcomes	The ultimate result is a complete and decision-useful natural capital data architecture that de-risks our asset-heavy transformation. By ensuring our Atmanirbhar clusters remain ecologically responsible and aligned with global disclosure standards, we protect the environment while enhancing the lifecycle value of the products we engineer.



CAPITALS SNAPSHOT

The resource base behind execution

FY2026 strengthened several capitals while also revealing the balances that must be managed more tightly.

The capitals snapshot connects year-end evidence with the strategic task ahead. It shows a larger financial and asset base, greater investment in capability, improved employee productivity and established stakeholder relationships. It also keeps working capital, environmental data quality and return discipline visible.

Financial capital

AXISCADES is fundamentally re-architecting its financial framework to transition from a deployment-centric model to a performance-driven engine where capital is judged strictly by the operating capacity and cash generation it enables. **Inputs** for the reporting period were anchored by a strengthened total equity base of ₹734.44 crore, supported by a surge in consolidated EBITDA to reach ₹177.51 crore and the strategic de-risking of our long-term liquidity through the anticipated ₹2,256 crore in proceeds from the Akkodis divestment programme. These resources were converted into high-fidelity **Outputs**, including a ₹134.44 crore capital expenditure programme in FY2026 dedicated to building out advanced manufacturing and testing infrastructure at our Devanahalli and Missile Atmanirbhar complexes, as well as the strategic absorption of ₹156.84 crore in working capital to support high-intensity delivery cycles across 21 active design wins. The definitive **Outcome** of this disciplined allocation is a scaled asset base of ₹1,466.21 crore that provides the institutional-grade stability and structural leverage required to achieve our Power 930 vision by Fiscal 2030. By rigorously anchoring every new capital commitment to qualified demand and visible programme milestones, AXISCADES is institutionalising a model for superior stakeholder returns driven by non-linear profitability and enhanced liquidity buffers.

Manufactured capital

AXISCADES is systematically converting its technical pedigree into high-fidelity physical assets to anchor its transition into a product-led manufacturing powerhouse. **Inputs** for the reporting period were defined by a strategic capital allocation of ₹134.44 crore, representing a high-velocity move toward asset-heavy operations, alongside the deployment of our legacy in domain engineering and reusable design knowledge. These resources were converted into specialised **Outputs**, most notably the build-out of manufacturing and testing infrastructure at our Devanahalli complexes—an expansion evidenced by the surge in Capital Work-in-Progress to ₹44.22 crore. This output includes a tri-use factory foundation equipped for precision machining, advanced composites, and electronics manufacturing, specifically architected to serve Aerospace, Defence, and Space programs from a common infrastructure. The definitive **Outcome** of this disciplined investment is the realization of structural operating leverage, where shared facilities shorten programme mobilization and drive down unit costs as production volumes scale. By institutionalizing this shared-use architecture, AXISCADES is successfully decoupling revenue potential from headcount, providing the technical moat and manufacturing scale required to deliver the ambitious profit targets defined in our Power 930 roadmap.

Intellectual Capital

AXISCADES leverages its distinguished engineering pedigree and the specialised proprietary knowledge gained over 15,000 cumulative man-years as primary **Inputs** to anchor its transition into a product-led technology powerhouse. These foundational resources, which encompass domain-specific expertise in embedded electronics, radar data processing, and electronic warfare (EW), were converted into high-fidelity **Outputs** during the reporting period, evidenced by the growth of Intangible Assets to ₹39.17 crore and Intangible Assets Under Development to ₹9.11 crore. This systematic allocation supports our aggressive migration from a service-led “architect” of designs to a product-led “constructor” of mission-ready systems, facilitating the conversion of engineering knowledge into repeatable hardware-driven AI solutions and space-grade payload architectures. The ultimate **Outcome** is the institutionalisation of a non-linear growth engine that definitively decouples revenue potential from headcount expansion. By establishing a formidable technical moat through reusable design knowledge and programme data, AXISCADES achieves rapid programme mobilisation and high-margin system integration, positioning the Group to capture expansive value across the entire product lifecycle as defined in the Power 930 roadmap.

CAPITALS SNAPSHOT

(contd...)

Human capital

AXISCADES is fundamentally re-engineering its talent framework to support the structural move toward product-driven, non-linear growth. **Inputs** for the reporting period were defined by a broadly stable, high-fidelity workforce of nearly 3,000 professionals grounded in its engineering pedigree and 15,000 cumulative man-years of domain depth. These specialised human capital resources were converted into high-intensity **Outputs**, characterised by consolidated EBITDA growth of 24.6% and a surge in revenue per employee to ₹39.94 lakh—a definitive indicator of superior operational productivity and the successful decoupling of revenue potential from headcount. The definitive **Outcome** of this evolution is the institutionalization of a "Constructor" skill set, where our traditional engineering excellence is now fortified by programme ownership, shop-floor capability, and supply-chain orchestration. This realignment ensures our human capital base is perfectly synchronised with the asset-heavy manufacturing mandate required to achieve the ambitious revenue and margin targets defined in our Power 930 roadmap.

Relationships and Social Capital

AXISCADES leverages its engineering pedigree and established executive-level OEM trust as primary **Inputs** to secure its position in mission-critical global programmes. These foundational relationships, fortified by strategic regulatory alignment with the Atmanirbhar Bharat mandate and community-focused social capital initiatives, were converted into high-fidelity **Outputs** during the reporting period, characterised by various active design wins and multiple prestigious new orders. The definitive **Outcome** of this robust capital allocation is the compounding of stakeholder trust into long-cycle manufacturing contracts, providing the strategic "licence to operate" and market reach required to anchor our transition from a design-led architect to a product-led constructor.

Natural Capital

As our operational footprint scales, AXISCADES utilises its ISO 14001-certified environmental management systems and resource-efficient infrastructure at the Devanahalli and Missile clusters as core **Inputs** for sustainable transformation. These stewardship protocols generated rigorous **Outputs** during the fiscal year, including the systematic tracking and internal reporting of 12,950.11 GJ of energy consumption and the treatment and recycling of water as our manufacturing intensity increased. The ultimate **Outcome** is a complete and decision-useful natural capital data architecture that de-risks our asset-heavy transformation, ensuring that the build-out of our Atmanirbhar clusters remains ecologically responsible and fully aligned with global ESG disclosure standards.

₹1,466.21 cr
total assets at year-end

₹734.44 cr
total equity at year-end

₹39.94 lakh
revenue per employee

OPERATING ENVIRONMENT AND MARKET LANDSCAPE

Strong demand, matching our moats

Aerospace, Defence, semiconductors and Space offer structural opportunity, but qualification, supply, capital and timing govern realisation.

AXISCADES participates in four markets with long demand horizons and demanding entry conditions. Market scale is where the opportunity begins. Customer selection, qualification, supply-chain readiness, delivery and acceptance are where it becomes revenue.

AXISCADES participates in four markets with long demand horizons and demanding entry conditions. Commercial-aircraft backlogs, defence modernisation, AI-led electronics investment and the opening of India's space ecosystem are creating substantial opportunity. However, market scale is only the starting point. In mission-critical industries, opportunity becomes revenue only after customer selection, contracting, qualification, supply-chain readiness, delivery, acceptance and collection.

These markets are already material to AXISCADES. Aerospace, Defence and ESAI contributed approximately ₹902 crore in FY2026, representing around 78% of consolidated revenue. Space remains an emerging Platform and did not contribute to FY2026 revenue. The strategic question is therefore not whether these markets are attractive, but where AXISCADES possesses a credible right to participate and can convert that position into superior returns.

Aerospace	**17,000+** aircraft in the global backlog	**~12 years** current production capacity
Defence	**US$2.63 trillion** global defence expenditure in 2025	**₹1.54 lakh crore** Indian defence production in FY2025
ESAI	**US$975 billion** expected semiconductor sales in 2026	**US$90 billion** projected Indian semiconductor demand by FY2030
Space	**US$1.8 trillion** estimated global space economy by 2035	**US$44 billion** Indian space-economy ambition by 2033

Aerospace: qualified capacity is becoming the scarce resource

Global aviation demand continues to test the capacity of the existing fleet and industrial supply chain. Approximately 5.2 billion passengers are expected to fly in 2026, 4.4% more than in 2025. The preceding year carried nearly five billion passengers across 38.7 million flights, with passenger traffic increasing by 5.7% and the industry-wide load factor reaching a record 83.5%. Air cargo is expected to reach 71.6 million tonnes in 2026, an increase of 2.4%.

The longer-term demand profile is equally supportive. IATA expects global passenger demand to more than double by 2050, expanding at a compound annual rate of approximately 3.1% from 2024 under its mid-range scenario. This creates sustained demand not only for new aircraft, but also for modification, maintenance, repair, overhaul and lifecycle support as existing fleets are utilised more intensively and remain in service for longer.

The immediate constraint is production capacity. The global commercial-aircraft backlog exceeds 17,000 aircraft, equivalent to nearly 12 years of output at current production rates. The backlog represents approximately 60% of the active fleet, compared with a historical range of 30–40%, while the accumulated delivery shortfall is estimated at around 5,300 aircraft. This imbalance is encouraging airframers and Tier-1 suppliers to diversify engineering, sourcing and manufacturing capacity across a wider qualified supplier base.

The opportunity is therefore not simply to add capacity, but to add capacity that can satisfy aerospace certification, traceability, quality and delivery requirements. Engine availability, specialised metals and composites, critical components, skilled labour and customer approvals continue to constrain production. These factors can create a material interval between programme selection, initial engineering work, series-production approval and revenue at scale.

For AXISCADES, the relevant opportunity extends from engineering into tooling, electrical interconnection systems, precision and composite manufacturing, supply-chain management, component MRO and lifecycle support. The Company's first integrated design-and-manufacturing engagement for the electrical interconnection system of a new-generation regional aircraft, with an estimated life-of-programme potential exceeding US$100 million, demonstrates the type of long-duration participation being pursued. Actual conversion will remain dependent on programme progression, production volumes, customer schedules and acceptance milestones.

OPERATING ENVIRONMENT AND MARKET LANDSCAPE
(contd...)

Defence: modernisation is being reinforced by indigenisation

Global defence expenditure reached US$2.63 trillion in 2025, compared with US$2.48 trillion in 2024. In real terms, spending increased by 2.5%, while defence expenditure as a share of global GDP rose from 1.89% to 2.01%. Europe's share of global expenditure has increased from approximately 17% in 2022 to more than 21%, while the United States remains the largest individual spender at approximately US$921 billion.

The expansion is also changing the nature of demand. Modernisation programmes increasingly require radar, electronic warfare, counter-UAS systems, autonomous platforms, secure communications, mission computing, strategic electronics and platform upgrades. These capabilities depend on specialised electronics, high-reliability manufacturing, embedded software and systems integration, creating opportunities for suppliers able to assume greater responsibility across the programme lifecycle.

India combines this global modernisation cycle with an explicit emphasis on domestic design and production. The country's defence allocation stood at approximately ₹6.81 lakh crore in FY2026, around 2.6 times its FY2014 level. Domestic defence production reached a record ₹1.54 lakh crore in FY2025, representing growth of approximately 174% over FY2014. The FY2027 policy backdrop extends this direction, with a defence allocation of ₹7.85 lakh crore, approximately ₹1.39 lakh crore earmarked for procurement from domestic defence industries and around 75% of the capital-acquisition budget reserved for domestic procurement.

For AXISCADES, the addressable opportunity lies in airborne mission electronics, radar and air-defence systems, electronic warfare, maritime technologies, missile-related capabilities, integrated ground platforms and specialised test systems. The Company entered FY2027 with 21 active design wins and programme positions across different stages of development, qualification and production.

The length and quality of the opportunity must nevertheless be distinguished from its conversion timetable. Defence budgets become addressable programmes only after procurement approvals; programmes become orders only after technical and commercial selection; and orders become revenue only after qualification, production authorisation, inspection and customer acceptance. Long-lead electronic components, specialised materials, security requirements and working-capital intensity can make quarterly conversion uneven even when the underlying programme remains intact.

ESAI: the value pool extends well beyond fabrication

The global semiconductor industry is expected to generate approximately US$975 billion in sales during 2026. Industry growth reached 22% in 2025 and is projected at approximately 26% in 2026, placing the market on course to exceed US$1 trillion in 2027. A separate industry forecast projects growth from US$627 billion in 2024 to approximately US$1.03 trillion by 2030, representing a compound annual growth rate of 8.6%.

Growth is being led by AI infrastructure, data centres, memory, high-performance computing, automotive electronics and industrial systems. Server and network chips are projected to expand at approximately 11.6% annually to 2030, followed by automotive semiconductors at around 10.7%.

The composition of the market is as important as its aggregate scale. High-value generative-AI chips account for approximately half of semiconductor revenue while representing less than 0.2% of unit volumes. Approximately 1.05 trillion chips were sold during 2025 at an average selling price of US$0.74, while generative-AI accelerators represented fewer than 20 million units. This concentration illustrates why value is migrating towards high-performance design, memory, interconnect, thermal management, testing and the complete hardware systems surrounding the chip.

India's near-term advantage lies in this wider value chain. The country accounts for approximately 20% of the global semiconductor-design workforce, while domestic semiconductor demand is projected to grow at approximately 19% annually and reach around US$90 billion by FY2030. Design, embedded systems, assembly, packaging, testing, electronics manufacturing and system-level integration therefore present more immediate opportunities than leading-edge fabrication.

AXISCADES participates in this "value around the chip" through electronics design, post-silicon engineering, embedded systems, assembly, testing, hardware realisation and AI-enabled products. Its relevance depends on converting engineering knowledge into prototypes, validated hardware and repeat production rather than relying solely on the headline growth of the semiconductor market. Technology cycles, customer concentration, memory prices, power availability and the commercial returns on AI infrastructure remain important variables.

OPERATING ENVIRONMENT AND MARKET LANDSCAPE
(contd...)

Space: a large market requiring selective participation

The global space economy is estimated to expand from approximately US$630 billion in 2023 to US$1.8 trillion by 2035 in inflation-adjusted terms. The 2023 market comprised approximately US$330 billion of “backbone” activity, including satellites, launchers and core services, and approximately US$300 billion of “reach” applications, where space-enabled data, navigation and connectivity support activity in other industries.

India currently represents around 2% of the global space market. The IN-SPACe Decadal Vision sets an ambition to expand the country’s space economy from US$8.4 billion in 2022 to US$44 billion by 2033, equivalent to approximately 8% of the global market and a compound growth rate of around 16%. Domestic demand is expected to contribute US$33 billion, while exports are targeted to reach US$11 billion.

The segments most relevant to industrial suppliers are projected to grow faster than the overall market. Access-to-Space, covering satellite manufacturing, launch services and ground infrastructure, is expected to increase from US$1.3 billion to US$10.6 billion by 2033, representing growth of approximately 20% annually. Space-for-Space activities, including space-situational awareness and the emerging in-orbit economy, are projected to expand from US$0.1 billion to US$1.3 billion.

Policy reform is widening private-sector participation. India had more than 400 space start-ups by February 2026, compared with one in 2014, and cumulative investment had exceeded US$500 million. By January 2026, IN-SPACe had facilitated 71 technology transfers from ISRO to industry and start-ups. Six non-governmental entities had launched 18 satellites, while 25 private payloads had flown or were scheduled to fly on orbital experimental platforms.

AXISCADES’ path into this market is deliberately selective. The most relevant areas are satellite bus manufacturing, satellite structures and subsystems manufacturing and integration, onboard electronics and computing, and space-situational-awareness applications. These areas draw upon capabilities already present in Aerospace, Defence and ESAI.

Space has no contribution to FY2026 revenue. It remains an emerging Platform in which commercial participation is linked to partner agreements, customer programmes, authorisation, qualification and investment gates.

One demand pattern across four markets

Although the four markets differ in customers, technologies and procurement structures, they share a common demand pattern. Customers require additional qualified capacity, more resilient supply chains, faster product development and greater domestic capability. At the same time, technology content and system complexity are increasing, while the financial and operational consequences of failure remain high.

This makes connected capability increasingly valuable. A supplier able to link engineering, electronics, industrialisation, manufacturing, testing and lifecycle support can reduce the number of interfaces a customer must manage and retain learning across successive programme stages. The same capability foundation, including precision manufacturing, composites, electronics, embedded computing, testing and systems engineering, can also support selected requirements across Aerospace, Defence and Space.

The constraints are similarly connected. Specialised materials and electronic components can be scarce. Certification, security clearance and customer approval limit the speed at which new capacity can enter a supply chain. Skilled talent is concentrated, while procurement, inspection and acceptance schedules can shift. These characteristics create long demand horizons but can also produce non-linear quarterly outcomes.

FY2026 demonstrated this distinction. Approximately ₹142 crore of anticipated revenue was not recognised before year-end because of supply-chain interruptions, input availability, programme scheduling and transaction-related factors. The underlying orders remained, but the timing shift affected reported revenue, EBITDA and cash conversion. Market opportunity therefore needs to be read together with execution evidence.

India’s expanding role

India’s position is advancing from engineering and talent support towards a broader role in design, industrialisation and manufacturing. Global aerospace customers are diversifying supply chains. Defence procurement increasingly favours domestic design and production. Semiconductor initiatives are building capacity around design, packaging, testing and systems. Space reform is allowing private participation across satellite, launch-support and ground-segment activities.

For AXISCADES, the opportunity is strongest where these national tailwinds meet capabilities already established within the Company or capable of disciplined extension. India’s cost and talent advantages create an entry point, but sustained participation will depend on certification, intellectual property, quality, delivery performance and the ability to support customers throughout a programme lifecycle.

How AXISCADES selects from the opportunity

The Company applies a staged screen to opportunities across strategic fit, customer relevance, capability adjacency, qualification burden, capital requirement, working-capital profile and risk-adjusted return.

Partnership-led entry is appropriate where technology, certification or market access is complementary. Direct investment becomes more relevant where customer demand is qualified, programme ownership is clear and capability can be shared across multiple customers or Platforms. Emerging opportunities are progressed through defined technical, commercial and capital gates, preserving flexibility until the evidence supports further scale.

This discipline is particularly important in Space and AI, where market narratives can move ahead of commercial maturity. AXISCADES’ participation is therefore defined through specific outcomes in hardware, electronics, testing, thermal systems, ground infrastructure or domain-led AI rather than through just broad market association.

What the market landscape means for stakeholders

- For **customers**, AXISCADES provides an additional source of qualified engineering, electronics and industrial capability, with the potential for clearer accountability across the lifecycle.
- For **employees**, the shift creates access to complex, high-reliability and nationally significant programmes, together with careers extending from engineering into manufacturing, integration and lifecycle support.
- For **suppliers** and **partners**, it creates opportunities to enter longer programme chains, while also increasing expectations around quality, traceability, resilience and delivery.
- For **investors** and **lenders**, the portfolio provides exposure to markets supported by long-term demand and national policy. The corresponding investment test is whether that exposure converts into superior returns through qualification, utilisation, working-capital control, acceptance and cash conversion.

STRATEGIC PRIORITIES

Five priorities for focused value creation

The priorities translate AXISCADES 3.0 into choices about Platform scale, products, capacity, cash and organisational control.

AXISCADES 3.0 is the operating expression of the Company's strategic ambition. It is intended to narrow attention towards high-value Platforms, extend engineering into products and systems, build reusable capability and make capital deployment more selective. Five priorities organise that work.

These five strategic priorities are fundamental to AXISCADES 3.0 as they collectively architect a definitive transition from a manpower-intensive "architect" of engineering services to a high-margin, product-led "constructor" of mission-ready systems. By narrowing institutional focus toward four structurally supported growth platforms, the Group ensures specialised capital deployment and clearer performance accountability across its most potent demand streams. This structural shift is institutionalised through a shared tri-use manufacturing foundation at our Atmanirbhar clusters, which generates non-linear operating leverage by serving Aerospace, Defence, and Space from a common, modular infrastructure. Crucially, the systematic reallocation of approximately ₹2,256 crore in proceeds from legacy divestments into this deep-tech engine provides the robust funding required to fully transition the business model and accelerate our trajectory toward the visionary Power 930 revenue and profit targets. Finally, strengthening our execution framework and mirroring architecture ensures this rapid scaling is supported by rigorous programme ownership and governance, effectively de-risking our evolution into a globally scalable manufacturing powerhouse.

1. Scale Focused Platforms

We are concentrating leadership attention and capital investment into four distinct growth engines: Aerospace Manufacturing, SCM & MRO; Defence Solutions; XiDA Inc (the AI-centric ESAI Platform); and our newly formed Space division. This structural narrowing allows for specialised resource deployment and greater accountability. Following the successful realignment of our portfolio, these four pure-play manufacturing and deep-tech engines now form the core of our future performance disclosure.

2. Move from Effort to Owned Outcomes

The Group is aggressively transitioning from being a service-led "architect" of designs to a product-led "constructor" of mission-ready assemblies. This shift requires taking full-cycle responsibility across design, qualification, industrialisation, manufacturing, integration, and sustainment. For AXISCADES, productisation does not mean abandoning our engineering heritage; it means converting sixteen years of domain knowledge into repeatable deliverables, embedded intellectual property (IP), and recurring participation across the entire product lifecycle.

3. Build Shared, Flexible Capability

Our manufacturing strategy is anchored in a common technology foundation. We utilise "tri-use" infrastructure—such as strategic electronics, automated test systems, precision machining, and advanced composites—that serves Aerospace, Defence, and Space simultaneously. This shared architecture at our Devanahalli (DAC) and Missile (MAC) Atmanirbhar clusters ensures high asset utilisation and structural operating leverage. Capacity is expanded through modular phases, strictly released against qualified customer demand and visible programme milestones to preserve capital efficiency.

4. Capital Reallocation for Strategic Scale

We are systematically deploying the ~₹2,256 crore in proceeds from our strategic divestment programme to definitively transition AXISCADES toward a high-margin, pure-play technology and manufacturing engine. This priority moves the Group away from legacy, manpower-intensive engineering services to fully fund the "Power 930" organic capex and inorganic M&A pipeline. By concentrating our capital base on deep-tech platforms where we possess a defensible technical moat, we ensure that every rupee invested directly accelerates our trajectory toward the ₹9,000 crore revenue milestone for FY2030.

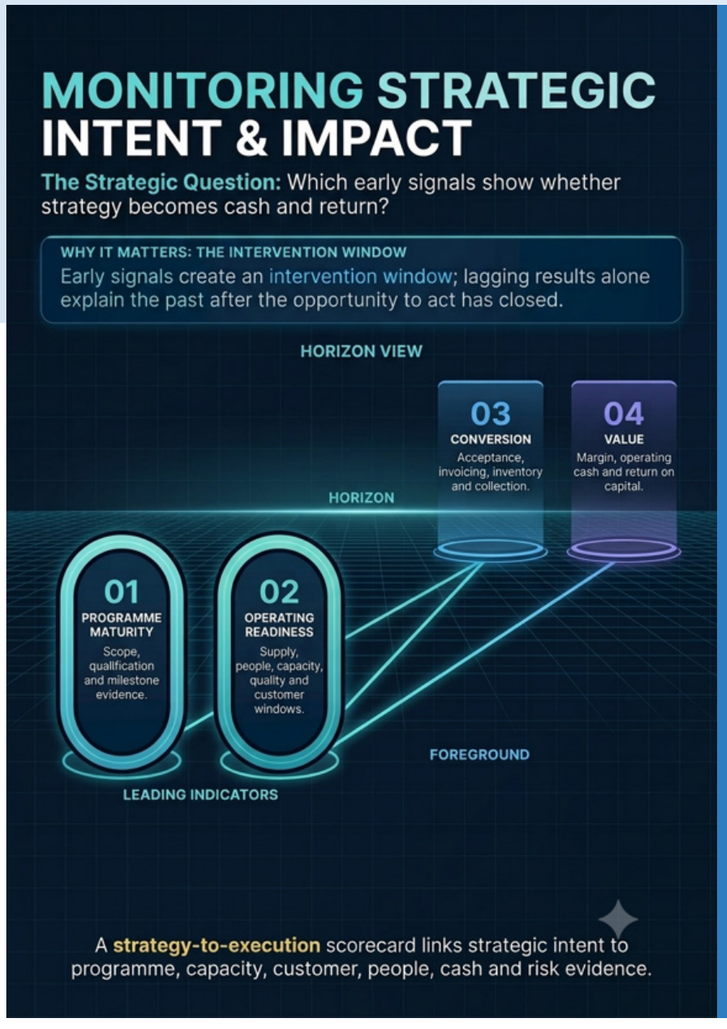
5. Strengthen the Execution Organisation

To support an asset-heavy manufacturing mandate, we are re-architecting our talent and governance frameworks. This involves developing deep capabilities in product ownership, shop-floor management, industrial relations, and supply-chain orchestration. This discipline extends to our inorganic strategy, where every acquisition integrates through a defined "Mirroring Architecture". By embedding AXISCADES' leadership and financial controls into acquired entities from day one, we ensure seamless performance visibility and the protection of Group-wide margins.

STRATEGY-TO-EXECUTION SCORECARD

Measuring strategy into outcomes

A strategy-to-execution scorecard links strategic intent to programme, capacity, customer, people, cash and risk evidence.



In a period of profound structural transformation, this scorecard provides us the radar to monitor the “Power 930” roadmap with transparency. By linking our strategic priorities to a focused set of outcomes across six critical dimensions - programme, capacity, customer, people, cash, and risk - we ensure that every institutional effort is systematically converted into non-linear value and stakeholder returns.

Fiscal 2026 serves as the definitive baseline for this framework. As our reporting perimeter evolves in Fiscal 2027 following the conclusion of the Engineering Services Divestment Programme, AXISCADES is committed to disclosing rigorous definitions and comparable performance bridges. This ensures that our transition into a pure-play product and technology powerhouse is measured against the most stringent standards of transparency.

FY2026 Achievements and Baseline Performance Metrics

Strategic Priority	FY2026 Key Activities Achieved	Baseline Outcome (FY2026)
1. Scale Focused Platforms	We successfully consolidated the Group’s operational focus around four high-velocity, high-margin growth engines: Aerospace Manufacturing, SCM & MRO; Defence Solutions; Electronics & AI (via XiDA Inc); and our newly formed Space division. This structural narrowing allows for specialised resource deployment and clearer performance accountability. Following the Board's approval of the strategic divestment of non-core services, the Group has definitively realigned its resources toward these pure-play manufacturing and deep-tech platforms.	Consolidated EBITDA surged by 24.6% to reach ₹177.51 crore, significantly outstripping the rate of revenue growth. This outperformance demonstrates the superior economics of our high-fidelity platform mix and the Group’s structural ability to capture non-linear value as we migrate up the programme value chain.
2. Effort to Owned Outcomes	The Group achieved a significant milestone in the institutionalisation of its "Constructor" mandate by securing a prestigious development and production order for Mobile Mast Systems. Such milestones require the integration of multi-disciplinary elements within mission-ready platforms for critical air defence systems. General operational progress is further evidenced by the successful expansion of the "design-to-manufacture" pipeline, which now encompasses a portfolio of multiple active programmes. Amongst these, the current engagement base includes the delivery of specialised subsystems for fighter aircraft upgrades and naval electronic warfare, confirming the Group’s ability to capture recurring value across the entire product lifecycle.	We successfully converted domain engineering pedigree into a high-velocity portfolio of multiple active design wins. These include specialised subsystems such as Digital Beam Forming Units for long-range air defence, Signal & Data Processing for indigenous fighter platforms, and Lens Array Antennas, establishing a formidable technical moat that anchors recurring, long-cycle participation throughout the product lifecycle.
3. Build Shared Capability	We commenced operations at our new 180,000 sq. ft. electronics and AI innovation facility (Aeroland) near Bengaluru Airport. This campus serves as the hub for our engineering and leadership teams, housing specialised centres of excellence. Simultaneously, we accelerated construction at our primary Atmanirbhar clusters (DAC and MAC), building out the shared tri-use infrastructure - including precision machining and advanced composites - required to serve Aerospace, Defence, and Space simultaneously.	Capital Work-in-Progress (CWIP) reached ₹44.22 crore, reflecting a dramatic increase. This surge represents a deliberate and disciplined investment in a common technology foundation designed to realise significant structural operating leverage, shortening programme mobilization and driving down unit costs as production volumes scale across three demand streams.
4. Capital Reallocation	We concluded the comprehensive two-phase strategic divestment programme of our legacy engineering services. This programme unlocks approximately ₹2,256 crore in pre-tax proceeds, receivable in tranches between FY2027 and FY2029. By divesting manpower-intensive services, the Group has secured the necessary "strategic fuel" to pivot definitively toward high-margin, asset-heavy manufacturing and technology platforms.	The "Power 930" growth roadmap is now fully funded, both organically and inorganically. These proceeds provide robust liquidity buffers to eliminate high-cost borrowings and fully finance our aggressive M&A pipeline and capacity expansion milestones through FY2030, ensuring the transition from a gradual ascent to a step-function in revenue and PAT.
5. Strengthen Execution	We institutionalised the "Mirroring Architecture" for inorganic growth, a standardised framework that integrates global acquisitions by replicating our India operating model and embedding specialised international capability into our India platforms. Concurrently, we transitioned our core workforce from man-hour intensive design tasks to a "Constructor" skill set focused on programme ownership, shop-floor management, and supply-chain orchestration.	We achieved record operational productivity as Revenue per Employee rose to ₹39.94 Lakh, representing a successful decoupling of revenue potential from headcount. This productivity surge confirms that our talent framework is now perfectly synchronised with the manufacturing mandate required to achieve the non-linear returns defined in our FY2030 vision.

Strategic Conversion Indicators

- **Cash & Liquidity Evidence:** Net cash used in operating activities stood at ₹1.36 crore as the Group strategically absorbed ₹156.84 crore in working capital to support the high-intensity delivery and production cycles of 21 active design wins.
- **Risk Mitigation Evidence:** Net debt rose to ₹230.98 crore to fund critical capacity expansion ahead of the phased divestment inflows. Management continues to prioritise disciplined investment sequencing, strictly funding capacity expansion against qualified customer-backed milestones.
- **People & Talent Evidence:** While approximately 2,200 employees transfer with the divested businesses, the remaining core workforce is being systematically re-architected around programme leadership and manufacturing discipline, preserving our sixteen-year pedigree while expanding our industrial capability.

CAPITAL ALLOCATION AND INVESTMENT PRIORITIES

Architecting the Financial Engine for AXISCADES 3.0

AXISCADES is linking investment to customer-backed milestones, liquidity protection and measurable returns.

The strategic shift requires capital for facilities, equipment, products, working capital, partnerships and selective acquisitions. FY2026 increased the asset and capability base, but also raised net debt. The allocation rule is therefore clear: release capital in stages as commercial, technical and cash gates are cleared.

The AXISCADES capital allocation strategy is the fundamental engine driving our transition from a manpower-intensive "architect" of engineering services to a high-margin, product-led "constructor" of mission-ready systems. Under the "**Power 930**" roadmap, capital is no longer judged merely by its deployment, but strictly by the operating capacity, structural leverage, and cash generation it enables. This disciplined framework ensures that every rupee of investment is surgically directed toward high-velocity growth platforms where the Group possesses a defensible technical moat and long-cycle participation rights.

The FY2026 position

At 31 March 2026, gross borrowings excluding lease liabilities were ₹276.44 crore, cash was ₹17.83 crore and net debt was ₹230.98 crore. Capital expenditure and working-capital absorption increased funding requirements.

Strategic Fuel: The Divestment and Reallocation Framework

The cornerstone of our FY2026 and future investment strategy is the systematic reallocation of capital through our strategic divestment programme. By concluding the two-phase divestment of legacy Engineering Services, AXISCADES has secured approximately ₹2,256 crore in pre-tax proceeds - represented as our "strategic fuel". This capital provides the Group with the institutional-grade stability to fully fund the organic and inorganic milestones of the FY2030 vision without reliance on high-cost borrowings.

The proceeds are scheduled to flow into the Group in three strategic tranches: ~₹906 crore in Q3 FY2027, ~₹126 crore in H1 FY2028, and the residual ~₹1,224 crore in FY2029. This phased inflow allows for a controlled and high-fidelity deployment of resources across our expansion gates.

Late event during the first quarter of FY2027: The Board definitively formalised the conclusion of the Phase 2 divestment in June 2026, marking the Group's structural transformation into a pure-play manufacturing, defence, space, and AI platform.

CAPITAL ALLOCATION AND INVESTMENT PRIORITIES

(contd...)

Deployment Architecture: Organic Capex vs. Inorganic Scale

Our investment priorities are balanced between building foundational domestic infrastructure and acquiring specialised international capability to bypass "standing start" risks.

- **Organic Asset Build-out (Atmanirbhar Clusters):** A significant portion of capital is dedicated to our shared tri-use manufacturing foundation. In Fiscal 2026, this was evidenced by a surging Capital Work-in-Progress (CWIP) of ₹44.22 crore, reflecting the high-velocity build-out of advanced manufacturing and testing infrastructure at our Devanahalli (DAC) and Missile (MAC) clusters. These facilities are architected for modularity, allowing capacity to be released in phases against qualified customer demand.

- **Inorganic Growth:** Acquisitions are being prioritised based on their ability to provide Tier-1 OEM access and specialised IP. These entities are integrated through our unique "Mirroring Architecture", where we replicate AXISCADES' rigorous India operating model into international entities while embedding their specialised capabilities back into our India platforms for global scale. Our current pipeline includes four key targets: one in India for domestic aerospace consolidation, two in the US for AI-native engineering via XiDA Inc, and one in Europe for OEM supply chain integration.

Platform-Level Deployment Strategy

Capital is allocated across our four strategic growth platforms based on their ability to capture non-linear value:

Platform	Allocation Priority	Primary Investment Focus
Defence Solutions	**~₹600 crore**	Establishing OEM-certified manufacturing and integration facilities at DAC and MAC to support 21 active design wins in air defence, naval EW, and surveillance.
Aerospace Mfg & MRO	**~₹600 crore**	Channelling ~₹450 crore into two key acquisitions to secure EU OEM access and ~₹150 crore into DAC for composite and precision manufacturing scale.
XiDA Inc (AI-ESAI)	**~₹300 crore**	Funding the US-led "Mirroring Architecture" vehicle to acquire AI-native engineering capability and Tier-1 technology customer access.
Space Systems	**~₹300 crore**	Deploying ~₹180 crore into two high-fidelity Joint Ventures and ~₹120 crore into satellite bus manufacturing facilities and specialised training.
Common Infra	**~₹300 crore**	Investing in shared, multi-disciplinary infrastructure (precision machining, test labs, composites) that serves all platforms from a common foundation.

Why industrial capital moves before revenue

Capital allocation in Aerospace and Defence differs from many conventional industries. Customers often require evidence of land, equipment, process, people, quality systems and first-article capability before larger orders are placed. AXISCADES may therefore need to deploy some capital before the associated revenue is contracted or recognised. The challenge is to build enough evidence to win without building so much that the asset becomes stranded.

Customer involvement narrows this uncertainty. Equipment specifications, approved sources, qualification plans, bill-of-material decisions and inspection criteria can all provide proof that the investment is connected to a real programme pathway. Flexible assets and shared capability provide a second layer of protection where customer and security requirements permit.

Strengthening the Balance Sheet and Liquidity Buffers

A critical priority of our capital framework is the restoration of cash conversion and the maintenance of robust liquidity. As our manufacturing footprint expands, AXISCADES has allocated approximately ₹156 crore of the divestment proceeds to net cash strengthening. This serves as a strategic buffer to support the high-intensity working capital requirements of our active design wins—which absorbed ₹156.84 crore in FY2026—and provides the optionality to pursue opportunistic partnerships as they arise.

Through this disciplined allocation of "strategic fuel," AXISCADES is successfully decoupling its revenue potential from headcount, ensuring the "Power 930" vision is achieved through a step-function in profitability and stakeholder returns.

₹230.98 cr
net debt at 31 March 2026

₹17.83 cr
cash at year-end

₹276.44 cr
gross borrowings excluding leases

₹156.84 cr
working-capital absorption in FY2026

BUSINESSES

Strategy becomes real at the point of delivery. This section covers the three domains that carried the year, the global model that supports them, and the gates every programme must pass before capability becomes revenue and revenue becomes cash.

04.

AEROSPACE

Transitioning from design to full-scale production

Aerospace is extending established design and customer credentials into qualified manufacturing, supply-chain and lifecycle responsibility.

AXISCADES has worked within global Aerospace programmes for more than a decade. FY2026 advanced the next proposition: connect engineering knowledge with tooling, electrical systems, manufacturing and programme support so that more customer value is carried from the digital definition into a qualified physical product.

Platform Overview: Re-Architecting for Non-Linear Growth

Aerospace contributed approximately ₹388 crore of FY2026 revenue and remained one of the Group's largest domains. Activity covered product engineering, electrical wiring interconnection systems, tooling, manufacturing support, technical publications and lifecycle services. During the year, the business secured its first integrated design-to-manufacture electrical-systems programme for a European aircraft customer. The award is strategically important because it joins design responsibility with physical supply.

The Aerospace division is at the heart of the AXISCADES 3.0 structural realignment, transitioning from a service-led "architect" of engineering designs to a product-led "constructor" of mission-ready systems. Under our "Aerospace Manufacturing, SCM & MRO" platform, we have narrowed corporate attention toward high-velocity, high-margin revenue streams that leverage our sixteen-year pedigree in aerospace certification and programme management. This strategic narrowing ensures that our capital deployment is strictly selective, focusing on pure-play manufacturing and deep-tech engines that facilitate a step-function increase in revenue and profitability. By institutionalising a model for reusable design knowledge and shared manufacturing infrastructure, we are successfully decoupling our revenue potential from headcount expansion, evidenced by record operational productivity in the reporting period.

Strategic and Operational Milestones (FY2026)

- **Commencement of Aeroland Operations:** The Group commenced operations at its new 180,000 sq. ft. electronics and AI innovation facility (Aeroland) near Bengaluru Airport. This campus now serves as the primary hub for our engineering and leadership teams, housing specialised centres of excellence for high-reliability electronics and system integration critical to aerospace programs.

- **Progress at Atmanirbhar Capability Clusters:** Construction was accelerated at the primary Devanahalli (DAC) and Missile (MAC) clusters, establishing the shared "tri-use" infrastructure required to serve Aerospace, Defence, and Space simultaneously. This shared manufacturing foundation focuses on precision machining and advanced composites to drive down unit costs and enhance asset utilisation.

AEROSPACE
(contd...)

- **Geographic Expansion into the Middle East:** To explore new business opportunities in a strategic global geography, the Company incorporated a wholly owned subsidiary, AXISCADES Technologies Aviation Equipment Engineering Services LL LLC, in Dubai, UAE, on April 02, 2026.
- **Capital Reallocation via Strategic Divestment:** The Group concluded the Phase 2 divestment of its legacy Aerospace Engineering Services business to Akkodis. This milestone reclassifies manpower-intensive services as "Discontinued Operations" and unlocks approximately ₹1,964 crore in proceeds ("strategic fuel") to fully fund the manufacturing milestones of the Power 930 roadmap.

Key Projects and Programmes (FY2026)

- **Subsystem Integration for National Platforms:** The Aerospace platform maintained active participation in multiple high-fidelity programmes, including the delivery of specialised subsystems for fighter aircraft upgrades and naval electronic warfare platforms.
- **Fighter Aircraft Upgrade Programmes:** AXISCADES secured and executed critical work on Electronic Control Units and Radar Warning Receivers for active fighter aircraft upgrade programmes, reinforcing its technical moat in high-reliability aerospace electronics.
- **Aerostructure and Composite Development:** The Group deepened its involvement in the design and qualification of aerostructure composites and composite tooling, establishing a core manufacturing capability for next-generation dual-use platforms.
- **Indigenisation Milestone:** Secured prestigious development and production roles for indigenous fighter platforms, converting over 30 years of engineering pedigree into repeatable hardware deliverables and embedded intellectual property.

Business Outlook: A Step-Function in Value Capture

The outlook for the Aerospace platform is defined by a multi-year super-cycle in global aircraft production, with the massive backlog providing unmatched demand visibility for over a decade. AXISCADES is strategically positioned to capture this demand as the industry moves away from pure-play design services toward integrated manufacturing and lifecycle participation. Our transition into a product-led "constructor" is expected to drive a significant improvement in revenue quality, characterised by longer lifecycles and higher margins as we deliver mission-ready subsystems for both civilian and defence platforms. Supported by the fully funded Power 930 roadmap, the Aerospace business is architected to be a primary driver of the Group's trajectory toward FY2030.

Inorganic Growth Focus: Scaling through the Mirroring Architecture

AXISCADES is aggressively pursuing inorganic scale to bypass traditional "standing start" risks and secure immediate access to global Tier-1 aerospace supply chains. Our M&A pipeline for the Aerospace platform is concentrated on two primary targets: one in Europe to acquire established OEM relationships and another in India to consolidate domestic manufacturing capabilities. These acquisitions are integrated using our proprietary "Mirroring Architecture," which replicates our rigorous India operating model into international entities while simultaneously embedding their specialised IP and certifications back into our domestic clusters for global delivery. This disciplined approach, supported by a ₹450 crore capital commitment for aerospace acquisitions, ensures that AXISCADES remains a high-fidelity partner capable of delivering complex aerostructure and SCM solutions at scale.

Core Focus Areas and Technological Moat

Our investment priorities in the Aerospace platform are balanced between foundational domestic infrastructure and acquiring specialised international reach.

- **Precision Manufacturing & Speed Shop:** We are scaling high-precision CNC machining of aerospace parts and tooling to support urgent OEM prototype builds and urgent production requirements.
- **Composite Manufacturing & Tooling:** A core capability for next-generation platforms, our focus on aerostructure composites fabrication provides a defensible moat in the dual-use and civilian aerospace markets.
- **SCM & MRO Modernisation:** We are modernising our maintenance, repair, and overhaul (MRO) operations to address airframes, avionics, and subsystems across both civil and defence sectors. This includes end-to-end supply chain orchestration to ensure global OEM compliance and AS9100/ NADCAP certifications.

Infrastructure: The Shared Manufacturing Foundation

Our manufacturing strategy is architected on a common technology foundation at our Atmanirbhar capability clusters. The Devanahalli (DAC) and Aeroland facilities serve as the hub for our engineering and leadership teams, housing specialized centres of excellence for high-reliability electronics and system integration. These "tri-use" facilities utilise common technologies—such as automated test systems and advanced composites—that serve Aerospace, Defence, and Space programs simultaneously from a single factory base. This shared architecture drives down unit costs and enhances asset utilisation as production volumes scale across our active programme wins.

Investment and Strategic Fuel

To accelerate this transformation, we have committed a strategic capital allocation of ₹600 crore to the Aerospace Manufacturing, SCM & MRO platform. This funding is balanced between building out infrastructure at the DAC cluster and financing key acquisitions to secure Tier-1 OEM access in Europe and North America. Our capital base is judiciously judgmental of every commitment, judged strictly by the operating capacity and structural leverage it enables.

Late event during the first quarter of FY2027: *In June 2026, the Board definitively formalised the Phase 2 divestment of our legacy Aerospace Engineering Services, securing approximately ₹1,964 crore in additional proceeds. This programme represents a capability reallocation rather than an exit; it provides the "strategic fuel" required to fully fund our high-margin manufacturing mandate and the organic and inorganic milestones of the "Power 930" roadmap. Following this transaction, our customer relationships remain intact and continue to compound, as we move from an engineering service provider to a primary manufacturing and technology partner.*

3
capability blocks: engineering, production, sustainment

2
growth routes: manufacturing and MRO

DEFENCE

From design positions to mission-ready systems

Defence is building a portfolio of indigenous electronics, integrated platforms and production capability across multiple mission contexts.

AXISCADES' Defence business applies engineering, electronics, system integration and manufacturing to long-cycle national programmes. FY2026 broadened the portfolio of active design and programme positions. The next task is to move those positions through qualification, production, acceptance and cash while protecting security and programme confidentiality.

Platform Overview: The Migration to Owned Outcomes

The Defence Solutions platform is a cornerstone of the **AXISCADES 3.0** transformation, representing a definitive structural migration from providing man-hour intensive engineering services to becoming a product-led "constructor" of mission-ready systems. By leveraging a sixteen-year engineering pedigree and over 15,000 cumulative man-years of domain depth, the Group is now taking full-cycle "design-to-manufacture" responsibility for complex defence assemblies. This platform focus ensures that capital deployment is strictly selective, targeting high-velocity, high-margin revenue streams where AXISCADES possesses a defensible technical moat in strategic electronics, radar data processing, and electronic warfare.

DEFENCE
(contd...)

A capability portfolio across four solution families

Solution family	Capabilities
Airborne mission electronics	Embedded electronics, displays, computing, interfaces, test and platform integration
Radar, air defence and counter-UAS	Sensors, command elements, electronics, integration and field-support capability
Maritime, electronic warfare and cross-domain systems	Mission electronics and integrated solutions for contested environments
Ground and test platforms	Mobile, deployable and fixed systems, automatic test equipment and support infrastructure

Market Landscape: Capitalising on Indigenisation and Procurement Reform

The addressable opportunity in the Indian defence sector is structurally supported by a robust domestic procurement framework. India's defence budget for 2025-26 stands at ₹6.81 lakh crore, with approximately 75% of the capital acquisition budget earmarked for domestic sourcing. Furthermore, Acceptance of Necessity (AoN) approvals totalling ₹3.3 to 3.6 trillion were accorded during FY2026, creating a predictable pipeline for conversion into executable orders over the next two to four years. Government mandates, including the Positive Indigenisation Lists and the Technology Transfer Policy, are compelling OEMs to localise design and intellectual property, shifting significant value from build-to-print activities toward the high-end systems integration and digital R&D domains where AXISCADES is surgically positioned.

Strategic Focus Areas: Delivering the Integrated Defence Proposition

Our Defence roadmap is architected around four high-fidelity focus areas, each designed to capture recurring value across the entire product lifecycle:

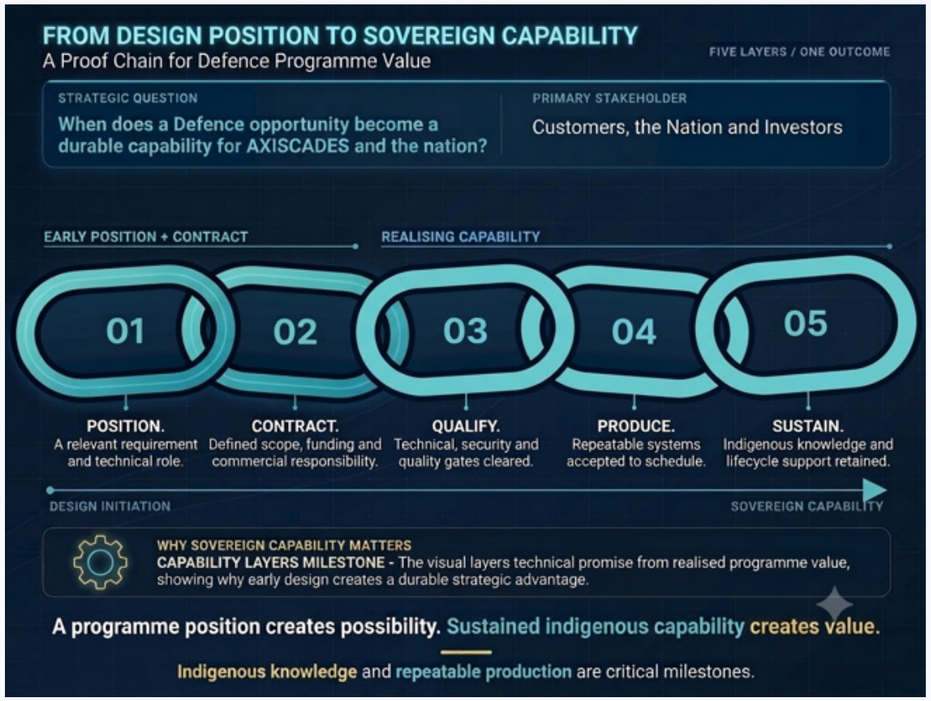
- **Missile Integration & Ground Systems:** Providing end-to-end support for national missile programmes, including electronics, communication subsystems, and ground integration. The Group holds sole-source positions on critical platforms, including support for the Akash, Pinaka, and Astra programmes.
- **Radar Manufacturing & Strategic Electronics:** Converting design wins into certified production for AESA radars, signal processing units, and avionics suites. Our expertise covers mission-critical electronics for fighter aircraft upgrades and naval electronic warfare platforms.
- **Unmanned Combat Systems & Counter-UAS:** Developing sovereign platforms for unmanned warfare and man-portable countermeasures. This segment is an emerging national priority, and AXISCADES is building deeper capability across hardkill, softkill, and directed energy weapons.
- **Maintenance & Lifecycle Support:** Closing the loop through Defence MRO and performance-based logistics (PBL) to ensure the long-term sustainment of integrated national platforms.

Infrastructure: The Atmanirbhar Capability Clusters

The execution of our "Constructor" mandate is anchored in a shared manufacturing foundation. We have committed a strategic capital allocation of ~₹600 crore to Defence Solutions, balanced between our two primary capability clusters:

1. **Devanahalli Atmanirbhar Cluster (DAC):** Spanning 20 acres, this facility integrates manufacturing, testing, and IP co-development into a single ecosystem designed to serve global OEMs with full lifecycle support.
2. **Missile Atmanirbhar Cluster (MAC):** A dedicated facility focused on missile subsystems and integration, enabling the Group to deliver complex indigenous defence systems with precision and programme discipline.

These "tri-use" facilities utilise common technologies that serve Aerospace, Defence, and Space simultaneously, generating structural operating leverage and shortening programme mobilisation timelines.



During Fiscal 2026, AXISCADES achieved significant operational milestones, validating its ability to integrate multi-disciplinary elements within mission-ready platforms:

- **Securing the Mobile Mast System (MMS) Contract:** The Group emerged successful in a competitive tendering process to secure a prestigious development and production order for Mobile Mast Systems. This contract involves the manufacturing, integration, and qualification testing of units intended for deployment in prestigious national air defence systems.
- **Expansion of the Design-to-Manufacture Pipeline:** The platform maintained a high-velocity portfolio of multiple active defence design wins. This portfolio includes critical subsystems such as:
  - » Digital Beam Forming Units for long-range air defence programmes.
  - » Signal & Data Processing for short-range air defence systems.
  - » Radar Warning Receivers (RWR) featuring custom RF and 3U VPX Single Board Computers for fighter platforms.
  - » Sonar Subsystems for submarine platforms.
  - » Lens Array Antennas with multi-platform applications across Radar, EW, and SATCOM.
- Subsystem Delivery for Platform Upgrades: Secured and executed critical work on Electronic Control Units and Exciter & Receiver Units for fighter aircraft AESA radar and indigenous fighter platform upgrade programmes.

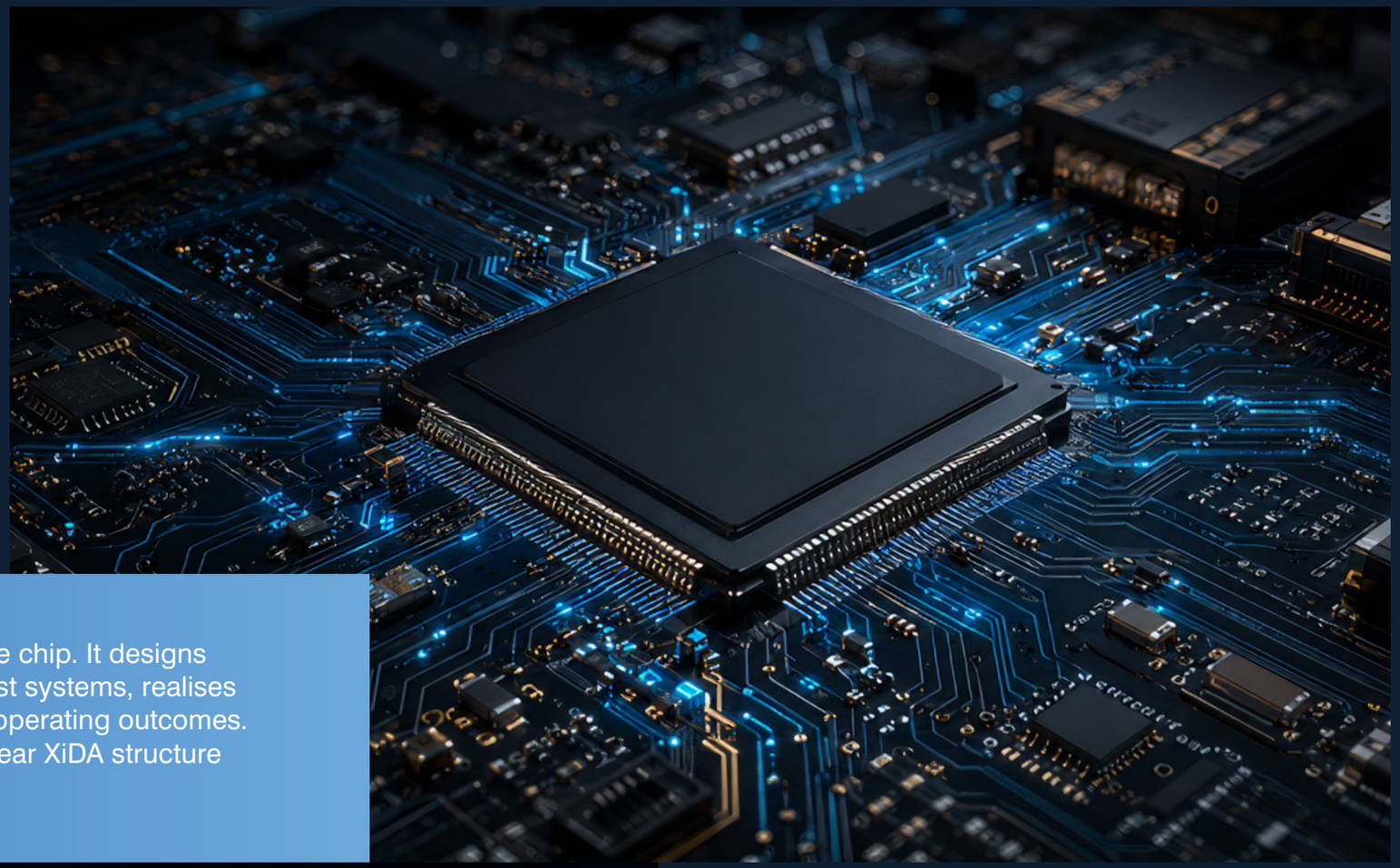
Business Outlook: Capitalising on Sovereign Demand and Infrastructure Scale

The outlook for our Defence Solutions platform is underpinned by a structural super-cycle in domestic procurement, characterised by a record defence budget and strong reservation for indigenous sourcing. With Acceptance of Necessity (AoN) approvals reaching an unprecedented investment levels during the reporting period, AXISCADES possesses a multi-year visibility into high-fidelity opportunities as these approvals transition into executable production contracts. To definitively capitalise on these tailwinds, our upcoming Devanahalli (DAC) and Missile (MAC) Atmanirbhar clusters are surgically aligned to transition the Group from a design-led architect to a high-margin product "constructor". These specialized facilities are architected as "tri-use" hubs, providing the institutional-grade manufacturing, integration, and qualification infrastructure required to deliver mission-ready strategic electronics, advanced radar subsystems, and unmanned combat platforms. By institutionalising this shared manufacturing foundation - fully funded by our divestment programme - AXISCADES is positioned to bypass traditional "standing start" risks and accelerate its trajectory toward its Power 930 targets.

ESAI

ESAI: Architecting the future of physical AI

ESAI combines electronics design, embedded computing, test systems and hardware realisation with an expanding AI orientation.



The ESAI business occupies the value chain around the chip. It designs and integrates electronics, develops embedded and test systems, realises hardware and applies AI where it improves product or operating outcomes. FY2026 demonstrated attractive economics; the post-year XiDA structure gives the next phase a more explicit AI-centric identity.

Platform Overview: Re-Architecting for Hardware-Driven AI Solutions

The ESAI (Electronics, Semiconductor & Artificial Intelligence) division is the innovation core of the AXISCADES 3.0 structural transformation, representing our most aggressive migration from a service-led "architect" to a product-led "constructor". By integrating electronics pedigree with advanced Artificial Intelligence, the Group is delivering mission-ready systems that address the global convergence of digital and physical domains. This platform focus ensures that capital deployment is surgically directed toward high-margin, system-level products - such as thermal management for hyperscale data centres and autonomous robotics - facilitating the non-linear growth required to achieve our Power 930 targets. Through our newly architected XiDA Inc vehicle, we are successfully decoupling revenue potential from headcount by converting engineering knowledge into repeatable hardware-driven AI IP.

ESAI performance in FY2026

For Fiscal Year 2026, the ESAI (Electronics, Semiconductor & Artificial Intelligence) business is reported within the Technology Services and Solutions segment. While the platform structure for ESAI was definitively formalised as a standalone growth engine following the Board's approval of the divestment programme in June 2026, its performance during the reporting period is captured in the following segment figures:

ESAI Performance Metrics (FY2026)

The ESAI business served as the primary innovation core for the Group's Technology Services and Solutions segment.

- **Segment Revenue:** The Technology Services and Solutions segment, which houses the ESAI reporting, generated ₹781.30 crore (₹78,130.45 Lakhs) for the full year ended March 31, 2026.
- **Segment Margin:** The segment earned a result of ₹66.36 Crore (₹6,636.31 Lakhs), representing a segment margin of 8.5%.

Consolidated Context

The Group's strategic narrowing toward high-margin platforms like ESAI and Defence contributed to an overall enhancement of profitability during the transformation period.

- **Consolidated EBITDA Margin:** The Group delivered a consolidated EBITDA margin of 15.3% in FY2026.
- **Operational Productivity:** Revenue per employee across the core workforce rose to ₹39.94 Lakh, reflecting the Group's success in beginning to decouple growth potential from headcount through the delivery of system-level ESAI products and AI-driven IP.

While standalone ESAI figures will be disclosed separately starting in FY2027 as the portfolio perimeter changes, management has confirmed that manufacturing jumpstarts at ESAI are currently on plan as part of the fully funded Power 930 roadmap.

ESAI
(contd...)

What is XiDA?

XiDA Inc. is AXISCADES' US-based, AI-centric platform established to lead the Group's aggressive expansion into the global Electronics, Semiconductor, and Artificial Intelligence (ESAI) markets. The strategic thinking behind setting up this structure is to create a dedicated "Mirroring Architecture" vehicle that allows the Group to bypass "standing start" risks by acquiring specialized AI-native engineering capabilities and securing immediate access to Tier-1 technology customers in the United States. This structure works more effectively by serving as a bridge for international M&A; it enables AXISCADES to acquire advanced deep-tech intellectual property abroad and then deploy those high-value competencies into its manufacturing clusters for global scale. By institutionalizing this flow of international capability into a domestic manufacturing foundation, XiDA accelerates the Group's transition into a product-led powerhouse, ensuring that revenue growth is driven by repeatable IP rather than headcount expansion.

Market Opportunity: The US$90 Billion Semiconductor and AI Super-Cycle

The addressable opportunity for AXISCADES in the ESAI sector is underpinned by a profound structural shift in the global technology landscape. India's semiconductor demand is projected to compound at 19% to reach approximately US$90 billion by FY2030, supported by a workforce that already accounts for one-fifth of the global semiconductor design talent. Simultaneously, the emergence of "Physical AI" - where intelligence is embedded directly into hardware - is creating a multi-trillion dollar market. Locally, the Indian AI industry is expected to reach US$28.8 billion by the close of the reporting period, growing at a CAGR of 45%. AXISCADES is uniquely positioned at the intersection of these trends, providing the critical bridge between chip design and mission-critical product implementation for hyperscalers and global OEMs.

Strategic Focus Areas: The Golden Triangle of Data Centres, Gen-AI, and Physical AI

Our ESAI roadmap is concentrated on four high-fidelity focus areas designed to capture expansive value across the technology lifecycle:

- **Data Centre Systems & Subsystems:** Delivering advanced thermal management systems and cooling infrastructure for hyperscale data centres, supporting the massive compute requirements of Generative AI.
- **Electronic Hardware-Driven Physical AI:** Developing autonomous robotics platforms and intelligent hardware where AI is embedded directly at the edge.
- **Semiconductor & Electronics Manufacturing Test Systems:** Providing validation platforms and integrated test solutions for semiconductor manufacturing equipment OEMs.
- **Assembly Line Subsystems for Global OEMs:** Engineering production subsystems and automation modules for industrial-scale manufacturing.

Infrastructure: The Aeroland Innovation Hub

The execution of our ESAI mandate is anchored in our new ~180,000 sq. ft. electronics and AI innovation facility (Aeroland) near Bengaluru Airport. This state-of-the-art campus serves as the global hub for our engineering and leadership teams, housing specialized centres of excellence for high-reliability electronics and system integration. By co-locating our AI-native engineering teams with our digital manufacturing foundation, Aeroland accelerates speed-to-market and ensures that AXISCADES remains a high-fidelity partner for Tier-1 technology companies.

Key Projects and Operational Highlights (FY2026)

During Fiscal 2026, the ESAI platform achieved significant operational milestones, validating its ability to deliver high-margin, system-level solutions:

- **Commencement of Aeroland Operations:** Successfully transitioned core engineering and AI teams into the new 180,000 sq. ft. innovation campus, establishing it as the Group's primary deep-tech hub.
- **Institutionalising XiDA Inc:** Formally launched the US-driven electronics and semiconductor platform to serve as the mirroring vehicle for international M&A and AI-native engineering integration.
- **Expansion of System-Level Deliverables:** Migrated from niche board design to the delivery of integrated subsystems for thermal management and robotics, significantly increasing revenue per employee.
- **Strategic Capability Build-out:** Invested in specialized IP for space-grade onboard computing and software-defined payload architectures, creating a technical moat that serves multiple high-growth platforms.

Business Outlook: Capitalising on AI-Driven Infrastructure Demand

The outlook for our ESAI division is defined by an unprecedented tailwind in AI infrastructure spending and a structural shift toward domestic semiconductor self-reliance. With global AI-related investment growing by 60% year-on-year, AXISCADES possesses multi-year visibility into high-fidelity demand for data centre subsystems and autonomous hardware. To definitively capitalise on these tailwinds, our new Aeroland innovation facility is surgically aligned to provide the specialized engineering, testing, and prototyping capacity required by global technology hyperscalers. By institutionalising our shared manufacturing foundation and leveraging the fully funded ₹300 Crore capital allocation for this platform, AXISCADES is positioned to achieve industry leadership in Physical AI and accelerate its trajectory toward a step-function increase in margins and stakeholder returns.

Late event during the first quarter of FY2027: *Following the Board's approval of the strategic divestment of legacy services in June 2026, the ESAI platform has been definitively formalised as a pure-play manufacturing and deep-tech engine, ensuring specialized resource deployment and absolute transparency in future performance disclosure*

BUSINESS REVIEW

International Business and Global Operations

International scale is being built through qualified delivery, deeper programme responsibility and disciplined operating control.

A globally distributed customer base is becoming a globally integrated delivery model: Indian capability remains the scale engine, while international relationships, qualification and programme ownership determine the quality and durability of revenue.

AXISCADES' international business is not defined only by the location of its customers or the proportion of work delivered from India. It is the operating system through which the Company connects Indian engineering, electronics, manufacturing and systems capability with global aerospace, defence and deep-technology programmes. FY2026 showed both the strength of that base and the next stage of its evolution: the Company continued to serve customers across multiple international markets while building the physical, technical and organisational capacity required to assume greater responsibility across the product lifecycle.

International business in FY2026

At 31 March 2026, the Company comprised sixteen consolidated entities, operating across India, the United States, the United Kingdom, Germany, Canada and China. This footprint combines delivery capability, customer proximity, legal and commercial presence, and access to technology and programme ecosystems. The Company's international operations therefore support both the current revenue base and the strategic transition towards higher-value platforms.

Operating revenue for FY2026 was US$133.2 million, representing growth of 8.6%, alongside reported consolidated revenue of ₹1,158.95 crore. The dollar-denominated measure remains relevant because a substantial proportion of the Company's customer contracts and programme economics are linked to international markets. It provides an additional view of operating performance, while the reported Indian-rupee results remain subject to exchange-rate movements and the applicable accounting presentation.

6 countries
with operating entities at 31 March 2026

16
Group entities

US$133.2 mn
FY2026 operating revenue, up 8.6%

76 %
offshore delivery mix in FY2026

The international base is connected to a business that remained export-oriented in FY2026. The Company's engineering and technology services, defence electronics, aerospace capabilities and electronics programmes served customers and partners outside India, while its Indian facilities increasingly acted as the location from which design, prototyping, testing, manufacturing and integration could be coordinated. This combination gives AXISCADES access to global programmes without replicating the full cost structure of every customer market.

From export delivery to global programme participation

The FY2026 delivery mix was 76% offshore and 24% onsite. The ratio indicates the continuing importance of India as the Company's engineering and execution base, but it should not be read as a simple labour-arbitrage model. Offshore delivery is increasingly supported by physical infrastructure, quality systems, electronics manufacturing, testing, tooling, supply-chain coordination and programme management. These capabilities allow the Company to take responsibility for defined outputs rather than only supply individual engineering resources.

The customer-facing component remains important. Onsite teams and international entities provide proximity to customers, programme context, technical coordination, commercial interface and local responsiveness. They also help translate customer requirements into executable work packages for the Company's India-based engineering, manufacturing and testing teams. As the business moves deeper into design-to-manufacture and systems integration, the effectiveness of this interface becomes more important than the location of individual employees.

BUSINESS REVIEW
(contd...)

The revenue mix by project type was 29% fixed price and 71% time and material in FY2026. Time-and-material work continues to provide flexibility and a broad base of engineering engagement. Fixed-price work requires stronger scope definition, estimation, programme control and delivery accountability. The coexistence of both models allows the Company to retain a diversified commercial base while progressively building the operating discipline required for outcome-linked and product-linked engagements.

Operating layer	International role	Value created
Customer proximity	International entities and onsite teams maintain customer and programme interfaces.	Faster requirement translation and stronger continuity.
India delivery base	Engineering, electronics, manufacturing and testing are coordinated from India.	Scale, specialist talent and lower mobilisation friction.
Programme execution	Work packages move through design, qualification, production, integration and acceptance.	Greater lifecycle value and repeat-work visibility.
Global supply chain	Customers and partners are connected across international technology ecosystems.	Access to long-cycle programmes and broader opportunities.

A geographically diversified customer and partner base

Our FY2026 revenue is distributed across APAC, Canada, Europe, the United States and other markets. The two largest reported geographic shares were 34% and 33%, with the balance spread across the remaining markets. This distribution provides a broader demand base than reliance on a single country or customer geography, while also exposing the Company to different procurement cycles, technical standards, currency movements, regulatory frameworks and macroeconomic conditions.

Geographic diversification is particularly relevant as the Company's portfolio changes. Aerospace demand is increasingly supported by global aircraft production and supply-chain diversification. Defence demand is shaped by national security priorities, local procurement rules and long-cycle platform programmes. ESAI is connected to semiconductor, electronics and AI ecosystems that are international by design. Space opportunities require collaboration with specialised partners, regulators and customers across jurisdictions. The Company's ability to participate in these markets will depend on maintaining the local relationships and compliance capability needed to convert global demand into qualified work.

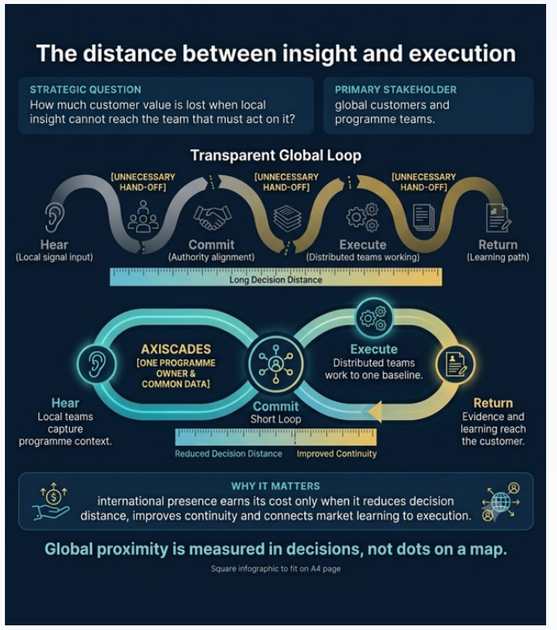
The international base also strengthens the Company's ability to work with original equipment manufacturers and Tier-1 suppliers. In FY2026, the Company reported that it had built relationships with global OEMs and developed a stronger opportunity pipeline. The operating objective is to use those relationships to progress from engineering assignments towards design ownership, tooling, manufacturing, integration, testing and lifecycle support. This is a more demanding proposition than export execution, but it also offers the potential for longer programme participation and higher value capture.

Infrastructure for global programme delivery

International relationships create opportunity only when the Company can deliver to the quality, security, traceability and schedule standards required by global customers. FY2026 was therefore also a year of physical and operating-system investment. Devanahalli Aero Land was production-live and supported aerospace, electronics and testing activities. Civil construction began at the Devanahalli Atmanirbhar Complex, a twenty-acre campus with approximately 3.12 million square feet of planned built-up area. Land acquisition and development work also progressed for the Missile Atmanirbhar Complex in Hyderabad, an eight-acre facility intended to support strategic-system manufacturing and integration.

The facilities are designed to serve more than one platform. Common infrastructure across electronics manufacturing, precision machining, advanced composites, testing, tooling, integration and MRO can reduce mobilisation time and allow capability to be reused across customer programmes. The planned secure build-to-suit capacity at DAC is also intended to provide a basis for international OEM collaboration, subject to customer demand, programme qualification, investment approvals and the completion of the relevant phases.

FY2026 was also the beginning of a unified operating-systems journey. A CRM initiative had commenced, with further development intended across order-to-cash, procure-to-pay and related systems. This is important for international operations because a globally distributed business requires a common view of customer commitments, programme milestones, supply-chain status, quality, invoicing, collections and risk escalation. The objective is not technology for its own sake; it is improved control as the Company takes on more complex and geographically distributed responsibility.



Organisation and leadership for international operations

During FY2026, Mr. Alfonso Martinez was appointed Head of International Business and Global Operations, in addition to serving as Managing Director of add solution GmbH. The role reflects the importance of coordinating the Company's international entities, customer relationships and operating interfaces as the business becomes more platform-led and geographically distributed.

International operating effectiveness also depends on continuity of programme knowledge. The Group's FY2026 workforce included 2,902 employees at 31 March 2026, with core headcount increasing during the year even as industrial headcount reduced in line with specific programme movements. As the portfolio transitions, the critical skills are extending beyond engineering services to include programme management, supply chain, quality, certification, manufacturing, systems integration, cybersecurity and customer acceptance. The international model must preserve these capabilities while allowing the future perimeter to become more focused.

The Company's stated operating direction is therefore one of controlled integration: maintain customer proximity, strengthen common systems, build India-based execution capacity and place accountability closer to the programme. This supports the "Built the Runway" theme by linking international reach to a more deliberate portfolio, clearer operating ownership and a stronger line of sight from customer requirement to accepted output and collected cash.

Outlook: global reach with sharper conversion discipline

AXISCADES enters FY2027 with a more clearly defined future portfolio and an international opportunity set supported by aerospace capacity constraints, defence modernisation, electronics and semiconductor investment, AI-led demand and the opening of India's private space ecosystem. The Company's international advantage remains the combination of global customer and partner access with an Indian base of engineering, electronics, manufacturing and integration capability.

The next phase is not simply to increase the number of countries or customers. It is to improve the quality of participation in the programmes already being accessed. That means progressing from design wins to qualification, from qualification to production, from production to integration and from delivery to repeat lifecycle participation. It also means ensuring that customer acceptance, invoicing, collection and returns keep pace with physical and technical expansion.

BUSINESS REVIEW / OPERATING SYSTEM

Operational Excellence

Making delivery more predictable as AXISCADES gets ready for the runway.

FY2026 was an operating transition year. AXISCADES strengthened the capabilities required to participate more deeply in Aerospace, Defence and ESAI, while moving beyond a predominantly engineering-services model towards manufacturing, systems integration and lifecycle responsibility. The year therefore tested two forms of excellence at once: the reliability of the existing delivery engine and the organisation's ability to build a new one.

The result was a stronger operating base, but also a clearer understanding of the conversion discipline required. Three consecutive quarters of strong performance were followed by a fourth-quarter timing shift in which approximately ₹142 crore of revenue could not be recognised before year-end. The issue did not reflect cancellation of the underlying orders; it exposed the need to connect supply planning, production, inspection, customer acceptance, invoicing and collection more tightly. Operational excellence for the next phase is therefore defined not by activity or pipeline alone, but by predictable passage through every delivery gate.

Strengthening capability where value is moving

Defence: from design wins to manufactured systems

Defence was the clearest area of operating expansion. During FY2026, AXISCADES extended its capability into missile-related development, including pilot work on seeker wire harnesses, and progressed the land and infrastructure base required for future missile programmes. The Company also advanced into land systems through an order of approximately ₹250 crore for tank trailers for a national defence customer. More than 62 trailers were ready and undergoing testing, providing practical evidence of the shift from design activity to controlled production and inspection.

The operating model for these programmes combines internal design and programme capability with a partner ecosystem and expanding manufacturing infrastructure. Further defence opportunities in mobile missile-defence and weapon-testing platforms required design validation and the creation of a manufacturing ecosystem for relatively new systems. This is a different execution challenge from engineering services: configuration control, component availability, production readiness, test evidence and customer acceptance must be managed as one integrated programme.

ESAI and Aerospace: building repeatable industrial capability

In ESAI, the electronics manufacturing services facility and acoustic testing laboratory were operational during the year. The consolidation of activities at Devanahalli Aero Land created a more coherent base for electronics assembly, testing and customer programmes, while supporting the platform's evolution from design services towards post-silicon engineering, embedded systems, AI and hardware realisation.

In Aerospace, the Company expanded into tooling and tool design for Indian and international customers while the divestment of the aerospace engineering-services business was being pursued. An end-to-end wire-harness programme combined design and manufacturing responsibilities, with design activity in progress and the associated manufacturing capability being established at Devanahalli Aero Land. These are important operating steps because they place AXISCADES closer to the point at which engineering knowledge is converted into a qualified, repeatable product or subsystem.

The quality of the existing delivery system remained an important foundation. Aerospace continued to benefit from long-standing customer relationships and received a fifth consecutive Diamond Supplier recognition from a major global OEM. Such recognition is not only a customer accolade; it is evidence that the transition to a more manufacturing-linked model must preserve the quality, traceability and responsiveness that created the relationship in the first place.

Infrastructure as operating leverage

Physical infrastructure was treated as an enabler of programme depth rather than as capacity for its own sake. Devanahalli Aero Land was fitted out during FY2026 and began supporting engineering, electronics assembly, testing, laboratories and initial manufacturing activity. The facility provides a common base from which capabilities can be consolidated and expanded, including electronics and wire-harness work.

The Devanahalli Atmanirbhar Complex and Missile Atmanirbhar Complex moved from concept towards execution. Groundbreaking and civil construction for DAC began during FY2026, while land acquisition for MAC was completed during the year. The facilities are intended to provide shared capacity for precision manufacturing, composites, electronics, integration, testing, MRO and strategic systems across the Company's growth Platforms. The operating principle is one of shared infrastructure: common assets should shorten mobilisation, support qualification and improve utilisation across Aerospace, Defence and Space, provided commissioning remains matched to qualified demand.

This distinction matters for our stakeholders. A facility becomes an operating asset only when it is commissioned, staffed, qualified, loaded with executable programmes and capable of converting output into accepted deliveries and cash. FY2026 established the physical and organisational groundwork; the subsequent test is the rate and quality of utilisation.

₹142 cr
FY2026 revenue shifted by timing factors

130 days
Year-end debtor days

₹1.36 cr
Operating cash used in FY2026

₹154.5 cr
March receivables collected after year-end

ENABLERS

Four capabilities sit beneath every domain: technology we can reuse, people who own outcomes, partners who extend our reach, and facilities that turn design into qualified product. This section explains what FY2026 built and what comes next.

05.

TECHNOLOGY, INNOVATION AND PRODUCTISATION

From engineering depth to owned outcomes

AXISCADES is converting design knowledge into reusable technology, qualified products and mission-ready systems that can scale beyond headcount.

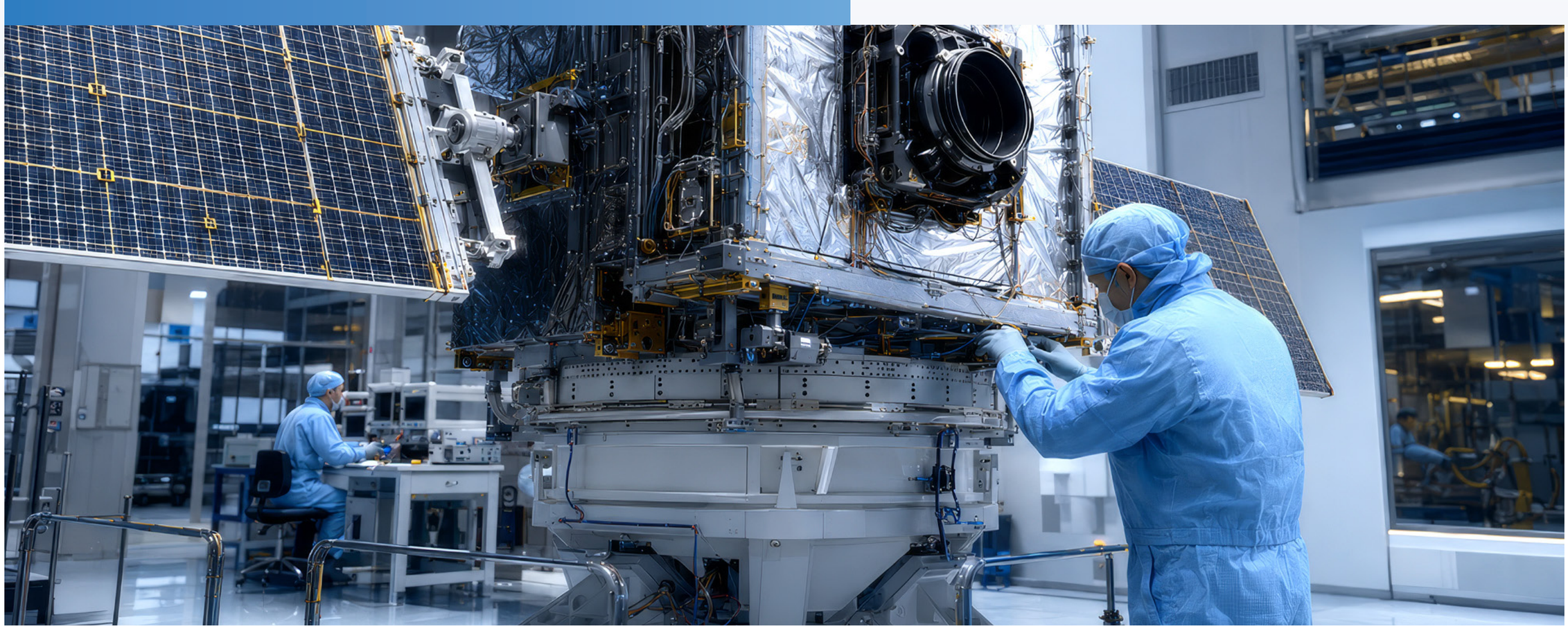
21
design and programme wins recorded during FY2026

7,500
man-years of post-silicon, chip-to-product experience

FY2026 marked a deliberate shift in the role technology plays within AXISCADES. Engineering remains the foundation, but the Company is taking greater ownership of design, IP, qualification, manufacturing, integration and lifecycle support. Productisation means converting repeatable technical knowledge into offerings that can be qualified, delivered, reused and scaled.

₹134 cr
FY2026 capital expenditure supporting capability expansion

Note: the 39% product-revenue measure is for 9M FY2026 and is shown as an interim indicator, not as a full-year FY2026 outcome.



TECHNOLOGY, INNOVATION AND PRODUCTISATION
(contd...)

Productisation begins where design becomes ownership

The Company's long-term ambition is to move towards a greater contribution from products, solutions and manufacturing-linked programmes. The economic value increases when AXISCADES retains design knowledge, carries responsibility through validation and industrialisation, and participates in repeat production, systems integration or lifecycle support. That is the point at which intellectual capital begins to produce operating leverage and a revenue opportunity that is less directly linked to additional headcount.

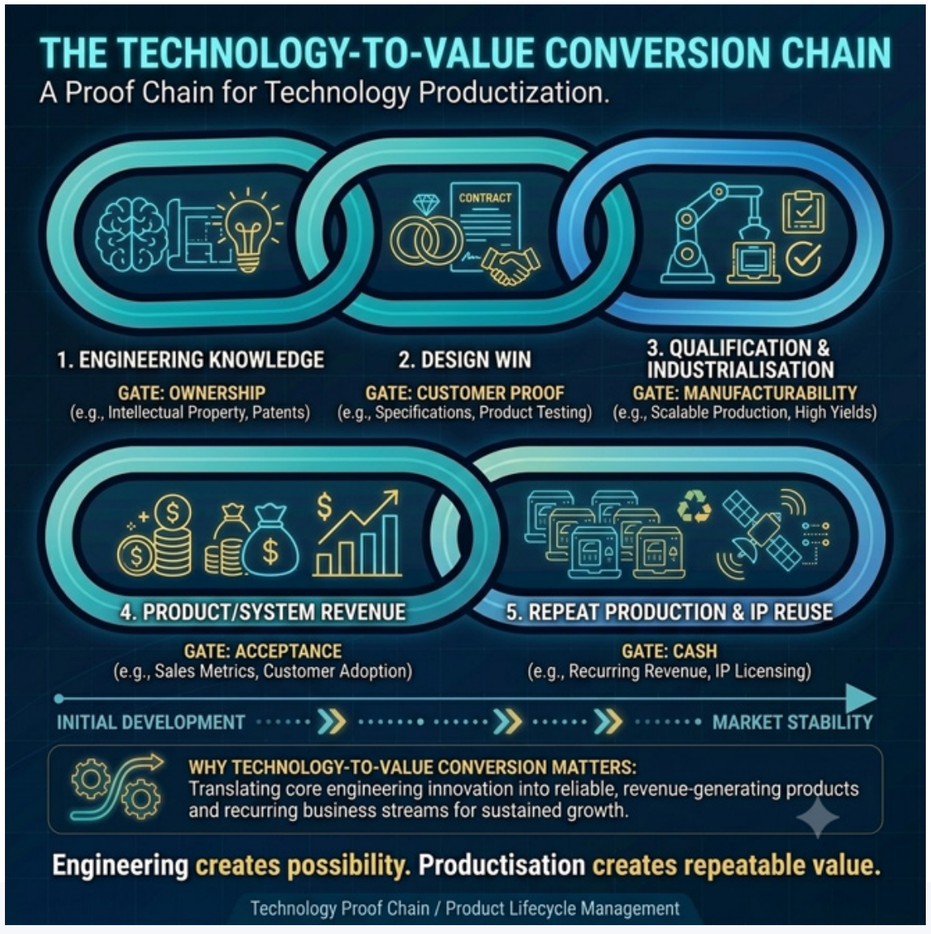
One technology spine across four strategic domains

- **Aerospace:** FY2026 expanded the Company's role beyond engineering services into aerospace tooling, tool design and an end-to-end electrical wire interconnection system programme combining design, tooling, prototyping and manufacturing. The capability base is intended to extend into precision manufacturing, composites, supply-chain support and component lifecycle services, where qualification and customer trust create higher barriers to entry.

- **Defence:** The Company recorded 21 consolidated design and programme wins during FY2026 across radar, electronic warfare, missile and countermeasure systems, platform electronics and integrated solutions. The operating ambition is to convert these positions into qualified production, subsystem supply and complete-system responsibility, supported by systems engineering, electronics, harnesses, testing and manufacturing capability.

- **ESAI:** The Electronics, Semiconductors and Artificial Intelligence platform is being organised around the value around the chip: post-silicon engineering, embedded systems, electronics manufacturing, testing, AI-enabled products and hardware realisation. During FY2026, the EMS facility and acoustic testing laboratory at Devanahalli Aero Land became operational, giving the platform a physical route from design to validated hardware.

- **Space:** Space was established as a distinct strategic direction because its technology cycles, regulatory requirements, partnerships and procurement models differ from conventional Aerospace. FY2026 activity focused on preparatory capability: discussions with global space primes for satellite-bus manufacturing and integration, and an initial partnership for terrestrial space-situational-awareness capability. Space remains an emerging Platform with no separately disclosed FY2026 revenue.



The conversion chain: design, prove, build, scale

The productisation model can be understood as a sequence of evidence gates. Engineering knowledge creates the initial design; prototypes and testing establish technical credibility; customer qualification and first-article approval make the output acceptable for a programme; manufacturing, supply-chain orchestration and inspection make it repeatable; and lifecycle support, configuration control and intellectual property reuse determine whether the economics can scale.

Productisation is the point at which engineering knowledge becomes a repeatable, qualified and ownable outcome.

- **Design:** Identify a repeatable customer requirement and retain the architecture, know-how and programme learning that can support future work.

- **Prove:** Move through prototyping, verification, testing, configuration control and customer qualification, recognising that mission-critical markets reward evidence rather than intent.

- **Build:** Connect tooling, electronics manufacturing, precision production, quality, supply planning and inspection so that a technically successful design can be delivered reliably.

- **Scale:** Extend from a first programme into repeat production, adjacent platforms, lifecycle support or reusable modules, while protecting margin and cash conversion.

The next proof point is repeatability

FY2026 established the productisation architecture: a stronger programme pipeline, deeper domain capability, initial manufacturing and testing infrastructure, and a clearer route from engineering into products and systems. The next proof point is repeatability: qualification, product and solutions revenue, reusable architectures, accepted deliveries, cash generation and returns on capital.

Late events during Q1 FY2027 *further formalised the AI-centric ESAI platform and strategic-platform organisation. They inform the direction of travel but are not FY2026 performance; FY2026 established the technology base and made productisation more visible.*

HUMAN CAPITAL

From talent capacity to product ownership

Building the skills, ownership and employee experience required for a sharper, more integrated AXISCADES.

AXISCADES' human-capital agenda is changing with its business model. FY2026 combined a broadly stable workforce with stronger revenue productivity, while the Company began moving from an engineering-services-centred organisation towards a more focused platform spanning engineering, electronics, manufacturing, systems integration and lifecycle responsibility. The requirement is not simply more people. It is a connected workforce that can carry technical judgement through qualification, production, quality, customer acceptance and cash conversion.

2,902
Group employees at 31 March 2026

₹39.94 lakh
revenue per employee

61.8%
core workforce share

Human capital as a strategic asset

The strategic shift described in "Sharper by Design" changes the capability equation. Engineering depth remains central, but product-led and manufacturing-led growth also requires industrialisation, production, quality, supply-chain, industrial-relations, programme-management and systems-integration capability. The workforce must understand not only the task assigned to it, but the dependencies around that task and the customer outcome to which it contributes.

That change was visible in the FY2026 numbers. Group headcount increased from 2,891 to 2,902, or approximately 0.4%, while revenue from operations increased by 12.4%. The resulting revenue per employee of ₹39.94 lakh is an indicator of operating leverage, although it should not be read as a measure of individual performance. It shows that the Company's value-creation challenge is increasingly about capability mix, utilisation, programme ownership and repeatable execution rather than headcount growth alone.

Group Workforce Profile

Measure	FY2026 outcome	What it indicates
Year-end employees	2,902	Broadly stable workforce while revenue grew 12.4%
Year-end employees, FY2025	2,891	Headcount growth of approximately 0.4%
Core workforce share	61.8%	1,792 employees aligned to the strategic core domains
Industrial workforce	822	Capability base for manufacturing and execution-intensive work
Support workforce	288	Enabling capacity across the Group
Revenue per employee	₹39.94 lakh	A productivity indicator as the portfolio becomes more focused
Q4 attrition	19%	A critical-talent and succession indicator during transition

FY2026 capability building: from specialist skill to accountable delivery

FY2026 can be described as a period in which the Company began building competencies that sit beyond traditional engineering services. In Defence, this included pilot work on seeker wire-harness development, the development of missile-related manufacturing capability and the rapid progress of a tank-trailer programme for the Indian Army. The Company also advanced new mobile mast and mobile firing-platform programmes, requiring design validation and the development of a manufacturing ecosystem. These examples demonstrate why programme ownership, production discipline, testing and acceptance knowledge must increasingly sit alongside design capability.

In Aerospace, the Company expanded organically into aerospace tooling and an end-to-end electrical interconnection system engagement that combines design and manufacturing. The Company sees great importance in the capability being retained for the new aerospace direction from the legacy engineering-services workforce moving with the divested activity: the retained cohort is currently a small and purpose-built team

HUMAN CAPITAL
(contd...)

around tooling and manufacturing, supported by new hires brought in for that mandate. This places a premium on knowledge transfer, certification continuity and the ability to attract scarce technical specialists.

The Company places the same importance at organisational level: training expanded across aerospace engineering, manufacturing and next-generation technologies, while specialised teams continued to be built for programme management, supply chain, quality and systems integration. The objective is an organisation that combines engineering curiosity with manufacturing discipline, moving with speed without compromising safety, quality or compliance.

Skills, certification and careers

As AXISCADES assumes greater design-to-manufacture and systems responsibility, learning must be connected to live programme evidence. Engineering pathways may include systems, electronics, embedded software, electrical systems, testing and domain depth. Industrial pathways need to cover process, equipment, assembly, inspection, maintenance, planning and material control. Programme pathways require capability in cost, schedule, risk, customer, quality and cash ownership.

Certification is most useful when it demonstrates applied competence rather than attendance. For critical work, supervised practice, first-article participation, assessment and periodic recertification provide stronger evidence than course completion alone. A connected skills architecture can also widen careers across engineering, product, shop-floor and leadership roles, improving the retention of knowledge that takes time to build.

Manufacturing readiness and employee experience

The physical expansion of the business changes the employee proposition. Devanahalli Aero Land became operational during the year and supports engineering, electronics assembly, testing, laboratories and initial manufacturing programmes. The Devanahalli Atmanirbhar Complex and Missile Atmanirbhar Complex will extend manufacturing, integration, testing, MRO and strategic-systems capability. Their value will depend on qualified people, safe access, disciplined standards and customer-backed programme demand.

A skill-development centre is planned within the Devanahalli Atmanirbhar Complex. Role-based training, standard work, clear process instructions and supervised practice are intended to precede deployment. For low- and medium-volume, high-complexity work, automation is expected to emphasise flexibility, smart fixtures, rapid changeover, repeatability and traceability. Productivity therefore needs to be read with quality, safety and customer acceptance.

Culture and continuity during portfolio change

Portfolio sharpening also creates a people-transition requirement. The Company believes that the divested activity serves different customers and capabilities from the Defence and electronics delivery organisations, limiting direct overlap. The principal challenge is continuity: leadership, finance and some enabling functions were co-located with the divested business and require strengthening within continuing AXISCADES operations. Defence and electronics delivery teams were described as continuing through the transition, with integration intended to strengthen accountability.

The HR approach emphasises leadership connects, open forums and practical access to decision-makers. During transition, credible communication distinguishes what is decided from what remains subject to process, states when the next update will come and identifies where employees can obtain answers. Manager capability and confidential grievance and speak-up routes keep employee voice accessible.

Physical access is part of workforce design. Transport, safe shifts, canteen facilities, workstation design and appropriate personal protective equipment affect who can work at new industrial locations. Inclusive facilities widen the talent pool. The next stage is to connect representation and coverage with recruitment, progression, retention, leadership readiness and employee experience.

Line of sight into FY2027

The Company has planned several actions for FY2027. These include CRM implementation, further strengthening of operations and supply-chain leadership, and continuing integration of Defence delivery responsibilities. Their human-capital relevance is clear: common information, accountable owners and visibility from commercial commitment through procurement, production, inspection, acceptance, invoicing and collection.

For employees, the desired outcome is a clearer route from specialist skill to meaningful work, safer execution, broader career mobility and fair opportunity. For customers, it is preserved programme knowledge and more accountable delivery. For investors, it is evidence that human capital is becoming more productive, more resilient and more capable of supporting capital-intensive responsibility. Human capital creates value when people can convert specialist knowledge into a reliable stakeholder outcome.

2,902
Group headcount at 31 March 2026

14%
women in the standalone workforce

72.3%
employees receiving human-rights training

100%
permanent employees at or above minimum wage

PARTNERSHIPS AND CUSTOMER RELATIONSHIPS

Trust is an execution asset

Long-cycle programmes reward relationships built on technical relevance, transparent commitments and reliable delivery.

AXISCADES grows through relationships that extend capability and reduce execution risk. Customers provide programme context and qualification pathways; technology partners contribute complementary know-how; suppliers enable industrial scale; and research, industry and national institutions strengthen access to ecosystems.

Customer relationships

Many customer relationships extend across several years and programme phases. Trust is built through the quality of technical work, protection of data and intellectual property, honest milestone reporting and predictable delivery. As AXISCADES takes greater manufacturing and system responsibility, customer relationships must also cover qualification, demand visibility, capital alignment, inspection and lifecycle support.

Partnership routes

Route	Purpose	Control question
Customer co-development	Build a qualified solution around a defined need	Are ownership, funding and acceptance clear?
Technology partnership	Access complementary IP, products or specialist capability	Is the integration path defensible and supportable?
Supply-chain partnership	Secure quality, capacity, lead time and localisation	Can the partner meet programme and ethical requirements?
Market or joint-venture partnership	Add customer proximity, credentials or a regulated route	Are governance, economics and accountability aligned?

Ecosystem participation

The standalone BRSR identifies participation in NASSCOM, the Society of Indian Aerospace Technologies and Industries, the Hanseatic Engineering & Consulting Association e.V., Hamburg Aviation and the Society of Indian Defence Manufacturers. These forums help the Company understand policy, technology, talent and supply-chain developments across its markets.

Relationship quality as a managed outcome

Customer satisfaction, repeat business, programme continuity, supplier quality, corrective-action closure and joint-development milestones provide evidence of relationship quality. These indicators must sit alongside sales pipeline measures. A large opportunity with weak alignment is not a stronger relationship.

Relationships across the programme lifecycle

The purpose of a relationship changes as a programme matures. During opportunity definition, the priority is an honest understanding of the need and decision path. During design and qualification, it is rapid technical access and clear ownership. During production, it is demand visibility, supply, quality and acceptance. During sustainment, it is availability, configuration and field learning. Relationship management must follow this lifecycle.

A single customer may engage AXISCADES across more than one geography or capability. A coordinated account view can identify adjacencies, but expansion should be earned through performance. The Company should not allow cross-selling ambition to blur the accountable programme owner or overstate the readiness of a new capability.

Customer-backed investment

In Aerospace and Defence, capability may need to exist before full-rate orders are placed. Customer evidence can take several forms: a defined qualification path, approved source status, forecast demand, long-term agreement, development funding, tooling support or co-investment. The strength of that evidence should influence the amount and timing of AXISCADES capital.

This does not transfer investment responsibility to the customer. It makes assumptions visible. The Company still needs a downside case, alternative uses for the asset, supply and people readiness, working-capital capacity and a return threshold. Customer backing is a gate, not a guarantee.

Build a programme-ready supply ecosystem

Suppliers extend AXISCADES' quality, capacity and resilience. Selection should consider technical capability, process control, lead time, financial health, cybersecurity, labour and environmental practices, continuity and the ability to provide traceable evidence. Critical sources need development plans and, where practical, qualified alternatives.

Localisation can reduce exposure and build national capability, but only if local output meets the same programme requirements.

AXISCADES can support suppliers through clearer forecasts, technical guidance, quality planning and joint corrective action. The benefit is not simply lower input cost; it is a more reliable and responsive programme system.

Govern partnerships for the hard moments

Partnership documents should define contributions, decision rights, economics, intellectual property, data, quality, customer ownership, compliance, liability, exit and dispute resolution. These provisions matter most when a milestone is missed, a product changes or a market assumption fails. Governance should make the difficult decision faster rather than preserve ambiguity.

Relationship health is therefore evidenced by repeat work, milestone reliability, issue-closure time, supplier performance, customer satisfaction, joint-development progress and the quality of escalation. For stakeholders, trust has practical value: it reduces friction, makes investment evidence stronger and improves programme velocity.

5
industry associations disclosed in BRSR

4
principal partnership routes

1
customer-backed rule for material investment

INFRASTRUCTURE AND CAPABILITY EXPANSION

Shared capacity, released in stages

AXISCADES is building the physical and organisational backbone required to carry greater responsibility for engineering, manufacturing, integration and lifecycle delivery.

FY2026 was a build year for the Company's industrial capability. Devanahalli Aero Land (DAL) became operational; the Devanahalli Atmanirbhar Complex (DAC) moved from planning into civil construction; land acquisition for the Missile Atmanirbhar Complex (MAC) in Hyderabad was completed; and capital expenditure increased materially as the capability base was expanded. The strategic objective is to create shared, flexible and qualified capacity that can convert customer programmes into repeatable output, revenue and cash.

₹134.44 cr
capital expenditure in FY2026

3
strategic sites and clusters being sequenced

₹44.22 cr
capital work in progress at year-end

20 acres
planned DAC site footprint

Infrastructure is the bridge from engineering to industrial value

AXISCADES' portfolio transition requires a different physical backbone from a predominantly engineering-services model. Product-led growth depends on the ability to prototype, test, industrialise, manufacture, integrate, inspect and support defined outputs. These activities require equipment, laboratories, tooling, production systems, quality controls, supply-chain coordination and people with the capability to operate them consistently.

The Company's infrastructure thesis is based on a common technology spine. Precision machining, advanced composites, electronics assembly, mission-critical electronics, testing, tooling, systems engineering and integration have relevance across Aerospace, Defence and selected Space applications. The same asset can therefore support more than one Platform when customer segregation, security, configuration control and certification requirements are preserved. This creates the potential for better utilisation, faster mobilisation and the transfer of learning across programmes.

FY2026 capability footprint

The year's investment was released across complementary locations, with each site serving a distinct role in the emerging operating architecture. Devanahalli Aero Land provided the operating base for current expansion, while DAC and MAC created the next layers of manufacturing and strategic-systems capacity.

Site or cluster	Strategic role	FY2026 position
Devanahalli Aero Land (DAL)	Engineering, electronics assembly, testing, laboratories, wire-harness manufacturing and programme collaboration.	Operational capability established; fitting-out and activity transfers progressed during the year.
Devanahalli Atmanirbhar Complex (DAC)	Phased manufacturing, integration, testing, supply-chain and future MRO capability across Aerospace, Defence and selected Space applications.	Groundbreaking and civil construction commenced during FY2026. The planned site covers approximately 20 acres, with a phased built-up plan.
Missile Atmanirbhar Complex (MAC), Hyderabad	Strategic-systems manufacturing, missile-related fabrication, integration and programme scale.	Land acquisition and groundwork progressed during FY2026; further commissioning falls into the subsequent reporting period.

INFRASTRUCTURE AND CAPABILITY EXPANSION
(contd...)

Capability follows the programme requirement

The FY2026 build-out was connected to identifiable programme needs. In Defence, tank-trailer production was supported through a partner ecosystem, while the Company expanded its own capability for missile-related wire harnesses and land-system activities. In Aerospace, tooling and tool design capability progressed for Indian and international customers, and the first long-term integrated design-and-manufacturing engagement for a complete electrical wiring interconnection system established a direct link between the DAL facility and a customer programme. In ESAI, the electronics manufacturing services facility and acoustic testing laboratory were operational, giving the platform a physical route from post-silicon and embedded engineering to validated hardware.

This combination of internal capability and selected partners allows AXISCADES to add capacity without treating every requirement as a stand-alone facility. It also recognises the different economics of the markets served. The target opportunity is generally low- to medium-volume, high-complexity work in which quality, repeatability, traceability and speed of qualification matter more than mass-production scale.

A facility becomes an operating asset when it is commissioned, qualified, utilised and capable of producing accepted output – not when the building is complete.

Designed for flexible, high-complexity production

The planned production environment is being designed for flexibility rather than single-product dedication. Automation, smart fixturing, digital work instructions, virtual build and rapid changeover can support repeatable production while allowing equipment to be used across programmes. Virtual build and digital process definition can identify manufacturability issues before physical production, reducing rework and shortening the path from design to an accepted first article.

Flexibility does not mean removing controls. Mission-critical programmes require controlled access, customer-data protection, configuration discipline, approved materials, traceability, inspection evidence and clear segregation where security or certification requires it. Shared infrastructure is therefore being designed as common capacity with deliberate boundaries, rather than as undifferentiated floor space.

Capital intensity with a conversion test

Capital expenditure increased to ₹134.44 crore in FY2026 from ₹37.90 crore in FY2025, while capital work in progress stood at ₹44.22 crore at year-end. The increase reflects an active phase of capacity and capability creation. It also makes the return profile of the infrastructure programme an important part of the Company's future performance narrative.

The economic value of the investment will be visible through qualified programmes, productive utilisation, throughput, yield, customer acceptance, repeat orders, margin quality and cash conversion. Shared use across Aerospace, Defence, ESAI and selected Space activities can improve asset productivity, but the benefits depend on disciplined programme loading and the timely availability of people, materials, quality systems and customer approvals. The staged design of the footprint preserves flexibility while evidence develops.

Responsible scale is part of the same conversion test. Safe access, trained personnel, emergency readiness, resource efficiency, controlled data and equipment, and responsible supplier and community practices support the long-term licence to operate. Industrial capability is durable when it produces accepted output while protecting people, information, resources and customer trust.

Entering FY2027 with a staged capacity agenda

At the start of FY2027, DAL provided the active operating base for electronics, testing, laboratories, wire harnesses and initial manufacturing programmes. DAC was progressing through civil construction towards its first phase of usable capacity, while MAC provided the Hyderabad platform for further defence-fabrication and strategic-systems capability. The timing and scale of subsequent commissioning remain subject to construction completion, equipment readiness, customer demand, qualification and the relevant approvals.

The infrastructure programme therefore supports the wider transition in a precise way. It concentrates capital on capabilities that can serve more than one strategic domain, retains flexibility through staged release, and creates the physical conditions for AXISCADES to move from designing solutions to owning more of the product and programme outcome. The next proof point is not the size of the footprint; it is the conversion of that footprint into qualified capacity, accepted deliveries, repeat participation and returns on capital.

RESPONSIBILITY

Trust is a condition of the work we do. This section sets out how we engage the people affected by our decisions, the issues capable of changing the outcome, and the environmental, social and governance standards that a larger manufacturing footprint requires.

06.

STAKEHOLDER ENGAGEMENT

Engagement that informs delivery, trust and oversight

AXISCADES identifies and engages stakeholder groups that influence business continuity or are affected by the Company's decisions. In FY2026, engagement took place through customer and programme interfaces, employee forums, supplier and partner reviews, investor communications, regulatory filings and community and CSR channels. The focus was on issues with a direct bearing on delivery, capability, compliance, capital allocation and long-term value.

Six stakeholder groups, distinct priorities

Stakeholder group	FY2026 priorities	Principal channels	How insight was used
Customers	Quality, security, delivery, innovation and continuity.	Programme reviews, audits, satisfaction feedback and leadership meetings.	Product, capacity, quality and corrective-action decisions.
Employees	Work, skills, safety, inclusion, reward and change.	Town halls, surveys, manager forums, open houses, grievance and speak-up routes.	People practices, skills development, transition support and workplace improvement.
Investors and shareholders	Performance, cash, strategy, risk and governance.	Results, earnings webinars, investor meetings, exchange disclosures and AGM.	Capital-allocation communication, disclosure and governance priorities.
Suppliers and partners	Requirements, forecasts, quality, payment, capability and continuity.	Reviews, visits, assessments, purchase orders and joint planning.	Source strategy, localisation, capacity and risk mitigation.
Regulators and government	Compliance, security, reporting and national capability.	Filings, inspections, consultations and programme interfaces.	Policy, control, programme and investment decisions.
Communities	Livelihoods, education, health, environment and inclusion.	Needs assessment, implementation partners and feedback channels.	CSR programme design, monitoring and impact review.

FY2026 engagement in the operating context

Customers and partners. Engagement with global aerospace OEMs, defence institutions and technology partners supported programme access, qualification and delivery. Aerospace relationships included more than 15 years of engagement, over 1,000 design solutions and a fifth consecutive Diamond Supplier recognition from a major global OEM. FY2026 also included the Company's first integrated design-to-manufacture EWIS programme for a European aircraft customer, linking engineering, tooling, prototyping and series manufacturing. Defence engagement covered 21 active design and programme positions across air defence, surveillance, electronic warfare, radar, sonar, platform upgrades and ground systems. ESAI engagement broadened across semiconductor, automotive electronics, consumer technology and hyperscaler customers.

Employees. The Group had 2,902 employees at 31 March 2026, compared with 2,891 at 31 March 2025. The workforce included 1,792 employees in core domains, 822 in industrial roles and 288 in support roles. Employee channels included town halls, surveys, manager forums, open houses, grievance processes and speak-up routes. Within the standalone BRSR boundary, 1,748 employees were covered; women represented 14% of the workforce and 72.3% of employees received human-rights training. All permanent employees were reported at or above the applicable minimum wage.

Investors and shareholders. The Company communicated FY2026 performance and strategy through quarterly and annual results, earnings webinars, investor presentations, stock-exchange disclosures, investor meetings and the Annual General Meeting. FY2026 operating revenue was ₹1,159 crore and EBITDA was ₹178 crore, with EBITDA margin increasing to 15.3%. Communications also addressed the timing of revenue recognition in the fourth quarter and the Company's transition towards more focused platforms and manufacturing-linked execution.

Suppliers, regulators and communities. Supplier and partner interfaces covered requirements, forecasts, quality, payment, capacity and continuity. Supply-chain disruption, input-material availability, programme scheduling and transaction-related factors affected the timing of approximately ₹142 crore of FY2026 revenue; the underlying orders were not cancelled. Defence programmes engaged with DRDO, defence public-sector undertakings and the Ministry of Defence ecosystem. Community engagement was addressed through CSR needs assessment, implementation partners and feedback channels, with Board and CSR Committee oversight under Section 135 of the Companies Act, 2013.

Governance and escalation

Operating teams addressed programme and workplace matters through enterprise functions and senior leadership. ESG themes were reviewed by the Managing Director and Chief Financial Officer, with updates to the Risk Management Committee. There were no human-rights or POSH complaints, no customer privacy or cybersecurity complaints, and 100% assessment of plants and offices on key human-rights topics.

MATERIAL MATTERS FOR LONG-TERM VALUE

The issues that can change the outcome

Material matters connect stakeholder expectations with the strategic, operating and ESG factors most capable of affecting value.

AXISCADES considers a matter material when it can significantly affect enterprise value, stakeholder outcomes or both. The working view below brings together the FY2026 BRSR process, management priorities and principal risks. It is intended to focus decisions, ownership and disclosure.

How materiality informs decisions

Stakeholder surveys, direct interactions, programme feedback, regulatory requirements, risk reviews and management judgement inform the assessment. Matters are considered across short-, medium- and long-term horizons and through four tests: scale of impact, likelihood or exposure, strategic relevance and stakeholder concern.

Our material matters

Material matter	Why it matters	Strategic response
Customer trust and programme execution	Quality, delivery, security and acceptance determine access to long-cycle work	Programme governance, quality systems and transparent escalation
Technology, productisation and IP	Reusable capability supports non-linear value but introduces ownership and cyber risk	Product gates, IP governance, secure engineering and partnerships
Talent, skills and culture	The strategy requires engineering depth, shop-floor skill and product ownership	Role-based skills, leadership, retention, inclusion and transition support
Supply-chain resilience and localisation	Long-lead constraints affect delivery, working capital and national capability	Source risk, alternatives, supplier development and inventory discipline
Cash conversion and capital discipline	Growth must fund itself and earn a return	Milestone contracting, collections, staged capex and post-investment review
Ethics, security and compliance	The Company operates across regulated and sensitive domains	Policies, training, whistleblower routes, export and information controls
Climate, energy and resource efficiency	A larger physical footprint increases environmental exposure and cost	Efficiency, measurement, compliant operations and better data
Community and national value	Indigenous capability and local impact support licence to operate	Responsible localisation, employment and focused CSR

Connectivity and ownership

Each matter links to a strategic priority, principal risk, accountable function and one or more capitals. Performance should be monitored through a limited set of defined indicators. Changes in the business perimeter and manufacturing footprint will require the assessment to be refreshed.

MATERIAL MATTERS FOR LONG-TERM VALUE

(contd...)

Materiality is a decision, not a catalogue

A long list can describe the business without identifying what can materially change its outcome. The materiality process narrows attention to issues capable of significant effect, considering both AXISCADES' impact on stakeholders and the effect of the issue on enterprise value. The result should guide ownership, risk response, capital, target setting and disclosure.

The eight-matter working view reflects the current strategy and operating transition. It is not permanent. A matter can become more or less material as the business perimeter, manufacturing footprint, regulation, technology, customer expectations or stakeholder consequence changes.

Assess impact and enterprise value together

Stakeholder impact considers the scale, scope, likelihood and remediability of positive or negative effects on people, the environment and society. Enterprise-value relevance considers the potential effect on revenue, cost, cash, capital, asset value, access to markets, resilience and reputation. Time horizon and the Company's ability to influence the outcome are also relevant.

The two views interact. A workforce or supply-chain issue can begin as a stakeholder impact and later affect quality, continuity and cash. An environmental investment can reduce operating cost and site risk while also lowering impact. A cyber or ethical failure can affect customers, employees, regulators and enterprise value at the same time.

Connect each matter to action

Management connection	Required question	Output
Strategy	Which priority or Platform outcome can this matter change?	Explicit strategic linkage
Risk and opportunity	What can happen, how quickly and with what consequence?	Scenario, appetite and response
Capital and operations	Which decision, standard or investment changes the outcome?	Owner, action and resource
Measurement	Which leading and outcome evidence is reliable?	Definition, target, boundary and control
Disclosure	What do affected stakeholders need to understand?	Balanced narrative and comparable indicators

This linkage prevents materiality from becoming an annual-report exercise. A matter is governed through the part of the organisation capable of changing it, with ESG and risk functions supporting consistency and the Board overseeing the most consequential trade-offs.

Refresh with the business

The Platform structure, Engineering Services Divestment Programme and expansion of physical capacity alter the context for several matters. Manufacturing may increase safety, environmental and supplier exposure. Productisation may increase IP, cybersecurity, reliability and lifecycle responsibilities. Portfolio change may increase employee, customer and governance sensitivity.

The final materiality view should therefore be validated against the Board-approved BRSR and refreshed when material transactions or operating changes occur. Stakeholders should be able to see not only which matters were selected, but why they matter now and how the Company intends to influence the outcome.

8
material matters in the working view

3
time horizons considered

4
materiality decision tests

The consequence map

Which issues can change stakeholder outcomes and AXISCADES' capacity to create value?

A matter is material because of the consequence it can change.

Relative positioning based on management's internal research and views; not a numerical ranking.

ESG AT AXISCADES

ESG inside strategy and risk

Making responsible-business considerations visible before programmes, capital and capacity are committed

The FY2026 Position

AXISCADES is connecting environmental, social and governance considerations to the same decisions that determine qualification, delivery, customer trust, risk and long-term value.

Governance and accountability

Responsible-business matters sit within the Company's governance framework. The Chairman and Managing Director is the highest executive authority for these matters. Senior leadership, including the Managing Director and Chief Financial Officer, reviews ESG priorities, while the Board's Risk Management Committee receives updates on ESG performance and developments. Enterprise functions set policies, standards and definitions; Platform and site teams apply them; and Board committees oversee performance in accordance with their mandates.

Financial controls, internal audit, the Code of Conduct, anti-corruption requirements and the vigil mechanism support accountability. AXISCADES uses the Business Responsibility and Sustainability Report (BRSR) to disclose policies, processes and performance under the nine principles of the National Guidelines on Responsible Business Conduct.

ESG AT AXISCADES

(contd...)

ESG within the Platform Decision

Decision area	Environmental lens	People lens	Conduct and risk lens
Programme and product selection	Resource use and lifecycle implications	Safety, customer and societal outcomes	Legality, ethics, security and contract risk
Capital expenditure and sites	Energy, materials, water, waste and site impact	Skills, access, safe work and local employment	Approval gates, return case, owner and compliance
Supply chain and partners	Material efficiency and responsible sourcing	Labour practices, safety and supplier capability	Due diligence, quality, traceability and continuity
Technology and AI	Compute and product efficiency	Human oversight, accessibility and workforce impact	Data, IP, cyber, export control and accountable use

FY2026 Reporting Baseline

01.
Standalone boundary
BRSR indicators are reported on a standalone basis and are not presented as consolidated Group metrics.

02.
Three accountability levels
Board and committees oversee; senior leadership sets priorities; Platform, site and functional owners create evidence and close exceptions.

03.
Nine NGRBC principles
The BRSR disclosure framework provides the common structure for policies, processes and performance.

The ESG Decision Gate

01.
Environment
Resources, emissions, water, waste and resilience.

02.
People
Safety, rights, skills, inclusion and community.

03.
Integrity
Ethics, security, compliance, data and accountability.

04.
Decision
Proceed, redesign, mitigate, phase or stop.

Environmental responsibility in a changing footprint

The standalone FY2026 BRSR recorded total energy consumption of 12,950.11 GJ, including 5,904.13 GJ from renewable sources and 7,045.98 GJ from non-renewable sources. Scope 1 greenhouse-gas emissions were 403.24 tCO_2e. These figures reflect the reported standalone boundary. As AXISCADES expands its electronics, manufacturing, integration and MRO footprint, site-level measurement of energy, emissions, water, materials and waste becomes increasingly important.

FY2026 Environmental Baseline

12,950.11 GJ
total energy consumption

7,045.98 GJ
non-renewable energy

5,904.13 GJ
renewable energy

403.24 tCO_2e
Scope 1 emissions

During FY2026, environmental actions included energy-conservation awareness, reducing standby power, limiting single-use plastic, using water filters, reducing paper and embedding natural-resource awareness in induction. The next stage is to design efficiency into facilities and equipment, increase access to renewable electricity where viable, measure resource flows at source, manage waste through authorised channels and close environmental exceptions through defined ownership and corrective action.

People, safety and inclusion

People remain the operating base of AXISCADES. The Company's workforce comprised 1,748 employees. Women represented 14% of the workforce; human-rights training covered 72.3% of employees; and all permanent employees were reported as receiving wages at or above the applicable minimum wage. No POSH or human-rights complaints were reported within the standalone boundary, and 100% of plants and offices were assessed on child labour, forced labour, sexual harassment, discrimination and wages.

FY2026 Environmental Baseline

1,748
employees in BRSR boundary

72.3%
human-rights training coverage

14%
women in workforce

100%
permanent employees at or above minimum wage

The Company implements an occupational health and safety management system across its offices, supported by periodic inspections, water, food and indoor-air quality testing, fire-equipment checks, drills, preventive maintenance and hazard-reporting mechanisms. As the manufacturing platform develops, social readiness also depends on industrial-relations capability, specialist hiring, a dedicated skill-development centre at DAC, internal learning and practical support for employees affected by location, payroll or organisational changes.

During the portfolio transition, employee communication has been supported through direct emails, leadership connects, open houses and access to business and HR leaders. The objective is to preserve clarity, continuity and trust while the organisation builds the capability required for more product-led and manufacturing-linked work.

Integrity, transparency and controlled data

AXISCADES operates in sectors where confidentiality, intellectual property, cybersecurity, export controls, quality and ethical conduct are material to customer trust. Risk-based due diligence across suppliers, partners and acquired entities therefore forms part of responsible growth. The Company's governance framework is intended to ensure that concerns can be raised, assessed and addressed through defined channels, with proportionate oversight and corrective action.

ESG information is decision-useful only when it can be governed. Each material indicator should have a defined boundary, metric, owner, source, reporting frequency and supporting evidence. As the Group perimeter changes, AXISCADES' priorities are to strengthen site-level data, improve comparability across entities, extend value-chain due diligence, connect targets to accountable owners and preserve transparent reporting boundaries.

SOCIAL RESPONSIBILITY AND CSR

The Social Contract of AXISCADES 3.0: Empowering Communities Through Technology

Our commitment to social responsibility is deeply integrated into our mission to deliver cutting-edge innovation and create value for all stakeholders. We recognise that our structural transition from a service provider to a high-fidelity technology and manufacturing platform carries a definitive social contract: to leverage our 15,000 man-years of expertise for the betterment of the communities in which we operate.

Our approach is two-fold: ensuring the dignity and growth of our workforce - including those transitioning during our portfolio realignment - and driving impactful community interventions through our Corporate Social Responsibility (CSR) engine. Our CSR activities are overseen directly by the Board of Directors, ensuring that every rupee of expenditure is converted into measurable community progress.

Workforce Transformation: A People-Centric Migration

In Fiscal 2026, Management prioritised the “Power 930” roadmap’s most critical asset: our people. A significant milestone of the reporting period was the successful management of the Engineering Services Divestment Programme, which involved the planned transfer of approximately 2,200 employees to our strategic partner, Akkodis.

Dignified Transition: The Group institutionalised a transparent framework for workforce management, ensuring that employees transferring with divested businesses did so with absolute clarity regarding their future roles and benefit structures.

A “Constructor” Skill Set: For the core workforce remaining within our four growth platforms, the transition to a product-led mandate has been supported by intensive upskilling. This shift from man-hour intensive tasks to programme ownership and shop-floor discipline resulted in record operational productivity, with Revenue per Employee rising to ₹39.94 Lakh in FY2026. This successfully decoupled our growth potential from headcount expansion.

SOCIAL RESPONSIBILITY AND CSR
(contd...)

Building practical value in the communities around us

At AXISCADES, social responsibility is grounded in practical initiatives that expand access to education, healthcare, science and essential community infrastructure. During FY2026, the Company and its subsidiaries focused on locally relevant interventions designed to create tangible value and improve the systems through which communities learn, receive care and meet everyday needs. CSR is governed under Section 135 of the Companies Act, 2013, with priorities informed by community needs, stakeholder engagement and feedback, and implementation supported by partner organisations. Oversight is provided by the Board and the CSR Committee, alongside the Company's wider ESG priorities. Together, these initiatives reflect AXISCADES' belief that social responsibility is most meaningful when it delivers practical and lasting improvements in community life.

Education and community infrastructure

During FY2026, ACTL supported the development of two government schools in the Devanahalli cluster. The work included a covered stage, waterproofing, kitchen flooring, a larger entrance gate and arch, miscellaneous civil works, fresh painting, toilet renovations, desks and chairs, and the provision of a computer and printer. By focusing on the physical conditions in which children learn, the initiative aims to improve the safety, usability and dignity of the school environment. ACTL also contributed to the PM CARES Fund during FY2026. This contribution formed part of the Company's support for a national public-interest cause.

Supporting healthcare delivery

Through Mistral Solutions Private Limited (MSPL), the Group supported the Gandhigram Trust with medical equipment for patient care. The initiative reflects a practical approach to community health by strengthening the capacity of institutions serving patients and vulnerable communities.

Enabling science and innovation

MSPL also supported The Param Project in Bengaluru, a multi-facility initiative focused on science, innovation and culture. By creating spaces where young people can engage with scientific ideas and creative learning, the initiative connects community investment with India's longer-term capability building.

Strengthening community food infrastructure

MSPL supported the Danirasa Foundation's Community Kitchen, which provides food for people in need. Support included kitchen utensils, a chiller room and a vada machine. These practical assets strengthen the kitchen's ability to prepare, store and serve food reliably.

GOVERNANCE AND ETHICS

The Governance Foundation of AXISCADES 3.0

At AXISCADES, governance is viewed as the essential architecture that enables our structural transition from a service-led engineering house to a high-fidelity technology and manufacturing powerhouse. As we execute the "Power 930" roadmap, our governance framework ensures that every strategic move—from capital reallocation to the build-out of Atmanirbhar clusters is underpinned by transparency, accountability, and the highest standards of ethical conduct. We believe that robust governance is not merely a compliance requirement but a competitive advantage that builds long-term trust with our global Tier-1 OEMs, sovereign defence institutions, and shareholders.

Board Oversight and Strategic Stewards

The Board of Directors serves as the apex body for strategic supervision and risk oversight. In Fiscal 2026, the Board maintained a high state of alertness regarding the Group's fundamental re-architecture. Central to this was the oversight of the Engineering Services Divestment Programme, a multi-year strategy to unlock "strategic fuel" for our product-led expansion.

The Board's stewardship in FY2026 was characterised by:

- **Disciplined Capital Allocation:** Ensuring that the expected divestment proceeds are surgically directed toward high-margin growth engines: Aerospace, Defence, Electronics & AI (via XiDA Inc), and Space.
- **Execution Monitoring:** Institutionalising the Strategy-to-Execution Scorecard to track high-fidelity evidence across programme delivery, capacity utilisation, and cash conversion.
- **Structural Realignment:** Overseeing the consolidation of operations into four clear growth platforms to ensure specialized resource deployment and clearer performance accountability.

Commitment to Integrity and Ethical Conduct

Ethical behaviour is the cornerstone of the AXISCADES culture. The Group operates under a comprehensive Code of Conduct that applies to all Board members, senior management, and employees globally. This code is reinforced through regular induction and sensitization programs, ensuring that our 15,000 man-years of domain expertise are delivered with unwavering integrity.

- **Anti-Corruption and Anti-Bribery:** AXISCADES maintains a zero-tolerance policy toward any form of unethical business practice. Our robust framework prohibits the acceptance of personal payments or gifts that could impair objective judgment, ensuring that all business dealings are conducted at arm's length.
- **Whistle-blower Mechanism:** We have institutionalised a secure and transparent Vigil Mechanism. This platform empowers employees and stakeholders to report concerns regarding unethical behavior or policy violations directly to the Audit Committee, with absolute assurance of confidentiality and protection against retaliation.
- **Human Rights:** In alignment with global standards, AXISCADES upholds universal human rights across its entire supply chain. Our employment practices are built on respect, fairness, and the prohibition of any form of forced or child labour.

Proactive Compliance and Regulatory Alertness

Management remains vigilant in maintaining the highest standards of corporate governance and regulatory compliance. During the reporting period, the Company proactively addressed administrative non-compliance relating to Board composition by remitting the requisite fines and taking immediate steps to evaluate suitable candidates to fill vacancies. The Board continues to emphasise diligent evaluations to ensure our leadership bench possesses the requisite multi-disciplinary expertise required for the Group's manufacturing mandate.

Risk Management and Transparency

Governance at AXISCADES is deeply integrated with our Enterprise Risk Management (ERM) Framework. By identifying and tracking material issues—ranging from data privacy and cybersecurity to energy management—the Board ensures that sustainability and performance are balanced. This transparency is further evidenced by our commitment to providing a "published-to-comparable bridge" in future reporting, ensuring that stakeholders can clearly track the performance of continuing operations as our portfolio perimeter evolves.

Late event during the first quarter of FY2027: *Following the formal conclusion of the Phase 2 divestment in June 2026, the Board has definitively formalised the Group's structural transformation into a focused global platform. This transition is supported by a refreshed governance baseline, ensuring that our pure-play manufacturing and technology operations are measured against the most stringent global standards of transparency and ethical excellence.*

RISK & GOVERNANCE

Good governance answers four questions: what could change the outcome, who owns it, how early we see it, and who is accountable when it moves. This section sets out the framework, the principal risks and the people responsible for both.

07.

RISK MANAGEMENT

Resilience by design

AXISCADES is progressing through a deliberate portfolio and operating-model transition. This creates access to higher-value opportunities across Aerospace, Defence, Electronics & AI and Space, while also changing the nature of execution risk. The Enterprise Risk Management framework is designed to make these risks visible early, assign clear ownership and connect mitigation decisions with strategy, capital allocation and operating performance.

Risk governance and accountability

The Board of Directors has ultimate oversight of enterprise risk. It is supported by its committees, senior management, business leaders and control functions. Risks are considered within the context of the Company's strategy, operating plans, investment decisions and statutory obligations. The Board receives timely information and relevant insights on material developments, while defined governance channels enable escalation, constructive challenge and informed intervention.

During FY2026, management's risk lens centred on six connected dimensions: programme, capacity, customer, people, cash and compliance. This approach recognises that a delivery delay can affect customer acceptance, revenue recognition, working capital and capacity utilisation at the same time. Risk management is therefore embedded in operating reviews rather than treated as a separate annual exercise.

How the framework operates

1. **Identify.** Business and functional teams identify strategic, financial, operational, regulatory, technology, people and external risks arising from existing activities and planned initiatives
2. **Assess.** Risks are evaluated for likelihood, potential impact, velocity, interdependence and the strength of existing controls
3. **Respond.** Owners define avoidance, reduction, transfer or acceptance measures, supported by clear timelines and accountability
4. **Monitor.** Leading and lagging indicators are reviewed through business, programme, finance, quality and leadership forums
5. **Report and escalate.** Material movements, control gaps and emerging risks are escalated to senior management and the Board or its committees, as appropriate

FY2026 risk context

FY2026 combined solid growth in the core domains with investment in manufacturing, testing, strategic systems and new operating platforms. The year also demonstrated the greater interdependence of procurement, production, inspection, customer acceptance, invoicing and collection in a manufacturing-linked model. This experience has reinforced the need for earlier visibility of constrained inputs, tighter programme-level planning and a more integrated order-to-cash rhythm.

Principal risks and management response

Principal risk	Why it matters	Management response
Portfolio transition	The planned exit from legacy engineering-services activities changes the Group's operating perimeter, shared-service needs, workforce configuration and customer mix.	Ring-fenced transition planning; coordination of corporate approvals and jurisdiction-specific requirements; governance for customer and employee continuity; knowledge-transfer protocols; strengthening of retained corporate and enabling functions; disciplined separation of systems, controls and accountabilities.
Programme execution and customer acceptance	Complex Aerospace and Defence programmes involve multiple milestones across design, sourcing, production, inspection, qualification and acceptance. Delays can shift revenue and cash across reporting periods.	Programme-level ownership; integrated milestone planning; earlier alignment of inspection and acceptance windows; configuration control; cross-functional reviews covering delivery, invoicing and collection; escalation of exceptions against agreed thresholds.
Supply chain and input availability	Long-lead and highly specified components can be exposed to global logistics disruption, constrained availability, price volatility and single-source dependency.	Earlier ordering of critical inputs; selective inventory buffers for long-lead items; vendor development and alternate sourcing where technically permissible; closer supplier tracking; design and procurement coordination; customer engagement on material constraints.
Working capital, liquidity and leverage	Manufacturing-led growth can absorb cash before delivery and customer acceptance. Higher inventory and receivables can increase funding requirements and balance-sheet sensitivity.	Programme-level cash planning; tighter receivables and inventory governance; milestone-linked billing where contractually available; phased investment; liquidity monitoring; prioritisation of debt reduction and capital deployment against qualified demand.
Capacity commissioning and utilisation	New facilities, equipment and laboratories may take time to commission, qualify and reach efficient utilisation. Premature or uncoordinated investment can dilute returns.	Stage-gated capital allocation; modular commissioning; alignment of tooling, people, certifications and customer programmes; utilisation tracking; shared infrastructure across adjacent Aerospace, Defence and Space applications where appropriate.
Customer and market concentration	Long programme cycles and dependence on a limited number of large customers or sovereign procurement pathways may affect order timing and revenue visibility.	Deeper participation across the customer product lifecycle; diversification across platforms, geographies and programme types; expansion of international relationships; sustained focus on repeat business and multi-year engagements.
People, skills and leadership continuity	The transition towards manufacturing, products and systems integration requires different capabilities in programme management, supply chain, shop-floor operations, quality, certification and commercial execution.	Targeted hiring; role clarity; succession and retention measures; domain and leadership development; capability building in manufacturing and systems integration; strengthening of retained support functions through the portfolio transition.
Quality, certification, safety and reliability	Aerospace, Defence, Electronics and Space operate under exacting technical, quality and safety requirements. A control failure can affect qualification, delivery, reputation and future eligibility.	Certified quality-management systems; independent inspection and testing; traceability and configuration controls; root-cause and corrective-action processes; safety governance; continued investment in laboratories, testing and qualified personnel.
Technology, cybersecurity and intellectual property	Greater use of connected systems, AI, digital engineering and proprietary know-how increases exposure to cyber threats, data loss, obsolescence and intellectual-property leakage.	Information-security controls; access governance; data protection and business-continuity measures; technology and AI governance; contractual protection of intellectual property; controlled collaboration with customers and partners; progressive digitisation of operating workflows.
Regulatory, ethical and geopolitical exposure	The Group operates across regulated industries, subsidiaries and international markets, with obligations relating to securities law, defence controls, export requirements, anti-bribery, sanctions, tax, local corporate law and listed-entity governance.	Board and management oversight; common Group standards with jurisdiction-specific compliance; subsidiary-governance processes; codes and policies; legal and compliance review; counterparty due diligence; training and reporting channels; timely remediation and equitable disclosure where required.

Financial and liquidity risk evidence

The transition towards manufacturing-linked delivery was reflected in the Company's FY2026 cash profile. Working capital absorbed ₹156.84 crore during the year, debtor days increased from 107 to 130, and net cash used in operating activities was ₹1.36 crore compared with ₹88.34 crore generated in the previous year. Net debt increased to ₹230.98 crore, while the current ratio moderated from 2.22 to 1.53.

These movements sharpen the operating priorities for the next phase: convert programmes into dispatch and acceptance, accelerate invoicing and collections, maintain appropriate buffers for critical inputs, and sequence capital expenditure against visible customer demand. The Company's approach is to preserve strategic investment capacity while improving cash conversion and balance-sheet resilience.

Risk culture and assurance

Effective risk management depends on behaviour as much as process. Leaders are expected to surface issues early, distinguish opportunity from committed revenue, challenge optimistic assumptions and maintain clear evidence for programme status. The control environment is supported by policies, delegation of authority, financial controls, quality systems, internal audit and independent statutory assurance.

The framework will continue to evolve with the Company's operating perimeter. As AXISCADES becomes more focused, its risk management must become more granular at programme level and more connected across commercial, technical, operational and financial decisions.

RISK, OPPORTUNITY AND STRATEGY LINKAGE

Connecting strategic ambition with execution

AXISCADES views risk and opportunity as two sides of the same strategic choice. Structural demand in Aerospace, Defence, Electronics & AI and Space can support durable growth, but only where the Company can secure qualified programmes, commission the right capabilities, execute to exacting standards and convert delivery into cash. The strategy-to-risk linkage is therefore built around disciplined gates rather than unconstrained expansion.

The linkage framework

Strategic priority	Opportunity and risk	Response and evidence
Sharpen the portfolio	A more focused portfolio can improve strategic relevance, management attention and the quality of earnings. The transition also creates separation, continuity and redeployment risks.	Execute the Engineering Services Divestment Programme with clear transition governance; protect customer and employee continuity; rebuild enabling capabilities around the retained enterprise; direct capital towards selected growth platforms. Indicators include transition milestones, service continuity, retained capability and capital deployment.
Convert design positions into production	Twenty-one active design and programme positions create a pathway to repeat production and deeper system responsibility. Conversion can be delayed by qualification, sourcing, inspection or customer acceptance.	Strengthen programme ownership and the order-to-cash chain; integrate engineering, procurement, production, quality and finance reviews; track dispatch, acceptance, invoicing and collection as connected milestones. Indicators include conversion rate, on-time delivery, acceptance cycle and programme cash generation.
Build qualified industrial capacity	Domestic manufacturing, integration, testing and MRO capacity can address sovereign and global supply-chain demand. The principal risks are commissioning delay, qualification time and under-utilisation.	Commission capacity in modular stages against customer-backed demand; align equipment, tooling, certifications and skills to each programme gate; use common foundation technologies across adjacent platforms where practical. Indicators include commissioned capacity, qualification status, utilisation and return on invested capital.
Scale Electronics & AI and Space selectively	Electronics, embedded systems, AI infrastructure and space solutions provide access to faster-growing technology pools. These markets also carry rapid obsolescence, integration and partner-dependency risks.	Combine India-centred engineering and manufacturing with customer proximity, reusable intellectual property and selective partnerships; maintain a clear portfolio thesis for acquisitions and alliances; use staged investment and technical validation. Indicators include qualified pipeline, repeatable IP, partner milestones and programme conversion.
Strengthen the capital and cash architecture	Portfolio realignment can release capital for debt reduction and higher-value growth. Poor sequencing could replace one form of risk with another.	Prioritise liquidity and high-cost debt reduction; apply investment gates linked to demand, qualification and expected returns; maintain programme-level cash visibility; review working-capital intensity alongside revenue growth. Indicators include operating cash flow, debtor days, inventory, net debt and capital committed against qualified demand.
Build the operating leadership system	A focused enterprise can move faster when accountability is clear. The shift towards products and systems requires specialised leadership and stronger cross-functional coordination.	Clarify platform and programme ownership; strengthen supply-chain, manufacturing, quality, systems and commercial capabilities; develop a performance rhythm that connects pipeline, capacity, delivery and cash. Indicators include critical-role coverage, attrition, capability readiness, quality performance and closure of operating actions.

Structural opportunities within the chosen domains

Aerospace

Large global aircraft backlogs, supply-chain diversification and increasing demand for engineering-to-build participation create an opportunity for Indian suppliers with certified quality, cost competitiveness and programme credibility. AXISCADES is positioning for deeper participation in tooling, precision manufacturing, electrical systems, composites, supply-chain management and component MRO.

Defence

India's focus on indigenous procurement and domestic capability creation supports long-duration opportunity in strategic electronics, missile and radar subsystems, land systems, test platforms and system integration. The Company's opportunity is to move from design and subassembly positions towards repeat production and complete-system responsibility.

Electronics & AI

The convergence of semiconductors, embedded systems, thermal management, hardware realisation and AI infrastructure creates demand for partners that can connect design with testing and production. AXISCADES is building this as a scalable platform combining engineering depth, laboratories, electronics manufacturing and stronger international customer proximity.

Space

Commercialisation of the space economy and India's expanding ecosystem create opportunity in satellite-bus manufacturing, payload and platform integration, space situational awareness and associated engineering. The Company is following a selective partnership-led approach, supported where appropriate by shared Aerospace and Defence capabilities.

Execution gates for opportunity capture

- **Qualified demand:** a clearly defined customer need, commercial pathway and programme sponsor.
- **Technical readiness:** validated design, certification route, bill of materials and manufacturing process.
- **Capacity readiness:** appropriate facility, equipment, tooling, people and supplier ecosystem.
- **Delivery readiness:** integrated planning for procurement, production, inspection, acceptance and configuration control.
- **Cash readiness:** working-capital requirement, billing milestones, collection pathway and downside scenario.
- **Governance readiness:** ownership, performance indicators, escalation thresholds and Board visibility where material.

Indicators that matter

As the operating model evolves, management's focus is moving from the size of the opportunity alone to the evidence of conversion. The most relevant indicators include the quality and maturity of the pipeline; programme conversion; on-time delivery and customer acceptance; capacity commissioning and utilisation; quality and safety performance; working-capital intensity and cash conversion; and the readiness of critical talent and leadership roles.

Late event during the first quarter of FY2027

Following the reporting date, AXISCADES advanced the multi-stage divestment of its legacy Engineering Services business to Akkodis. The transaction formalised a sharper operating architecture around Aerospace Manufacturing, supply-chain management and MRO; Defence Solutions; the AI-centred Electronics & AI platform under XiDA Inc; and Space.

The transaction is strategically important because it can release capital and management capacity for the selected platforms. It also introduces transition requirements relating to employee movement, knowledge transfer, customer continuity, shared services, financial controls and the disciplined deployment of proceeds. Its multi-jurisdictional structure requires coordinated corporate approvals, consistent governance across subsidiaries, jurisdiction-specific compliance and transparent reporting through the residual ownership and transition period. These developments occurred after 31 March 2026 and do not form part of the FY2026 financial performance.

BOARD OF DIRECTORS

Stewardship for a sharper enterprise

The Board provides strategic direction, governance oversight and independent challenge as AXISCADES reshapes its portfolio and builds a more focused technology and manufacturing platform. Its role is to ensure that the Company's ambition is supported by sound capital allocation, transparent risk management, ethical conduct and clear accountability.

Governance philosophy

AXISCADES seeks to conduct business with integrity, fairness, transparency and respect for all stakeholders. The Board sets the tone for this culture and oversees the systems through which strategy, performance, risk, compliance and stakeholder interests are considered together. The governance framework is designed to support informed decisions, timely escalation and responsible long-term value creation

Compliance is the foundation. Good governance goes further: it shapes how decisions are made, how risks are managed and how stakeholder interests are balanced.

Board oversight in FY2026

FY2026 required the Board to balance near-term performance with the design of a structurally different enterprise. The Board's principal areas of attention included:

- **Portfolio transformation:** reviewing the rationale, structure and execution pathway for the Engineering Services Divestment Programme.
- **Capital allocation:** overseeing investment in facilities, manufacturing, testing, technology and strategic capabilities, with an emphasis on staged deployment and expected returns.
- **Operational execution:** monitoring programme delivery, supply-chain constraints, customer acceptance, working capital and cash conversion.
- **Strategic growth platforms:** guiding the consolidation of activities around Aerospace, Defence, Electronics & AI and Space.
- **Risk and compliance:** reviewing material enterprise risks, internal controls, statutory obligations, ethical conduct and the effectiveness of remediation.
- **People and leadership:** considering organisational capability, succession, employee continuity and the skills required for a manufacturing- and systems-led operating model.

Governing strategic transformation

During this period, the Board's role extended beyond conventional oversight. It acted as a strategic partner while retaining the independence and discipline required to test management proposals. Detailed deliberation on the long-term implications of portfolio choices, stakeholder impact, execution dependencies and downside scenarios helped balance strategic ambition with accountability and transparency.

The Engineering Services Divestment Programme is a complex restructuring spanning multiple subsidiaries, jurisdictions and legal frameworks across India, Europe and North America. Governance of the transaction requires the alignment of Board and, where applicable, shareholder approvals; securities-law obligations; entity-level actions; stakeholder communications; and consistent governance standards. The secretarial function works with management, finance, legal advisers, transaction teams and overseas subsidiaries to maintain this alignment without disrupting business continuity.

Board capability and composition

The Board's collective experience spans strategy, aerospace and defence, technology, manufacturing, finance, mergers and acquisitions, corporate law and governance. This blend is important in a year when the Company is simultaneously managing a strategic transaction, investing in new capacity and increasing its exposure to regulated, high-reliability domains.

Effective 23 August 2025, Dr. Sampath Ravinarayanan was appointed Managing Director, designated as Chairman, for a five-year term. His sector experience and long-standing engagement with India's aerospace and defence ecosystem provide continuity of strategic direction during the Company's transformation.

Board effectiveness and information quality

As the Company evolves towards manufacturing, technology and AI-led platforms, governance capabilities must develop at the same pace. The secretarial function supports Board effectiveness by strengthening meeting processes, enabling discussion of technology governance and future capability requirements, and ensuring that directors receive timely, decision-useful information in a rapidly changing operating environment.

During the year, the Company addressed a period of administrative non-compliance relating to applicable Board-composition requirements, paid the levies prescribed by the stock exchanges and progressed the process of restoring the required composition. The matter reinforced the importance of succession planning, timely appointments and continued attention to the evolving governance obligations of a listed company.

The Board and its committees receive periodic information on financial performance, operations, material programmes, capital expenditure, risks, compliance, people and stakeholder matters. The quality of governance depends on complete and timely information, constructive challenge, clear minutes and follow-through on agreed actions. These disciplines remain central to the Board's effectiveness.

Subsidiary governance for a global Group

The Group's expanding international footprint, new subsidiaries, manufacturing platforms and strategic partnerships require governance that is globally consistent and locally responsive. AXISCADES is working to maintain common standards of ethics, compliance, transparency and accountability across the Group, while recognising that each jurisdiction carries distinct legal, regulatory and reporting obligations.

This approach includes clearer entity-level accountability, alignment of subsidiary actions with Group strategy, appropriate reporting to the parent Board and coordination between local management, finance, legal and secretarial teams. Strong subsidiary governance is particularly important when programmes, intellectual property, employees and financial interests span more than one jurisdiction.

Transparent and equitable shareholder communication

Regulatory compliance establishes the minimum standard for disclosure; shareholder confidence requires information that is also timely, accurate, consistent and meaningful. Stock-exchange filings, investor communications and the Annual Report are therefore treated as extensions of the governance framework. The objective is to explain the strategic rationale for material decisions, reduce information asymmetry and provide equitable access to information for all shareholders.

Strategic stewardship beyond the balance sheet

The Board's stewardship extends to the capabilities that sustain long-term competitiveness: qualified people, customer trust, intellectual property, certified processes, supplier relationships, safety culture and institutional reputation. By overseeing these resources alongside financial capital, the Board supports a more complete view of value creation and resilience.

Looking ahead, the governance agenda will centre on Board effectiveness, strategic risk oversight, subsidiary and AI governance, succession planning, ESG integration and stakeholder engagement.

BOARD OF DIRECTORS
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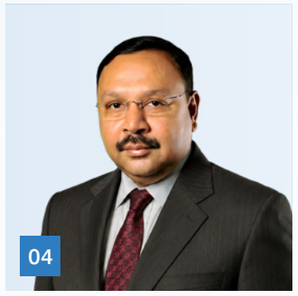
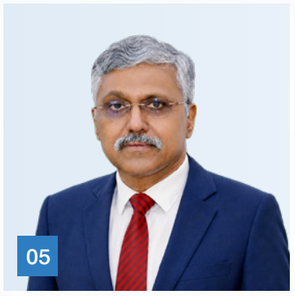




01 Dr. Sampath Ravinarayanan
Founder Chairman & Managing Director

Dr. Sampath Ravinarayanan is the Founder Chairman & Managing Director of AXISCADES Technologies Limited, a publicly listed global company in Aerospace Engineering, Defence Systems and Chip-to-Product solutions. A serial technopreneur with over 40 years of experience, he has built successful ventures across Aerospace, Defence, Automation and Testing. He has served on several major boards, including Air India Limited, Indian Airlines Limited, KPTCL, Airbus Engineering Center India Private Limited, Asianet Group and Tirumala Tirupathi Devasthanam.

02 Mr. Venkatraman Venkitachalam
Non Executive Director

Venkatraman Venkitachalam brings more than 20 years of experience across business strategy and development, project financing, mergers and acquisitions and accounting. He has financed projects in roads, thermal and hydro power, wind, solar and real estate, as both lender and borrower. He has held leadership roles at Reliance Energy Limited, GMR Group and L&T Infrastructure Finance, and was Chief Financial Officer of Jupiter Capital Private Limited until January 2022. He is a Chartered Accountant, Company Secretary, Cost & Management Accountant and Chartered Financial Analyst.

03 Lt Gen Codanda Poovaiah Cariappa (Retd)
Independent Director

Lieutenant General Codanda Poovaiah Cariappa brings nearly four decades of strategic and operational leadership. As Master General Sustenance of the Indian Army and Principal Staff Officer to the Chief of Army Staff, he played a key role in the corporatisation of the Ordnance Factories and was at the forefront of the Make in India initiative. He has served in United Nations missions and as Military Secretary to the President of India. A recipient of the Param Vishisht Seva Medal, he is a Certified Independent Director.

04 Mr. Tanmoy Chakrabarty
Independent Director

Tanmoy Chakrabarty has a career spanning 42 years, including 14 years with Tata Consultancy Services. He served as Group Government Affairs Officer at Tata Sons until October 2022, overseeing strategic government engagement for the Tata Group. He has played an instrumental role in high-profile Government of India programmes, including MCA 21, Income Tax and Passport Seva, alongside major initiatives for the Indian defence and homeland security forces. He founded Chakrabarty Consulting Services and is an Independent Director on the Boards of Mistral Solutions and AXISCADES Aerospace & Technologies.

05 Mr. Giridhar Aramane
Independent Director

Giridhar Aramane is an Indian Administrative Service officer of the 1988 batch. He served as Defence Secretary to the Government of India from November 2022 until his retirement in October 2024, and prior to that as Secretary, Ministry of Road Transport & Highways and as Additional Secretary in the Cabinet Secretariat. He has also served as Principal Secretary (Urban Development) in the Government of Andhra Pradesh. He also serves on the Boards of Cyient DLM Limited, and Go Digit General Insurance.

06 Mr. Abhay Maheshwari
Additional Director (Non-Executive Director)

Abhay Maheshwari is a seasoned finance executive, a Chartered Accountant and an IIM Indore alumnus, with 18 years of experience across corporate finance, fundraising, IPO, capital and liquidity management, and investing. He has played a key role in structuring and executing high-impact transactions that strengthen long-term business value. Recognised for his analytical rigour and commercial acumen, he collaborates closely with founders, institutional investors and C-suite leaders to align financial strategy with business priorities.

07 Ms. Ashmita Sethi
Additional Director (Independent Director)

Ashmita Sethi is a globally recognised C-suite leader in the Aerospace & Defence industry, with more than 25 years of experience across aviation, engineering and technology. She has held senior leadership positions with the world's largest aerospace and defence companies, most recently as President & Country Head of Pratt & Whitney (RTX) India, and earlier as Senior Director at Boeing and Vice President at Rolls-Royce. She has chaired leading industry bodies and policy forums shaping India's aerospace and defence ecosystem.

08 Mrs. Mariam Mathew
Independent Director
(Resigned with effect from 11 August 2026)

Mariam Mathew brings extensive experience in the information technology industry, with a distinguished career spanning leading global organisations such as Wipro, Cyient, and CMC. Her expertise encompasses technology, business transformation, and enterprise solutions, backed by a strong track record of delivering strategic initiatives and driving operational excellence across diverse business environments.

LEADERSHIP TEAM

Execution leadership across the chosen platforms

AXISCADES is led by a team with experience across strategy, finance, operations, Aerospace, Defence, Electronics & AI and international markets. The leadership mandate is to translate sharper strategic choices into programme conversion, qualified capacity, stronger cash generation and consistent stakeholder outcomes.

Leadership profiles

Dr. Sampath Ravinarayanan

Founder Chairman & Managing Director. Dr. Ravinarayanan provides strategic direction for the Company's transformation and brings more than four decades of experience across aerospace, defence, engineering and industry development. His focus is on building leadership positions in the domains selected for long-term investment.

Mr. Shashidhar S. K.

Group Chief Financial Officer. With more than three decades of experience, Mr. Shashidhar leads financial stewardship, capital allocation, treasury, controls and the development of a financial architecture capable of supporting scalable growth.

Mr. D. Murali Krishnan

Chief Operating Officer. Mr. Krishnan leads operating discipline across the Group, with a focus on programme execution, capacity readiness, supply-chain resilience, digital systems and the transition from engineering-led delivery towards manufacturing, products and systems integration.

Mr. K. P. Mohanakrishnan

Deputy Chief Executive Officer and President - Aerospace. Mr. Mohanakrishnan brings more than three decades of domain experience and leads the development of the Aerospace platform across manufacturing, tooling, supply-chain management, MRO and integrated programme delivery.

Mr. Sharadhi Chandra Babu

President - Defence. An aeronautical engineer and entrepreneur, Mr. Chandra Babu leads the Defence platform's progression towards intellectual-property-led products, repeat production, strategic subsystems and complete-system integration.

Mr. Anurag Sharma

Chief Growth Officer. Mr. Sharma leads software-led and electronics engineering across embedded systems, semiconductor services, thermal-management solutions, AI applications and hardware realisation, with the objective of building a globally scalable Electronics & AI platform.

A connected operating cadence

The leadership model is designed to combine platform accountability with strong functional coordination. Strategy, growth, operations, finance, supply chain, quality, people, technology and compliance must work from a shared view of programme status and risk. This is particularly important where the same decision affects delivery timing, capacity, working capital and customer confidence.

The executive agenda therefore centres on a small number of connected outcomes: convert qualified opportunities into orders; move orders through production and customer acceptance; commission capacity against demand; improve cash conversion; protect quality, safety and compliance; and build the leadership and specialist skills required for scale.

Capabilities strengthened during FY2026

The operating base broadened during the year. In Defence, the Company progressed new capabilities across strategic electronics, missile-related subsystems, land systems and mobile platforms, supported by a combination of owned capability and qualified partner ecosystems. In Electronics & AI, the Devanahalli facility added electronics assembly, acoustic testing and laboratory infrastructure. In Aerospace, capability development continued in tooling, electrical interconnection systems and initial manufacturing programmes.

The Company also began configuring a more unified customer relationship management environment during FY2026, including initial licences, system configuration and user training. This forms part of a wider objective to connect customer opportunity, programme delivery, procurement, invoicing and collection through stronger management information and clearer ownership.

Continuity through the portfolio transition

The divested and retained businesses have largely distinct customers and delivery structures, which reduces direct programme disruption. The transition nevertheless requires careful relocation of teams and reinforcement of retained functions across finance, human resources, talent acquisition, information technology and corporate operations. Leadership oversight is focused on preserving service continuity while ensuring that the retained organisation is appropriately resourced for its new perimeter.

Leadership priorities for the next phase

- Embed end-to-end ownership from commercial commitment through collection.
- Increase visibility of long-lead inputs, inspection windows and customer dependencies.
- Commission facilities and equipment in line with qualified programme demand.
- Integrate operating systems and management information across the retained enterprise.
- Strengthen programme management, supply chain, manufacturing, quality and systems-integration capability.
- Manage the portfolio and employee transition with clarity, fairness and continuity.

A sharper portfolio raises the standard of execution. Leadership will be judged by the quality of conversion: capability into programmes, programmes into cash, and strategic focus into durable value.

CORPORATE INFORMATION

Institutional information
for shareholders and stakeholders

AXISCADES maintains a clear corporate-information framework to support regulatory compliance, investor access and transparent engagement with shareholders and other stakeholders.

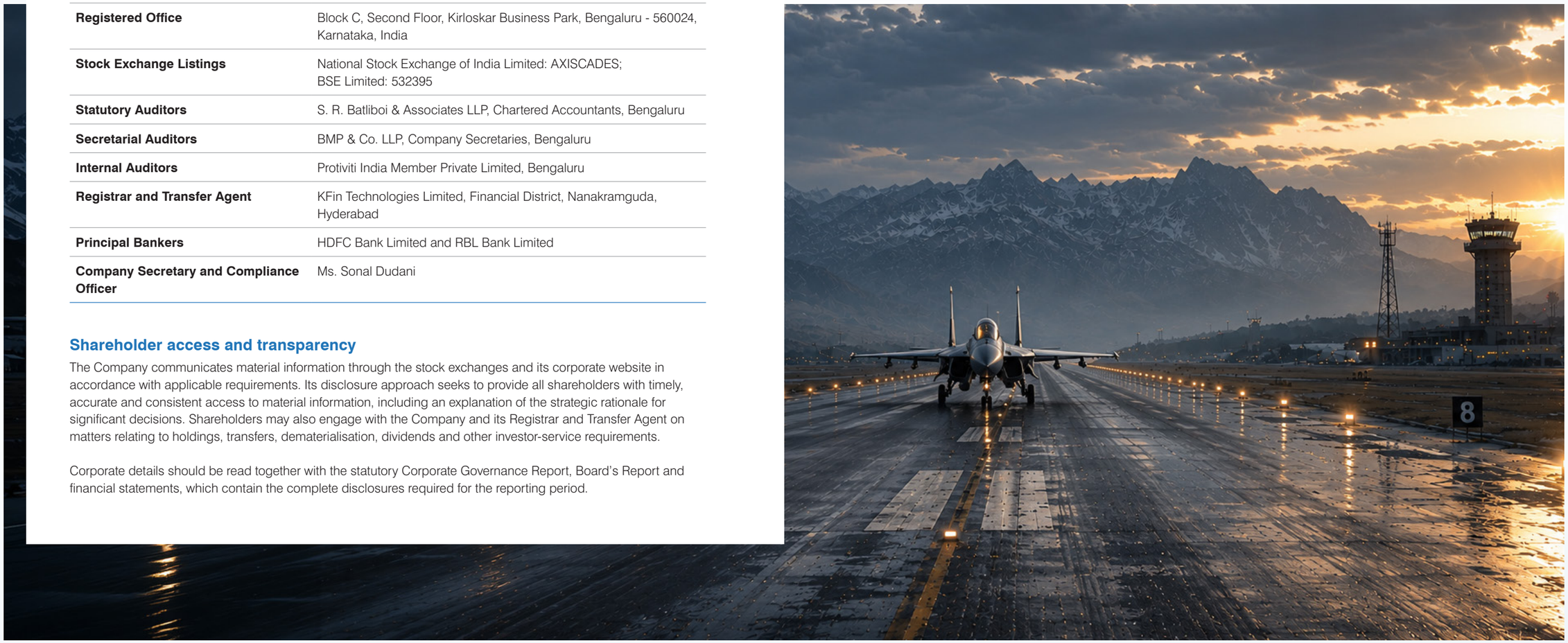
Category	Details
Registered Office	Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560024, Karnataka, India
Stock Exchange Listings	National Stock Exchange of India Limited: AXISCADES; BSE Limited: 532395
Statutory Auditors	S. R. Batliboi & Associates LLP, Chartered Accountants, Bengaluru
Secretarial Auditors	BMP & Co. LLP, Company Secretaries, Bengaluru
Internal Auditors	Protiviti India Member Private Limited, Bengaluru
Registrar and Transfer Agent	KFin Technologies Limited, Financial District, Nanakramguda, Hyderabad
Principal Bankers	HDFC Bank Limited and RBL Bank Limited
Company Secretary and Compliance Officer	Ms. Sonal Dudani

Shareholder access and transparency

The Company communicates material information through the stock exchanges and its corporate website in accordance with applicable requirements. Its disclosure approach seeks to provide all shareholders with timely, accurate and consistent access to material information, including an explanation of the strategic rationale for significant decisions. Shareholders may also engage with the Company and its Registrar and Transfer Agent on matters relating to holdings, transfers, dematerialisation, dividends and other investor-service requirements.

Corporate details should be read together with the statutory Corporate Governance Report, Board's Report and financial statements, which contain the complete disclosures required for the reporting period.

"**Built our Runway**" is ultimately a governance commitment: to make clear choices, allocate capital with discipline, execute with evidence and remain accountable for outcomes.



STATUTORY

Everything stated in the pages before this is accountable to what follows. This section carries the Management Discussion and Analysis, the Directors' Report, the Report on Corporate Governance and the Business Responsibility and Sustainability Report.

08.

MANAGEMENT DISCUSSION & ANALYSIS

Performance Review and Growth Strategy

~40%
Of countries allocated more than 2% of GDP to defence in 2024, against 27% in 2018
IMF, April 2026

+17%
Metals and minerals price index in 2026, an all-time high
World Bank, April 2026

1. Economic Environment

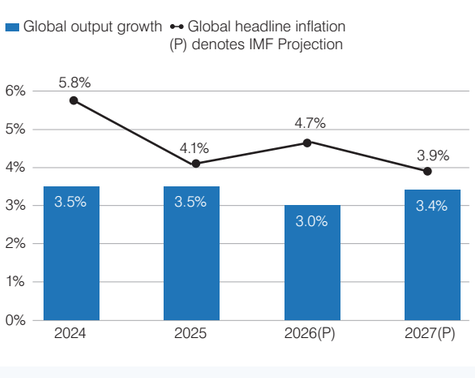
1.1 Global Economy

The year closed with a global economy shaped by two opposing forces. One was a supply shock caused by the war in the Middle East while the other was a technology shock driven by artificial intelligence. Their effects were uneven. Economies inside the technology value chain outperformed; commodity importers outside it did not. For a company focused on defence, aerospace, space and deep-tech manufacturing, both forces run in the same commercial direction. Overall, global growth remained moderate through the reporting period, while geopolitical tension, supply-chain fragility and accelerated investment in AI-related infrastructure shaped the outlook at the report date.

1.1.1 Growth, Inflation and Monetary Conditions

Global growth is projected at 3.0% in Calendar Year (CY) 2026 and 3.4% in 2027, against a 3.5% average across 2024-25. Advanced economies expanded by 1.7% and emerging markets 3.8%. World trade volume growth slowed from 5.0% to 3.5% before recovering to 4.3%. Tariffs and the re-routing of production chains accounted for most of that slowdown.

Inflation matters more for capital planning, and it has bottomed out. Global headline inflation is expected to rise from 4.1% in 2025 to 4.7% in 2026, easing to 3.9% in 2027. Core inflation is expected to return to target only gradually: end-2027 in the United States and Japan, and 2028 in the euro area. Monetary conditions have turned less supportive. Expected policy rate paths have moved higher, in some cases flipping from cuts to hikes, and long-term sovereign yields have risen.



Global growth and inflation outlook, 2024 to 2027 (per cent). Source: IMF, World Economic Outlook Update, July 2026.

3.0%
Global growth projected for 2026, down from the 3.5% average of 2024-25
IMF, July 2026

4.7%
Global headline inflation in 2026, up from 4.1%. Disinflation has stalled
IMF, July 2026

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

1.2 Indian Economy

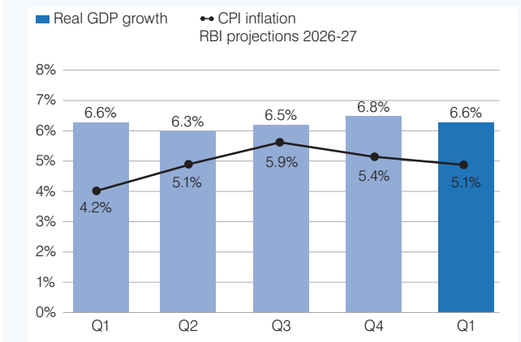
India remained one of the faster-growing major economies during FY2026, supported by domestic demand, manufacturing and services.

1.2.1 FY2026 Context and Report-Date Outlook

Real GDP grew 7.7% in FY2026, supported by manufacturing, services, consumption and investment demand. The operating context was reinforced by elevated manufacturing capacity utilisation and continued investment in industrial capacity.

At the report date, the RBI projected real GDP growth of 6.6% and CPI inflation of 5.1% for FY2027, while maintaining the policy repo rate at 5.25% in June 2026. FY2027 projections remain subject to global supply-chain, energy-price and weather risks.

For AXISCADES, the principal linkage is to capital expenditure, domestic manufacturing, defence indigenisation and strategic electronics demand; conversion remains dependent on customer qualification and execution.



India's FY2027 real GDP growth and CPI inflation projections. Source: RBI Monetary Policy Statement, June 2026.

1.2.2 Strategic Policy and Industrial Tailwinds

The fiscal stance remains expansionary in capital terms. Public capital expenditure rose from ₹11.2 lakh crore in BE (Budget Estimate) 2025-26 to ₹12.2 lakh crore in FY2026-27, while the fiscal deficit narrows to 4.3% of GDP and the debt-to-GDP ratio to 55.6%. Delivery of actual execution and disbursement of Public Capital Expenditure is running ahead of budget. Central government capital expenditure grew 18.8% year-on-year in April 2026, led by roads, railways, telecommunications and defence, and capital expenditure by large central public sector enterprises rose 63% year-on-year in the same month. Public capital expenditure and industrial policy continued to support manufacturing, infrastructure and strategic sectors. Budget measures aimed at strengthening electronics manufacturing, semiconductor capability, high-precision tooling, and critical components for aerospace and defence create a constructive medium-term backdrop.

7.7%
Real GDP growth in 2025-26, led by manufacturing and services
Monthly Economic Review, June 2026

6.6%
RBI projection for 2026-27, revised down from 6.9% in April
RBI, June 2026

₹12.2 lakh crore
Public capital expenditure for FY2027, up from ₹11.2 lakh crore
Union Budget 2026-27

+24.5%
Engineering goods export growth, May 2026
Monthly Economic Review, June 2026

Industrial policy has moved decisively upstream. India Semiconductor Mission 2.0 has been announced to produce equipment and materials, design full-stack Indian intellectual property and fortify supply chains, with a stated focus on industry-led research and training centres. The Electronics Components Manufacturing Scheme, launched in April 2025 with an outlay of ₹22,919 crore, has been raised to ₹40,000 crore. A Scheme for Rare Earth Permanent Magnets will support dedicated Rare Earth Corridors in Odisha, Kerala, Andhra Pradesh and Tamil Nadu, spanning mining, processing, research and manufacturing. Hi-Tech Tool Rooms are to be established by central public sector enterprises at two locations, as digitally enabled bureaus that design, test and manufacture high-precision components at scale.

Two measures bear directly on aerospace and defence manufacturing. Basic customs duty on components and parts for the manufacture of civilian, training and other aircraft is exempted. So is basic customs duty on raw materials imported for the manufacture of aircraft parts used in maintenance, repair and overhaul by units in the defence sector. On emerging technology, the Budget named the AI Mission, the National Quantum Mission, the Anusandhan National Research Fund and the Research, Development and Innovation Fund as the instruments through which new technologies are to be supported.

1.2.3 Strategic Trade: Indo-US Engagement

India's external position strengthened through a difficult year. Total exports reached USD 82 billion in May 2026, up 15.8% year-on-year, with merchandise exports at a record USD 45.2 billion, up 18.0%. Growth was broad-based. Engineering goods rose 24.5% and electronic goods 11.6%, and non-petroleum, non-gems-and-jewellery shipments made up 75.8% of merchandise exports. India's trade and investment position remained supportive, with engineering and electronics exports contributing to the broader manufacturing base.

India's trade architecture is also being rebuilt in parallel, with new agreements, tariff developments and critical-mineral partnerships increasingly shaping the external environment for advanced manufacturing. The interim trade deal with the United States was announced in February 2026, while re-negotiations have continued since April, and although the US effective tariff rate has declined from around 14% earlier in the year to around 12%, policy uncertainty remains elevated following the temporary 10% surcharge on imports from India, introduced after a US Supreme Court ruling on tariffs imposed under international economic emergency powers and scheduled to expire in late July. Alongside this, India and the United States signed a bilateral Framework on Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths, while India and the United Kingdom launched a Critical Minerals Global Supply Chain Observatory, both of which support the National Critical Mineral Mission. The India-Oman CEPA entered into force on 1 June 2026 and the India-UK CETA on 15 July 2026, reinforcing the broader shift towards more structured trade corridors, supply-chain resilience and improved access to strategic inputs. For companies operating in aerospace, defence, electronics and advanced engineering, these developments may influence market access, sourcing decisions, input availability and long-term supply-chain configuration.

Capital flows reflected the same strategic recalibration. Gross foreign direct investment reached a historical peak of USD 94.5 billion in 2025-26, an increase of 17.3%, while net FDI rose to USD 7.7 billion from USD 1.0 billion, indicating continued long-term investor interest in India's structural growth story. Foreign exchange reserves stood at USD 682.3 billion at end-May 2026, equivalent to nearly eleven months of import cover, providing an important macroeconomic buffer at a time when portfolio flows remained more volatile, with net outflows of USD 13.7 billion between 1 April and 2 June 2026.

This investment interest is also beginning to extend deeper into the aerospace value chain. Rolls-Royce is reported to be exploring an aero-engine maintenance, repair and overhaul facility in India and has also proposed an aero gas turbine complex to support indigenous engine development for future military aircraft programmes, underscoring the growing strategic relevance of India's aerospace, defence and high-precision manufacturing ecosystem.

Inbound aerospace and digital-infrastructure investment widen the domestic customer base for both the Aerospace Manufacturing and XiDA platforms.

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

5.2 bn
Passengers expected to fly in 2026, up 4.4% on 2025
IATA, Annual Review 2026

Demand remains supported by large aircraft backlogs and fleet utilisation; supplier capacity, certification, material availability and customer acceptance govern the pace of conversion.

2. Industry Landscape, Outlook and Positioning

2.1 Aerospace, Manufacturing, SCM & MRO

2.1.1 Market Direction, Constraints and Relevance

Demand for air transport is expanding on every measure that matters to an aircraft manufacturer. Some 5.2 billion passengers are expected to fly in 2026, an increase of 4.4% on a 2025 that itself carried nearly five billion travellers across 38.7 million flights. Air cargo is forecast to reach 71.6 million tonnes, up 2.4%. Passenger traffic grew 5.7% in 2025 and load factors reached a record 83.5%. Aircraft are flying fuller than at any point in the industry's history, which is the clearest available signal that the existing fleet is being worked to its limit. Global air-transport demand and the commercial-aircraft backlog continue to support a long-duration production and aftermarket cycle. Passenger volumes are expected to rise, while the order backlog represents several years of current production capacity. Ageing fleets also support maintenance, repair and overhaul demand.

17,000+
Aircraft on order, about 60% of the active fleet against 30-40% historically
IATA, December 2025

~12 yrs
Of current production capacity represented by the order backlog
IATA, December 2025

5,300
Aircraft, accumulated delivery shortfall
IATA, December 2025

The long-run trajectory is steeper still. IATA's Long-Term Demand Projections, released in February 2026, expect global air passenger demand to more than double by 2050, growing at a compound annual rate of 3.1% from 2024 under the midrange scenario. Ground infrastructure is already absorbing the strain. An average of nine airports each year are newly designated Level 2 or Level 3, the categories reserved for airports where congestion has become problematic and slots require independent coordination.

India is gaining relevance as global aerospace original equipment manufacturers diversify engineering, manufacturing and sourcing. The country combines engineering talent, an expanding supplier base and a large domestic aviation market, creating opportunities in electrical systems, structures, precision components, supply-chain services and lifecycle support.

During calendar 2025, global commercial aerospace revenue was projected to grow by around 12% year-on-year, supported by an estimated 25% increase in aircraft deliveries. North America was expected to expand by 17%, its strongest growth in over two decades, while Asia-Pacific and Europe were projected to grow by around 10% and 6%, respectively. Airbus targeted 820 aircraft deliveries for the year, while Boeing recorded its best first-half delivery performance since 2018. However, industry conversion continued to be constrained by certification timelines, specialised material availability, engine and component supply, skilled labour capacity and customer acceptance processes. For AXISCADES, this environment reinforces the opportunity to progress from engineering participation into qualified manufacturing, systems integration, supply-chain management and life support.

Air transport demand against aircraft production capacity. Sources: IATA, Annual Review 2026; IATA Press Release No. 55, 9 December 2025.

2.2 Defence

2.2.1 Market Direction, Constraints and Relevance

Global defence spending reached USD 2.63 trillion in 2025, up from USD 2.48 trillion the year before. In real terms, that is an increase of 2.5%, though growth was uneven and subdued by lower spending in the United States. As a share of global GDP, defence expenditure rose from an average of 1.89% to 2.01%. Global defence expenditure and modernisation programmes remain supportive of demand for radar, electronic warfare, autonomous systems, strategic electronics and platform upgrades. The industrial base is simultaneously constrained by materials, electronic components, skilled labour and production capacity.

Demand is supported by long-cycle modernisation and indigenisation programmes; qualification, procurement timing and working capital govern conversion.

US$2.63 trillion
Global defence spending in 2025
IISS, Military Balance 2026

2.01%
Of global GDP now spent on defence, up from 1.89%
IISS, Military Balance 2026

₹6.81 lakh crore
India's defence budget in 2025-26, 2.6 times the 2013-14 level
PIB, November 2025

₹1.54 lakh crore
Record defence production in FY2024-25, up 174% since 2014-15
PIB, November 2025

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

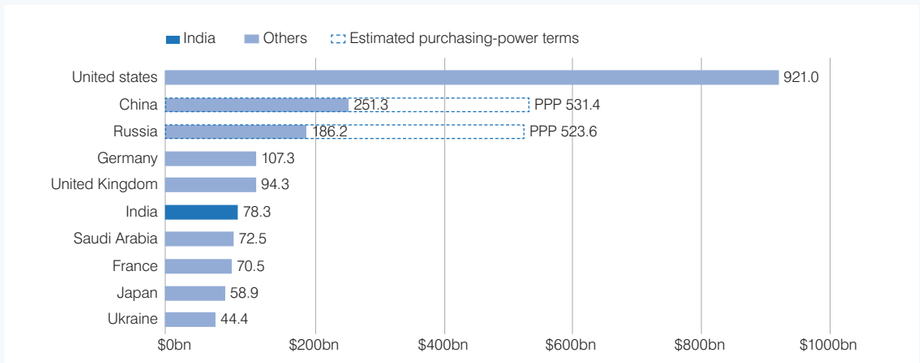
The geography of that spending is shifting. European growth continued at record levels, and the region now accounts for over 21% of the global total, up from 17% in 2022. Russian expenditure moderated sharply, growing 3% in real terms in 2025 against 56.9% in 2024, but still consumed over 7.3% of GDP. In the Middle East, regional spending has grown significantly since 2023. In Asia, concerns over China's regional ambitions continue to drive modernisation, with China's share of regional spending rising as its budget outpaces the wider region. At market exchange rates, the United States remains dominant at USD 921 billion. In purchasing-power terms, both China and Russia are estimated to spend roughly double their headline figures.

Europe has moved from spending to structure. The Readiness 2030 plan proposes EUR 800 billion, of which member states may borrow up to EUR 650 billion nationally, with EUR 150 billion offered as loans for common procurement under the SAFE instrument.

That instrument was oversubscribed by the states that took it up. Venture funding for European defence start-ups has exceeded EUR 2.4 billion, the majority raised in 2025, and military space contracting is accelerating from a low base.

India's policy framework prioritises domestic design, development and manufacturing, supported by higher capital outlay, domestic-procurement preferences and an expanding private supplier ecosystem. These measures create multi-year opportunity, but approvals do not become executable revenue until procurement, contracting and qualification milestones are completed.

For AXISCADES, the relevant opportunity spans mission electronics, radar and air-defence systems, Unmanned Combat Systems and Counter UAS systems, and strategic electronics.



Note: Defence budgets are shown at current prices and market exchange rates. Purchasing-power estimates are shown selectively for China and Russia for contextual comparison and are not presented for all countries.

Top 10 defence budgets, 2025 (US$billion, at current prices and market exchange rates). Dashed outline indicates estimated purchasing-power-parity value. Source: IISS, Military Balance 2026.

2.3 XiDA / ESAI: Electronics, Semiconductors & AI

2.3.1 Market Direction, Constraints and Relevance

The global semiconductor industry is architected for a historic peak, with annual sales projected to reach US$1,030 billion by 2030, India represents a high-velocity growth engine within this landscape. Supported by structural indigenisation and systems integration demand, India's semiconductor demand is forecast to compound at 19% annually, reaching approximately US$90 billion by FY2030. AXISCADES is surgically positioned to capture this demand by leveraging India's dominant human capital advantage - representing 20% of the global semiconductor design workforce - to deliver high-value systems across compute, memory, interconnect, and power-management categories. For the Group, the strategic priority remains the conversion of this design-intensive expertise into the mission-critical hardware and subsystems required by global technology hyperscalers.

AI infrastructure is expanding semiconductor demand, while India's near-term opportunity remains concentrated in design, packaging, systems integration and electronics manufacturing.

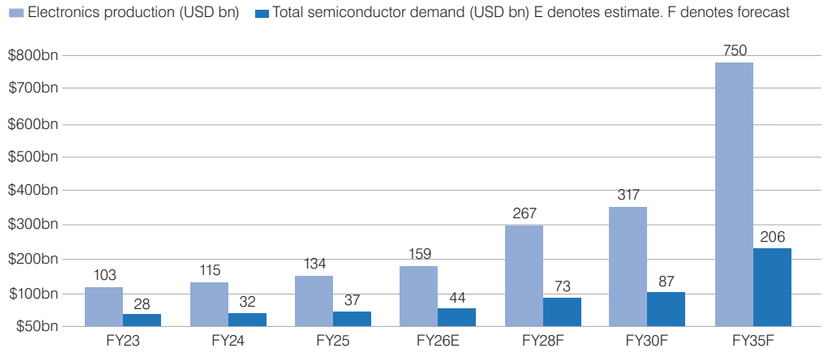
Beneath the headline sits a structural divergence that matters more than the total. High-value AI chips now account for roughly half of industry revenue but represent less than 0.2% of unit volume. Around 1.05 trillion chips were sold in 2025 at an average selling price of USD 0.74, while generative AI accelerators number under 20 million units. Chips for automotive, computers, smartphones and non-data-centre communications are growing considerably more slowly, and personal computing and smartphone sales are now expected to decline in 2026 as memory prices rise.

India is building capability through semiconductor-design, packaging, electronics-manufacturing and incentive programmes. Its principal near-term advantage is a large design workforce; domestic fabrication remains an emerging capability, making integration, testing, embedded systems and advanced electronics the more immediate addressable areas.

The outlook for AXISCADES is sensitive to AI investment returns, memory prices, power availability, technology cycles and customer concentration. AXISCADES' relevance lies in electronics design, assembly, testing, embedded computing and AI-enabled systems rather than in semiconductor fabrication itself.

US$975 billion
Global semiconductor sales expected in 2026
Deloitte, February 2026

~50%
Of global chip revenue from generative AI chips, on under 0.2% of unit volume
Deloitte, February 2026



India's semiconductor demand trajectory, driven by electronics manufacturing, data centre rollout, semiconductor content in electric vehicles and ADAS, and AI adoption across consumer and enterprise workloads (US$billion). Source: Future of India's Semiconductor Industry, Exhibit 5.

19%
CAGR of India's semiconductor demand, reaching about US$90bn by FY2030
Future of India's Semiconductor Industry

20%
India's share of the global semiconductor design workforce
Future of India's Semiconductor Industry

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

India's space ecosystem is opening to private participation, but revenue conversion remains governed by authorisation, procurement cycles, programme maturity and capital discipline.

2.4 Space (Emerging Platform)

2.4.1 Market Direction, Constraints and Relevance

The global space economy continues to expand across satellite connectivity, launch services, navigation, Earth observation, ground systems and emerging in-orbit applications. The World Economic Forum and McKinsey estimated the space economy at USD 630 billion in 2023 and projected it to reach USD 1.8 trillion by 2035, covering both core "backbone" applications such as satellites, launchers and broadcast or GPS services, and wider "reach" applications where space technology enables revenues across other industries. More recent industry data from the Space Foundation estimated the global space economy at USD 613 billion in 2024, reflecting 7.8% year-on-year growth, with commercial activity accounting for the majority of the market. Growth is being supported by satellite broadband, positioning and navigation, Earth observation, AI-enabled analytics, sovereign space capability and expanding commercial launch activity. India is seeking a larger share of this opportunity through policy reform, private participation and investment in satellite, launch and ground-segment capability.

The structure of the sector favours specialists rather than only the largest players. Close to 80 space agencies now operate worldwide, including more than 70 national agencies and the space authorities of four US states, with over a quarter founded since 2010. Only 16 have launch capability, and fewer still can recover payloads or support human spaceflight. While the three largest spenders command combined budgets estimated above USD 50 billion annually, dozens of agencies operate between USD 1 million and USD 1 billion and are looking for agile, cost-effective collaborators to close capability gaps. The ecosystem increasingly runs on public-private partnerships, collaborative research and flexible supply networks rather than on vertical integration.

India's space economy is currently valued at around USD 8 billion, about 2% of the global market. The Decadal Vision sets an ambition of USD 44.0 billion by 2033, roughly 8% of the global market, requiring a compound growth rate of 16%. Of that total, USD 33.0 billion is expected from domestic demand growing at 14%, and USD 11.0 billion from exports growing at 38%. The segments move at different speeds. Space-for-Earth, covering Earth observation, communication and navigation, rises from USD 7 billion to USD 32.1 billion. Access-to-Space, covering satellite manufacturing, launch services and the ground segment, rises from USD 1.3 billion to USD 10.6 billion. Space-for-Space, covering space situational awareness and the in-orbit economy, rises from USD 0.1 billion to USD 1.3 billion.

US$1.8 trillion
Global space economy by 2035
McKinsey and World Economic Forum

US$44.0 billion
India's space market potential by 2033, from US$8.4bn in 2022
Decadal Vision, January 2023

US$10.6 billion
Access-to-Space potential by 2033, from US$1.3bn: satellite manufacturing, launch and ground segment
Decadal Vision, January 2023

400 +
Indian space start-ups as at February 2026, from one in 2014
PIB, June 2026

Reform has been continuous rather than episodic. The Indian Space Policy 2023 was followed by an IN-SPACe seed fund scheme, liberalised foreign direct investment norms and formal authorisation procedures in 2024, a ₹1,000 crore venture capital fund and a ₹500 crore Technology Adoption Fund in 2025, and the transfer of Small Satellite Launch Vehicle technology to Hindustan Aeronautics Limited. The response is measurable. Space start-ups have grown from one in 2014 to more than 400 as at February 2026, attracting investment above USD 500 million, of which nearly USD 150 million came in 2025 alone. NewSpace India Limited revenues rose from ₹321.77 crore in FY2021-22 to ₹3,246.09 crore in FY2024-25. By 31 January 2026 IN-SPACe had facilitated 71 technology transfers from ISRO to industry and start-ups, six non-governmental entities had launched 18 satellites, and 25 payloads had flown or were scheduled on orbital experimental platforms.

Launch capacity is being built to match. India is self-reliant in space transportation to 10 tonnes in low Earth orbit and 4.2 tonnes to geosynchronous transfer orbit. A Next Generation Launch Vehicle has been approved with a 30-tonne capability to low Earth orbit and a partially reusable 14-tonne variant. A second spaceport is being developed at Kulasekarapattinam in Tamil Nadu; a dedicated Small Satellite Launch Vehicle complex is intended to support 20 to 25 orbital launches annually, with the first launch targeted for FY2026-27; and a third launch pad at Sriharikota was approved in January 2025 at a cost of ₹3,984.86 crore. The stated strategic priority is for India to become a global hub for small satellites while achieving self-reliance in large satellites, with private manufacture of small launch vehicles and public-private partnership models for the larger ones.

For AXISCADES, the most relevant areas are selected space bus manufacturing, payload integrations, onboard computing, and space-situational-awareness applications. Space remains an emerging platform: procurement cycles are long, and investment remains dependent on partnerships and stage gates.

2.4.2 Outlook and Relevance to AXISCADES

India is seeking a larger share of this opportunity through policy reform, private participation and investment in satellite, launch and ground-segment capability. The Indian segment matching to Access-to-Space is forecast to compound at 20% to USD 10.6 billion by 2033. Space situational awareness grows faster still at 29%, though from a base of USD 0.1 billion. Both are infrastructure segments in which precision manufacturing, electronics and thermal capability, along with strategic partnerships with global space players with established space heritage are the qualifying credentials.

Three cautions apply. The absolute size remains small against the Company's other platforms, so this is properly treated as an emerging position rather than a near-term revenue driver. Government demand dominates, and public procurement timelines are long. And the 16% compound rate assumes both that reform continues and that private capacity materialises to meet it, with the 38% export ambition the most demanding assumption in the plan.

2.5 Engineering R&D and Digital Engineering (Context)

India's technology services sector generates around USD 265 billion in annual revenue, close to 7% of GDP and roughly 20% of the USD 1.3 trillion global market. Growth has slowed to 4 to 5 per cent a year since the pandemic, with margins compressed by macroeconomic uncertainty, AI-led automation and intensifying competition. Measured against the 2035 aspiration of USD 750 billion to USD 850 billion, current trajectories imply a shortfall of USD 250 billion to USD 300 billion.

Engineering R&D is the faster-moving part of that picture. India's ER&D exports stand at nearly USD 56 billion with the potential to reach USD 78 billion to USD 100 billion by FY2030. The addressable opportunity is a global R&D operations market of about USD 1.1 trillion, spanning automotive, medical technology, defence, semiconductors, industrials, energy and telecommunications. Positioning India as a hub for engineering R&D and innovation is assessed at USD 15 billion to USD 20 billion of potential by 2035, with a further USD 10 billion to USD 15 billion from services built around frontier technologies including space and defence technology.

For a manufacturer with precision engineering, thermal and electronics capability, the addressable opportunity is in subsystems, ground infrastructure and satellite hardware rather than in launch vehicles.

MANAGEMENT DISCUSSION & ANALYSIS
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Overall, India remains a significant engineering R&D delivery base. However, growth in traditional effort-based services is moderating as customers adopt automation, AI-assisted engineering, and productivity-linked commercial models. The strategic implication for AXISCADES is to increase participation across the product lifecycle through reusable engineering assets, qualified manufacturing, integration, testing, and lifecycle support.

Late event during the first quarter of FY2027: In June 2026, the Group definitively formalised this transition by contracting to divest its legacy Engineering Services businesses. This strategic realignment involves the exit from non-aerospace Portfolio Engineering Services in FY2027 and a phased divestment of Aerospace Engineering Services, with a 51% stake transfer scheduled for FY2027 followed by the remaining 49% in FY2029.

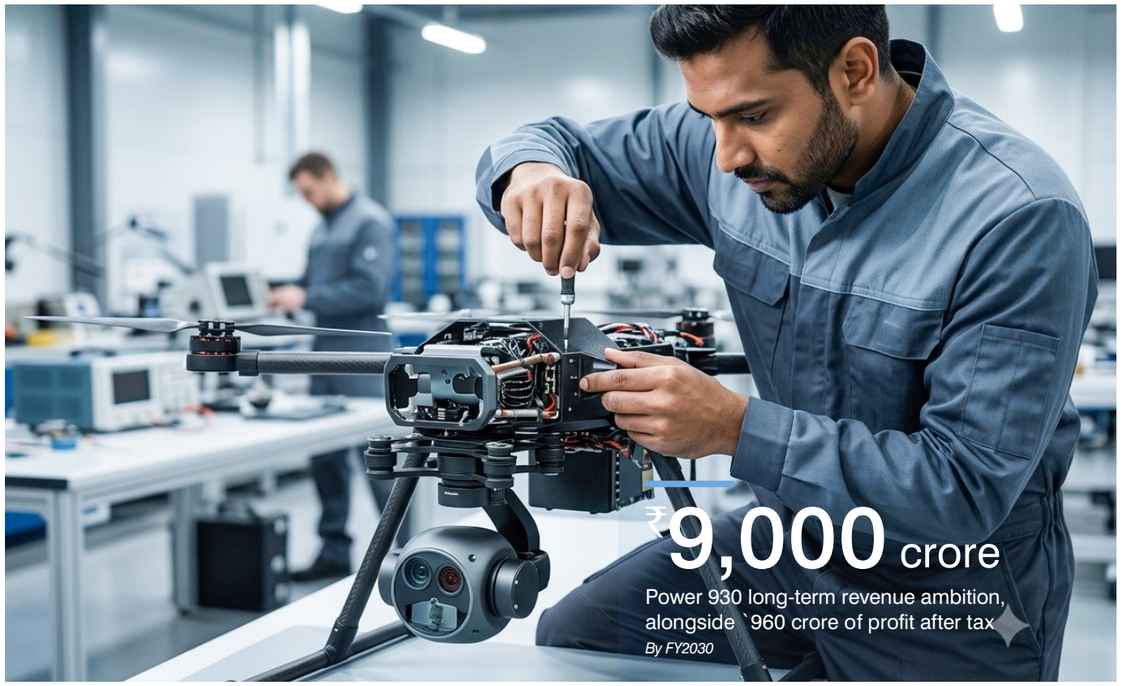
Engineering-services demand continues to grow, but AI and automation are shifting value towards platforms, intellectual property and outcome-linked delivery.

US$56 billion
India's ER&D exports, with potential to reach US$78-100 billion by FY2030
NITI Aayog, February 2026

US$1.1 trillion
Global R&D operations market addressable across automotive, defence, semiconductors and industrials
NITI Aayog, February 2026

4 to 5%
Annual growth to which India's technology services sector has slowed, with margins compressed
NITI Aayog, February 2026

70%
Efficiency gain targeted across delivery value chains as AI is embedded in the work
NITI Aayog, February 2026



₹9,000 crore
Power 930 long-term revenue ambition, alongside `960 crore of profit after tax
By FY2030

FY2026 combined reported growth with deliberate portfolio, capability and leadership decisions. Post-year-end transactions sharpened the intended focus, while delivery, cash conversion and returns remain the measures of execution.

3. Company Overview: AXISCADES 3.0

3.1 Who We Are and Strategic Positioning

AXISCADES Technologies Limited, formerly AXISCADES Engineering Technologies Limited, is listed on the National Stock Exchange and the BSE, with its registered office in Bengaluru. On 31 March 2026, the Group comprised sixteen consolidated entities together with one associate, operating across India, the United States, the United Kingdom, Germany, Canada and China.

The Company's history falls into three broad chapters. The founding era to 2015 built AXISCADES into an aerospace engineering services business, acquiring marquee original equipment manufacturer relationships and establishing a dedicated

₹2,256 crore
Illustrative combined value of the two post-year-end transaction announcements
Subject to conditions and adjustments

21.9%
Defence segment margin in FY2026, against 8.5% for Technology Services and Solutions
FY2026

2,902
Total employees, compared with 2,891 at 31 March 2025
At 31 March 2026

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

design centre in India, while initiating defence avionics and testing capability. The years from 2016 to 2024 are characterised as a period of consolidation, in which the founder stepped back from an executive role, an acquisition took the Company into defence electronics and strategic systems, and the pandemic disrupted global aerospace. The foundation was preserved, but the growth trajectory stalled. From 2025, the founder returned as Founder, Chairman and Managing Director, and the Company adopted a product and manufacturing-driven approach, focused on its core sectors of aerospace (including space), defence and electronics.

At 31 March 2026, promoters held 58.05% of the equity share capital, foreign institutional investors 1.15%, domestic institutional investors 1.63%, and the public 39.17%. At the report date, the Company's stated growth architecture comprised Aerospace Manufacturing, SCM & MRO; Defence Solutions; XiDA Inc (AI-centric ESAI); and the Space Division. Organisational actions completed after 31 March 2026 are treated as post-year-end developments.

3.1.1 The Transition from Services to Products

The Group's high-fidelity structural transition toward a product-led "Constructor" model is definitively recorded in the audited segment results for Fiscal 2026. Consolidated revenue from operations reached ₹1,158.95 crore, a performance underpinned by the rapid expansion of the mission-critical Defence Solutions platform. On the unaudited management domain view, Aerospace generated approximately ₹388 crore, Defence ₹378 crore and ESAI ₹136 crore in FY2026.

The divergent trajectories between our four growth platforms and legacy services are evidenced by the following granular data points

- **Defence Solutions Outperformance:** Revenue for the Defence segment grew by 24.7% to ₹377.70 crore (up from ₹302.90 crore in FY2025). More significantly, the segment result surged 90.9% to reach ₹82.86 crore, reflecting a dominant 21.9% segment margin.
- **Technology Services and Solutions (TSS) Re-architecture:** The TSS segment, which currently houses the legacy services being divested, recorded revenue growth of 7.3% to ₹781.30 crore, but saw its segment result contract by 8.0% to ₹66.36 crore, yielding a lower margin of 8.5%.
- **Capital Reallocation and Asset Intensity:** In alignment with the "Power 930" roadmap, segment assets for Defence rose 51% over the year to reach ₹577.12 crore, while TSS assets grew by a more moderate 19% to ₹615.63 crore. This shift is further mirrored in the liabilities, where Defence-related obligations rose by approximately 62% to ₹343.48 crore to support high-intensity delivery cycles for 21 active design wins.
- **Contribution Mix:** Consequently, while Defence accounted for approximately 32.6% of consolidated revenue, it delivered over 55% of the total segment result, confirming its status as the Group's primary engine for value creation.

Key commercial highlights for FY2026 include ~21 active defence design and programme positions across airborne mission electronics; radar, air-defence and counter-UAS systems; maritime and electronic-warfare systems; and integrated ground and test platforms. These positions span design, qualification, L1, production and formal-order stages and are presented separately from firm executable orders. The Company also secured its first integrated design-and-manufacturing aerospace engagement.

The strategic objective for the Company is to increase its participation across the customer product lifecycle, from engineering and qualification to manufacturing, integration, testing and lifecycle support. The transition is expected to require greater working capital, qualification discipline and fixed-capital intensity before scale benefits emerge.

3.1.2 "Power 930" Vision

Power 930 is AXISCADES' FY2030 ambition to build a ₹9,000 crore revenue enterprise with profit after tax of ₹960 crore. The vision is anchored in a deliberate shift from headcount-linked engineering services towards a higher-value portfolio of products, integrated solutions, manufacturing and IP-led offerings across Aerospace, Defence, ESAI and Space. The roadmap combines organic growth through programme conversion and capacity expansion with selective acquisitions, strategic partnerships and disciplined investment in manufacturing, integration, testing and MRO infrastructure. FY2026 represented an important foundation year, during which the Company sharpened its portfolio, expanded critical capabilities, strengthened its opportunity pipeline and began building the operating base required to progress from design engagements to qualified production and complete-system responsibility. Delivery of the vision will depend on customer qualification, order conversion, timely capacity ramp-up, supply-chain resilience, acquisition integration, working-capital discipline and cash conversion. "Power 930" is a long-term management ambition, with progress assessed through measurable operating and financial milestones, rather than as a guarantee of future performance.

3.2 Building a Foundation to Take Flight: Late Events during the First Quarter of FY2027

The following announcements occurred after 31 March 2026 and do not form part of FY2026 operating performance.

On 26 May 2026, the Company announced agreements to transfer the Heavy Engineering, Automotive and Energy engineering-services businesses for aggregate consideration of US$30.63 million: US$17.42 million payable at closing, subject to adjustments; US$5.81 million of deferred consideration payable 12 months after closing and not contingent; and an earn-out of US$7.40 million contingent on specified EBITDA thresholds at 30 June 2027. Completion remains subject to conditions precedent and applicable approvals.

On 12 June 2026, the Company announced the proposed transfer of its Aerospace Engineering Services business through a staged structure. Aggregate consideration is stated at US$206.30 million: US$77.70 million in Tranche 1; US$76.02 million after 24 months; and a performance-linked contingent payment of up to US$52.58 million. Following the initial business transfers and fund infusions, the relevant entities are expected to be held 51% by Akkodis and 49% by AXISCADES; the balance stake is proposed to transfer after 24 months. All amounts remain subject to transaction adjustments, conditions precedent and approvals.

The 14 June 2026 investor presentation illustrated potential receipt timing using an exchange rate of ₹95.2 per US dollar. These INR amounts are indicative, pre-tax and subject to closing, transaction adjustments, performance conditions and the final timing of approvals. They are not scheduled cash receipts.

Management also set out an indicative capital-deployment framework across Defence Solutions, Aerospace Manufacturing, XiDA (ESAI), and Syra (Space), common infrastructure and balance-sheet strengthening. Actual deployment will depend on transaction completion, net proceeds after tax and adjustments, Board approvals, investment-gate requirements and the availability of suitable acquisition opportunities.

On 27 May 2026, a subsidiary secured a ₹6.9 crore order for the manufacture, integration, qualification and supply of a deployable ground-based system. The 18-month programme is a post-year-end event and does not form part of FY2026 performance.

3.3 Leadership and Organisational Transformation

Dr. Sampath Ravinarayanan was re-designated Founder, Chairman and Managing Director, returning to executive leadership of the Company. Mr. Alfonso Martinez ceased to hold the position of Chief Executive Officer and Managing Director and was appointed Head of International Business and Global Operations, and a Managing Director of add solutions GmbH. Shashidhar S.K. continues as Group Chief Financial Officer.

Mr. Mukund Santhanam was appointed as the Chief Strategy and Growth Officer and designated as Senior Management Personnel (SMP) of the Company with effect from February 9, 2026. bringing three decades of experience in financial markets including a decade in the aviation sector. His remit spans organic and inorganic growth opportunities, and engagement with the investor community.

On 26 March 2026, the Board appointed Mr. Giridhar Aramane as Non-Executive Independent Director. An Indian Administrative Service officer of the 1988 batch, he served as Defence Secretary to the Government of India between 2022 and 2024, and previously as Secretary in the Ministry of Road Transport and Highways and as Additional Secretary in the Cabinet Secretariat.

The total headcount remained structurally stable, rising from 2,891 at the close of FY2025 to 2,902 on 31 March 2026. Within the FY2026 total core employees increased from 1,637 to 1,792 and support staff from 246 to 288, while industrial employees reduced from 913 to 822, reflecting the operating model run with customers and the ramp-down of specific programmes. Attrition was ~19% for the year. On completion of the restructuring, approximately 2,200 employees will transfer with the divested businesses.

3.4 Strategic Manufacturing & Integration Infrastructure:

Scaling to Tier-1 System Responsibility

The Company is undergoing a fundamental structural transition, evolving from subsystem engineering towards full-scale manufacturing and system-level responsibility. This evolution is anchored by a significant capital commitment into specialized, high-security infrastructure designed to meet the non-discretionary requirements of global aerospace and defence mandates.

3.4.1 Devanahalli Atmanirbhar Complex (DAC): India's Premier Private Defense Campus

The **Devanahalli Atmanirbhar Complex** represents a definitive scale advantage for the platform. Spanning a twenty-acre campus with approximately 3.12 million square feet of built-up area, this facility stands as one of the largest private-sector defence hubs in the nation.

The initial operational phase provides a comprehensive suite of common mission-critical facilities, including specialized hangars, electronics manufacturing lines, and advanced testing infrastructure. To support the high-fidelity requirements of modern warfare, the campus integrates dedicated anechoic chambers, high-velocity "speed shops," and integrated offset management functions. Looking ahead, the complex is engineered to act as a global "Plug-and-Play" hub for Original Equipment Manufacturers (OEMs); the subsequent phase envisages four secure, build-to-suit quarters dedicated to major international defence corridors, offering 2.4 million square feet of dedicated capacity for global partnership integration.

3.4.2 Missile Atmanirbhar Complex (MAC), Hyderabad: Transitioning to Strategic System Integration

In Hyderabad's Aerospace Park, the Company is establishing a frontier facility focused on the manufacturing and integration of strategic missile components. Occupying eight acres, this complex is being developed in collaboration with a global technology leader to create one of India's most advanced missile-system integration hubs.

With an indicative investment framework of ₹600 crore, this facility substantiates the Company's migration toward high-value system-level responsibility. During

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

the period, the platform successfully progressed its capabilities in strategic-system integration, defence electronics, and automated test equipment (ATE). This infrastructure is specifically designed to verticalise the production of complex cable harnesses and digital support tools, ensuring that the group captures a larger share of the defence value chain while maintaining sovereign-grade quality standards.

3.4.3 Devanahalli Aero Land (DAL): Operational Excellence in New-Generation Aerospace

Complementing the group's under-development pipeline, the **Devanahalli Aero Land** facility is fully operational and production-live. This 165,000-square-foot facility, located in the immediate proximity of the Bengaluru international airport, represents an investment of approximately ₹150 crore, funded primarily through disciplined internal accruals.

The operational maturity of this facility was demonstrated by the successful securing of a marquee, long-term engagement for the electrical interconnection systems of a new-generation regional aircraft program. This mandate provides the platform with superior revenue visibility, with an estimated program potential exceeding US$100 million over its lifecycle. By delivering integrated design-and-manufacturing solutions for critical aerospace systems, this facility serves as the group's primary execution engine for long-tenure, high-credit-quality global aviation contracts.

FY2026 strengthened capability and capacity; disciplined conversion will be assessed through delivery, acceptance, cash generation and returns on invested capital.

4. Segment / Domain-Wise Performance

AXISCADES reported consolidated revenue from operations of ₹1,158.95 crore in FY2026, an increase of 12.4% over the previous year. These results reflect the Group's full FY2026 operating perimeter, including businesses subsequently announced for divestment during the first quarter of FY2027.

For statutory reporting under Ind AS 108, the Group's reportable segments comprise Technology Services and Solutions, and Defence. The following review supplements these disclosures with management's domain view of Aerospace, Defence, ESAI and the other portfolio businesses. The management-domain figures supplement, and do not replace, the audited segment disclosures.

4.1. Aerospace: Advancing from Engineering to Design-to-Manufacture

Aerospace generated approximately ₹388 crore of revenue and ₹67 crore of EBITDA in FY2026, representing a reported EBITDA margin of 17.3%. These figures include Aerospace Engineering Services, whose proposed transfer was announced after the reporting date. They are therefore not representative of the future revenue or margin profile of the retained aerospace business.

During FY2026, the Aerospace domain operated as an integrated platform comprising established engineering services and emerging capabilities in aerospace tooling, electrical systems, precision manufacturing and product realisation. Engineering teams continued to support global aerospace OEMs across design, analysis, modification, certification and lifecycle-engineering requirements. In parallel, the Company began establishing the capabilities required to participate more deeply in manufacturing, supply-chain management and component MRO.

A significant milestone was the award of AXISCADES' first long-term integrated design-and-manufacturing engagement for the complete electrical interconnection system of a new-generation regional aircraft. The programme has a disclosed life-of-programme potential exceeding US$100 million. Actual revenue will depend on programme progression, production volumes, customer schedules, contractual milestones and acceptance requirements.

The retained aerospace strategy is to combine engineering knowledge with tooling, manufacturing, supply-chain orchestration and lifecycle support. Its progression will depend on customer qualification, certification, initial ramp-up costs, capacity utilisation and the disciplined execution and integration of any inorganic capability additions.

Late event during the first quarter of FY2027. On 12 June 2026, AXISCADES announced the proposed transfer of its Aerospace Engineering Services business to Akkodis. The transaction is structured in two tranches, with Akkodis intended to acquire a 51% controlling interest on completion of the first tranche and the remaining 49% expected to transfer over the following 24 to 30 months. AXISCADES will retain a 49% economic interest until completion of the second tranche.

The total indicated consideration is approximately US$206 million, including a minimum component of approximately US$154 million and a contingent component of approximately US$53 million. The transaction remains subject to customary approvals and completion conditions. Its accounting classification and presentation will be determined under the applicable Indian Accounting Standards; it does not form part of FY2026 operating performance.

₹904 crore
Aerospace, Defence and ESAI
Includes activities affected by Phase 2

+90.9 %
Growth in the Defence segment to ₹82.86 crore
FY2026

26.1 %
ESAI EBITDA margin, the highest of the three core domains
FY2026

₹239 crore
FY2026 revenue of businesses covered by the post-year-end Phase 1 announcement
FY2026

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4.2. Defence: Scaling Electronics, Systems and Platform Responsibility

Defence recorded the strongest FY2026 growth among the Group's audited reportable segments. Segment revenue increased by 24.7% to ₹377.70 crore, while segment result increased by 90.9% to ₹82.86 crore. Segment assets increased to ₹577.12 crore, reflecting the larger operating and working-capital base required to support manufacturing-led programme execution.

During the year, AXISCADES expanded its participation across airborne mission electronics, radar and air-defence systems, electronic warfare, maritime electronics, missile-related capabilities, land systems and integrated test platforms. The portfolio included 21 active design and programme positions at different stages of development, qualification and production.

In airborne systems, the Company progressed control electronics, radar front-end and beam-control units, together with rugged radio-frequency and embedded-computing modules. In radar and air defence, it advanced digital beamforming, transmit-receive, signal-processing and counter-UAS architectures. Maritime and electronic-warfare activities included sonar processing, software-defined electronic-intelligence receivers, antenna systems and specialised control electronics.

The strategic progression is from discrete design and subsystem engagements towards repeat production, greater integration responsibility and complete-system delivery. Revenue conversion will depend on qualification, production authorisation, critical-component availability, delivery, inspection, customer acceptance and the applicable revenue-recognition criteria. Certain fourth-quarter deliverables moved into FY2027 following supply-chain and programme-timing constraints.

Late event during the first quarter of FY2027. On 27 May 2026, AXISCADES secured an order from a national defence research organisation for the manufacture and supply of a deployable mission-mast system. The engagement represents an important progression from subsystem delivery towards complete-platform design, integration, qualification and manufacturing responsibility.

4.3. XiDA - ESAI: Extending from Engineering into Product Realisation

ESAI generated approximately ₹136 crore of revenue and ₹36 crore of EBITDA in FY2026, representing a management-reported EBITDA margin of 26.1%.

During FY2026, AXISCADES expanded its electronics assembly, testing and acoustic-laboratory capabilities at Devanahalli Aero Land. Dedicated infrastructure supported deeper engagements across semiconductors, automotive electronics, consumer technology, embedded systems and artificial intelligence. These investments strengthened the Company's ability to move beyond design services into prototyping, testing, hardware realisation and recurring production.

The strategic objective is to organise ESAI's electronics, post-silicon engineering, embedded systems and AI capabilities into a more scalable, IP-led global platform. Near-term progress will depend on customer programme conversion, utilisation of the new infrastructure, repeat production volumes and disciplined integration of any acquired capabilities.

Late event during the first quarter of FY2027. The Company announced the development of XiDA Inc as its US-headquartered platform for ESAI and AI. The initiative brings together the existing India and US operations and the Group's AI capabilities. Any acquisition-related revenue, earnings or capability contribution will be recognised only after definitive agreements are executed, control is established and the relevant transaction closes.

4.4. Portfolio Engineering Services: FY2026 Contribution before Divestment

The Automotive, Energy and Heavy Engineering businesses generated approximately ₹239 crore of revenue during FY2026. These operations remained active throughout the reporting period and formed part of the Group's FY2026 Technology Services and Solutions segment.

The businesses continued to provide engineering and technology support to global customers across product development, industrial systems and lifecycle requirements. During the year, management also progressed a broader portfolio review intended to concentrate capital and leadership attention on Aerospace, Defence, ESAI and other manufacturing- and IP-led opportunities.

Late event during the first quarter of FY2027. On 26 May 2026, AXISCADES entered into agreements for the proposed transfer of these businesses to Akkodis. The disclosed transaction value was approximately US$30.63 million, comprising fixed consideration of US$23.23 million and an additional contingent earn-out. Completion remains subject to conditions precedent, regulatory approvals and customary adjustments.

This transaction represented the first phase of the Engineering Services Divestment Programme. It will alter the Group's FY2027 operating and reporting perimeter but does not change the inclusion of these businesses within FY2026 performance.

4.5. Space: Establishing a Long-Term Strategic Platform

During FY2026, AXISCADES undertook preparatory work in selected space-related opportunities. Space did not have separately disclosed revenue during the year and remained at an early stage of commercial development.

The year's activities included discussions with international partners regarding satellite-bus manufacturing and systems integration, together with progress on a space-situational-awareness collaboration. These opportunities draw upon capabilities already present within Aerospace, Defence and ESAI, including precision engineering, electronics, antennas, embedded systems, manufacturing and complex systems integration.

Late event during the first quarter of FY2027. After the reporting date, AXISCADES formally positioned Space as a distinct strategic growth platform. Its proposed scope includes satellite-bus manufacturing, integration, payload-related capabilities and space situational awareness. Commercial progress will depend on definitive partner agreements, customer programmes, regulatory requirements, investment gates and Board approval.

Reading FY2026 against the Future Portfolio

FY2026 reflects AXISCADES' performance across its complete historical operating perimeter. The transactions announced during the first quarter of FY2027 establish a materially different future perimeter centred on Aerospace Manufacturing, Defence Solutions, XiDA / ESAI and Space.

As the relevant transactions progress and their accounting treatment is finalised, the Company will provide retained-perimeter and like-for-like disclosures to help investors assess the scale, margin profile, capital intensity and cash-generation characteristics of the transformed business.

5. FY2026 Financial Performance: Operating Progress through a Transition Year

FY2026 established a stronger operating base for AXISCADES' transformation. The Group delivered double-digit revenue growth, expanded its EBITDA margin and recorded strong growth in profit before exceptional items. At the same time, the year-end position reflected the higher working-capital and execution requirements associated with manufacturing-linked programmes.

Reported profit after tax did not fully reflect the improvement in pre-tax performance, principally because of a substantially higher tax charge and net exceptional items. Separately, programme timing and supply-chain constraints affected the fourth-quarter exit rate and cash conversion. These factors arise at different levels of the financial statements and are therefore discussed separately below.

FY2026 combined revenue and EBITDA growth with deliberate portfolio and capability decisions. The next test is disciplined conversion: delivery, acceptance, cash generation and returns on deployed capital.

₹1,159crore
Revenue from operations, up 12.4%
FY2026

15.3 %
EBITDA margin, expanded 150 basis points from 13.8%
FY2026

₹83crore*
Normalised profit after tax, up 27.6% from ₹65 crore FY2026 (*Normalised PAT is a management-defined supplementary measure presented alongside reported PAT.)

₹134crore
Capital expenditure, more than three times the prior year
FY2026

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Financial Performance Summary

Metric	FY2026	FY2025	Change
Revenue from operations	₹1,158.95 crore	₹1,030.72 crore	+12.4%
EBITDA*	₹177.51 crore	₹142.44 crore	+24.6%
EBITDA margin*	15.32%	13.82%	+150 bps
PBT before exceptional items	₹124.76 crore	₹91.37 crore	+36.5%
Net exceptional charge	₹11.17 crore	₹3.86 crore	Higher by ₹7.31 crore
Profit before tax	₹113.59 crore	₹87.52 crore	+29.8%
Income-tax expense	₹41.52 crore	₹12.23 crore	+239.5%
Profit after tax	₹72.07 crore	₹75.28 crore	-4.3%
Basic EPS	₹16.92	₹17.76	-4.7%
Net cash from/(used in) operating activities	₹(1.36) crore	₹88.34 crore	Negative
Total equity	₹734.44 crore	₹655.79 crore	+12.0%
Gross borrowings, excluding leases	₹276.44 crore	₹189.48 crore	+45.9%
Cash and cash equivalents	₹17.83 crore	₹52.35 crore	-65.9%

**EBITDA is a management-defined performance measure presented as a supplementary indicator alongside the audited financial statements*

Statutory Ratios

Ratio	FY2026	FY2025	Change
Debtors' turnover (times)	2.82	3.42	(17.5)%
Inventory turnover (times)	3.01	3.09	(2.6)%
Interest coverage (times)	5.03	3.83	31.3%
Current ratio (times)	1.53	2.22	(31.1)%
Debt-equity ratio (times)	0.38	0.29	30.3%
Operating profit margin	15.32%	13.82%	148 bps
Net profit margin	6.22%	7.30%	(108) bps

Ratios are computed on closing balance sheet positions. Material underlying movements are explained below.

Interest coverage improved 31.3% because earnings before interest and tax grew 29.4% while finance costs reduced 4.1%, reflecting the shift in borrowing mix during the year.

The **current ratio** declined 31.1% because current liabilities grew 86.9% while current assets grew 29.2%. The principal drivers were the increase in current borrowings and in trade payables, both of which funded working capital and capital expenditure during a year of infrastructure build-out.

The **debt-equity ratio** rose 30.3% because total borrowings grew 45.9% while equity grew 12.0%, as borrowing was used to fund capital expenditure ahead of the receipt of divestment proceeds.

Supplementary Ratios

Measure	FY2026	FY2025
Closing debtor days	130	107
Net debt (₹ crore)	230.98	100.22
Net debt to EBITDA (times)	1.30	0.70
Capital expenditure to revenue	11.6%	3.7%
Net working capital (₹ crore)	288.41	352.85
Revenue per employee (₹ lakh)	39.9	35.7

These measures are presented to explain the year more completely than the statutory set alone. Net debt roughly doubled and net debt to EBITDA moved from 0.70 to 1.30 times, a level that remains modest, but which reflects a year in which capital expenditure ran at more than three times the prior year.

5.1. Revenue Growth and Global Delivery Mix

Consolidated revenue from operations increased by 12.4% to ₹1,158.95 crore in FY2026, compared with ₹1,030.72 crore in FY2025.

At the audited reportable-segment level, Defence revenue increased by 24.7% to ₹377.70 crore, while Technology Services and Solutions revenue increased by 7.3% to ₹781.30 crore. This reflects the growing contribution of Defence within the Group's operating mix.

In reported US-dollar terms, revenue increased by 8.6% to US$133.2 million from US$122.7 million. This comparison represents the reported US-dollar equivalent and is not a constant-currency growth measure.

The Group retained a diversified geographic revenue profile, with APAC contributing 39%, Europe 32%, the United States 25% and Canada 4%. The delivery model remained predominantly offshore, with offshore delivery accounting for 76% of revenue and onsite delivery accounting for 24%.

5.2. Operating Profitability and Margin Expansion

Operating profitability grew faster than revenue during FY2026, demonstrating improved business mix and operating leverage.

Consolidated EBITDA increased by 24.6% to ₹177.51 crore from ₹142.44 crore. EBITDA margin expanded by 150 basis points to 15.32%, compared with 13.82% in FY2025.

Profit before exceptional items and tax increased by 36.5% to ₹124.76 crore. After net exceptional items, profit before tax increased by 29.8% to ₹113.59 crore from ₹87.52 crore.

Defence made an institutional contribution to this performance, with segment revenue growing 24.7% to ₹377.70 crore. More significantly, its audited segment result increased by 90.9% to ₹82.86 crore, reflecting a dominant segment margin of 21.9%.

5.3. Understanding the PAT Outcome

Despite the strong growth in pre-exceptional earnings, consolidated profit after tax declined by 4.3% to ₹72.07 crore. The movement from pre-exceptional earnings to reported PAT is explained principally by exceptional items and the higher tax charge.

Net exceptional charge

FY2026 included net exceptional charges of ₹11.17 crore, compared with ₹3.86 crore in FY2025. The FY2026 amount comprised:

- ₹7.82 crore of past-service cost relating to gratuity and leave encashment following the notification of the new Central Labour Codes;
- ₹7.98 crore of goodwill impairment; and
- a partly offsetting gain of ₹4.63 crore from the remeasurement of contingent purchase consideration.

Higher tax charge

The income-tax charge increased to ₹41.52 crore from ₹12.23 crore in FY2025. Consequently, the effective tax rate increased to approximately 36.6%, compared with approximately 14.0% in the previous year.

The FY2025 comparison base benefited from a current-tax reversal and deferred-tax credits following the completion of an income-tax assessment and the recognition of deferred tax assets. The higher FY2026 effective tax rate is attributed to the jurisdictional mix of profits and the non-recognition of a deferred tax asset in a loss-making overseas entity.

The combination of the higher tax charge and net exceptional items more than offset the improvement in pre-exceptional earnings, resulting in the modest decline in reported PAT. Basic earnings per share consequently declined by 4.7% to ₹16.92.

Fourth-quarter programme timing

While Fiscal 2026 was marked by robust top-line performance and structural scaling, consolidated outcomes were affected by the timing of certain programme-linked milestones in the final quarter. Approximately ₹142 crore of programme-linked revenue, initially anticipated for recognition by 31 March 2026, was carried forward into the succeeding fiscal period, primarily due to supply-chain constraints, production timing, inspection schedules, customer-acceptance processes and transaction-related transition factors.

As AXISCADES progresses from engineering services towards qualified manufacturing, integration and lifecycle participation, revenue recognition is increasingly linked to physical delivery, qualification timelines, OEM-level inspection gates and customer acceptance, rather than only to engineering effort or man-hour deployment. During the fourth quarter, while throughput across key operating clusters remained strong, the timing of customer-acceptance schedules for certain advanced subsystems moved beyond the reporting date.

The related revenue and associated margins were therefore not recognised in the FY2026 audited results, with the estimated EBITDA impact relative to internal expectations exceeding ₹40 crore. This timing movement should be viewed as an operational carry-forward within the contract lifecycle, rather than as a statutory adjustment to reported Profit After Tax. The carry-forward forms part of the year-end executable order book and remains subject to delivery,

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final inspection, customer acceptance and applicable revenue-recognition criteria in the succeeding fiscal period.

5.4. Balance Sheet, Working Capital and Cash Conversion

Total equity increased by 12.0% to ₹734.44 crore at 31 March 2026, compared with ₹655.79 crore at the previous year-end. Total assets increased to ₹1,466.21 crore, reflecting investment in operating capacity and a larger working-capital base.

The year-end position was as follows:

- Gross borrowings, excluding lease liabilities, increased to ₹276.44 crore from ₹189.48 crore.
- Trade receivables increased to ₹411.34 crore from ₹301.80 crore.
- Inventories increased to ₹78.97 crore from ₹60.87 crore.
- Other current assets increased to ₹198.14 crore from ₹62.51 crore.
- Cash and cash equivalents declined to ₹17.83 crore from ₹52.35 crore.

Net cash used in operating activities was ₹1.36 crore, compared with net operating cash generation of ₹88.34 crore in FY2025. The movement principally reflected the increase in receivables, inventories and other assets associated with programme execution and year-end revenue-recognition timing.

The FY2026 balance sheet therefore combines a larger equity base with higher working-capital intensity and increased borrowings. Converting programme work-in-progress into dispatch, customer acceptance, invoicing and collection is an important financial priority for FY2027 as stated by the management.

5.5 Return on Net Worth

Return on net worth was 9.88% against 11.55%, computed as profit attributable to owners of the Company divided by closing equity attributable to owners. On average equity, the figure is 10.45%.

The decline of 167 basis points is arithmetic rather than operational. Profit attributable to owners fell 4.0% to ₹71.92 crore while equity attributable to owners grew 12.1% to ₹727.54 crore, the latter driven by retained earnings, the share-based payment charge and gains on translation of foreign operations. Normalised for exceptional items, return on net worth would be approximately 11.4%, broadly level with the prior year.

The measure will be materially affected in FY2027 by the extraordinary gain expected on completion of the divestment programme.

6. Strategic Opportunities and Operational Challenges

The Company is currently executing a fundamental pivot under the AXISCADES 3.0 framework, transitioning from a manpower-intensive services model to a product-led manufacturing platform. This transformation is supported by significant sector tailwinds but requires disciplined management of near-term liquidity and execution risks.

6.1 Strategic Opportunities

AXISCADES is positioned at the intersection of global aerospace scarcity and India's indigenous defence surge. Conversion of these opportunities is being sequenced through disciplined capital deployment, phased capacity creation and rigorous customer-qualification milestones across the Company's new manufacturing clusters.

Strategic Opportunities: Re-Architecting for Non-Linear Growth

The Company is currently executing a fundamental pivot under the AXISCADES 3.0 framework, transitioning from a manpower-intensive services model to a product-led manufacturing platform. This transformation is supported by significant sector tailwinds and structural shifts in global and domestic procurement.

- **The Global Aerospace Super-Cycle:** The global aircraft industry is entering an unprecedented super-cycle, evidenced by a combined order backlog exceeding 17,000 units, representing nearly twelve years of current production capacity. With industry normalisation not anticipated before 2031, major global airframers have designated India as a primary destination for diversified Tier-1 sourcing and manufacturing. AXISCADES is strategically positioned to capture this demand by pivoting from a service-led "architect" of designs to a product-led "constructor" of mission-critical assemblies. This structural shift allows the Group to leverage its 16-year pedigree of executive-level OEM trust to secure long-term, non-linear growth within the global aviation supply chain.

- **India's Formative Space Economy:** India's domestic space market is projected to expand significantly, reaching an estimated US$ 44 billion by 2033, with the high-value "Access-to-Space" segment compounding at a 20% CAGR. Our newly established Space Division is engineered to capture early-stage value by focusing on satellite bus structural manufacturing and integrated payload systems. By bypassing early-stage organic development through strategic JVs and partnerships, we are accelerating our entry into the commercial satellite integration market. This platform leverages our high-reliability aerospace foundation to provide a future-ready manufacturing engine for the burgeoning private space economy.

- **Shared Manufacturing Architecture:** A cornerstone of the AXISCADES 3.0 transformation is our shared manufacturing architecture, anchored by the Devanahalli (DAC) and Missile (MAC) Atmanirbhar clusters. This unique framework utilises a common technology foundation—encompassing advanced composites, precision machining, and strategic electronics—to serve three distinct demand streams: Aerospace, Defence, and Space. By consolidating manufacturing requirements into a single tri-use factory base, we create significant operating leverage and build a defensible technical moat. This structural efficiency ensures that capital deployment is maximised across multiple high-growth industries while accelerating our journey toward becoming a Tier-1 manufacturing partner.

- **High-Velocity Defence Pipeline:** Our Defence vertical is powered by a high-velocity portfolio that currently includes 21 active design wins and strategic programme positions across air defence, electronic warfare, and surveillance. By aggressively migrating toward mission-ready "Systems & Solutions" (Stage 5), we are moving up the value chain to take full-cycle responsibility for integrated national defence platforms. This strategy is exemplified by our various prestigious wins, which reinforces our credentials as an indigenous precision manufacturing partner. This robust order pipeline provides clear revenue visibility and ensures that our Defence engine remains a primary driver of high-margin growth.

- **ESAI Focus:** XiDA Inc. is AXISCADES' US-led platform, established to support the Group's expansion into Electronics, Semiconductors and Artificial Intelligence. The platform is intended to strengthen access to advanced engineering capabilities, deepen participation in the US technology ecosystem, and create opportunities across AI infrastructure, compute, memory and physical AI applications. By combining international technology capabilities with AXISCADES' India-based engineering and manufacturing ecosystem, XiDA is expected to support the development of repeatable, higher-value solutions in fast-growing ESAI domains.

6.3.2 Operational Challenges and Risk Mitigation

The Group's rapid scale-up and structural realignment present specific operational pressures that are being proactively addressed through the **Power 930** capital-allocation framework.

- **Working Capital and Liquidity Management:** During Fiscal 2026, the Group's strategic pivot toward high-value manufacturing clusters and long-cycle defence programs led to a significant ₹156.84 crore absorption of working capital, resulting in a temporary rise in net debt to ₹230.98 crore and an extension of debtor days to 130. While this deliberate deployment into long-cycle assets moderated our current ratio from 2.22 to 1.53, it represents an essential investment in the infrastructure required to anchor the **AXISCADES 3.0** transformation. To mitigate these liquidity pressures and restore balance sheet efficiency, the Group has successfully concluded a two-phase Engineering Services Divestment Programme to the Akkodis Group, valued at approximately ₹2,256 crore. These proceeds, scheduled to flow in tranches beginning in the third quarter of FY2027, provide the necessary "dry powder" to fully fund our **Power 930** growth roadmap while significantly reducing high-cost borrowings. This disciplined capital reallocation transforms our liquidity profile, ensuring that our journey toward a ₹9,000 crore revenue target is supported by a robust and fully funded financial foundation.

- **Supply Chain Resilience:** Throughout Fiscal 2026, AXISCADES successfully navigated global logistics disruptions and a nearly 90% surge in titanium prices across its integrated aerospace operations by pivoting toward a structural, IP-led supply chain strategy designed to insulate the "Power 930" growth roadmap. By leveraging 16 years of executive-level OEM trust, the Group is qualifying for "Buy-Back" and "Flow-Through" procurement frameworks that grant access to raw materials at locked-in pricing, effectively shielding operating margins from extreme spot-market volatility. Furthermore, the Company's "Mirroring Architecture" facilitates the direct transfer of sophisticated procurement and manufacturing IP from international acquisition targets into the newly established Devanahalli Atmanirbhar Cluster (DAC). This strategic embedding of advanced international techniques reduces raw material consumption per component, mitigating the financial impact of material inflation while strengthening domestic self-reliance under the Atmanirbhar Bharat initiative.

- **Talent Transition and Attrition:** AXISCADES concluded Fiscal 2026 with an attrition rate of 19% while successfully navigating a large-scale organizational recalibration driven by our strategic pivot toward high-value manufacturing. As part of the Engineering Services Divestment Programme, approximately 2,200 employees are scheduled to transition to the Akkodis Group, a move that definitively sharpens our internal focus on pure-play technology and production platforms. Management is maintaining an uncompromising focus on retaining "core" high-potential talent, ensuring that our established engineering pedigree is concentrated within our hardware-driven AI and space manufacturing divisions. This disciplined approach to human capital ensures that our technical moats remain robust as we transition from a services firm into

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a deep-tech manufacturing partner. Ultimately, aligning our specialized workforce with these high-intensity platforms provides the structural stability required to deliver the non-linear expansion targeted in the Power 930 roadmap.

7.0 Principal risks, concerns and mitigation measures

AXISCADES entered FY2027 with a clearer strategic perimeter and a more demanding operating model. The Company is moving from a broad engineering-services portfolio towards Aerospace Manufacturing, Defence Solutions, ESAI and AI, and selected Space opportunities. This sharpens the value-creation logic, but also concentrates execution risk around transaction completion, programme conversion, capacity commissioning, supply-chain resilience, quality, integration and cash generation.

The assessment below distinguishes audited FY2026 evidence from material developments announced after 31 March 2026. At the reporting date, no divestment proceeds had been received and no contribution from proposed acquisitions had been recognised.

7.1 Portfolio transition, transaction proceeds and separation

The two-phase Engineering Services Divestment Programme, announced after the reporting date, is central to the Company's portfolio reshaping and future capital allocation. Completion remains subject to conditions precedent, regulatory approvals, closing adjustments and agreed timelines. Part of the consideration is contingent on future performance, while the amount available for reinvestment will depend on taxes, transaction costs, adjustments, exchange rates and the timing of actual cash receipts. Announced transaction value therefore does not represent immediately available funding.

Separation creates a second layer of risk. The risk lies in transferring employees, systems and enabling functions without weakening customer delivery, programme ownership, data integrity, certification knowledge or financial control. Transitional service arrangements may also leave temporary or stranded overheads within the retained Company.

Mitigation measures: The response centres on a single transaction and separation plan covering conditions, approvals, cash-flow sensitivities and Board gates. Capital deployment will be aligned with cash received rather than announced consideration. Customer and programme accountability, system access, service levels, employee transfers, knowledge retention and stranded-cost removal will be tracked against named owners and milestones.

7.2 Programme conversion, supply chain and cash generation

The central operating risk is the conversion of opportunity into revenue and cash. Management reported that approximately ₹142 crore of fourth-quarter deliverables could not be recognised before year-end because of supply-chain constraints, programme timing, inspection and acceptance schedules, and transaction-related factors. The associated earnings were not recognised in FY2026 and remain subject to delivery, inspection, customer acceptance and the applicable accounting criteria.

The 27 May 2026 operating baseline included ₹927 crore of orders under execution, ₹285 crore of Assured Forecast Visibility and two L1 positions awaiting contract award. These categories carry different levels of certainty. AFV reflects qualified programme positions and customer forecasts; L1 status is not a contract; and neither is included in the firm order book.

Mitigation measures: Management's response focuses on the programme-level order-to-cash chain, from commercial commitment and procurement coverage through production, inspection, acceptance, invoicing and collection. The CRM initiative begun during FY2026 provides a foundation for broader workflow integration. Immediate priorities include critical-material coverage, alternative sourcing where technically possible, earlier booking of inspection and acceptance slots, configuration control and collection governance. Key leading indicators include procurement coverage, work-in-progress and acceptance ageing, billing milestones, receivable days, inventory turns and operating cash flow.

7.3 Capacity commissioning and capital discipline

The move into manufacturing, testing, integration and MRO requires capacity ahead of revenue. This creates exposure to construction delays, equipment commissioning, certification, staffing, utilisation and return on invested capital. If capacity is commissioned before qualified demand is ready, depreciation and fixed costs can rise without a corresponding revenue contribution. If commissioning is late, programme conversion can be delayed.

During FY2026, Devanahalli Aero Land was fitted out and the move into the facility commenced. Groundbreaking and civil work also began at the Devanahalli Atmanirbhar Complex, while land for the Missile Atmanirbhar Complex was acquired. Subsequent commissioning targets are forward-looking and remain dependent on approved programme demand.

Mitigation measures: Investment will be released in phases and linked to customer-backed load, certification milestones and clear utilisation thresholds. Equipment and tooling will be commissioned line by line, with cost-to-complete, schedule variance, qualified load, yield, utilisation and return hurdles reviewed together. Shared use across Aerospace, Defence and selected Space applications can improve capital efficiency, but only where technical, quality and regulatory requirements genuinely permit it.

7.4 Acquisition execution and integration

The Company is contemplating 3-4 acquisition targets across India, the United States and Europe. Management indicated that three planned acquisitions were targeted for FY2027, with the wider pipeline extending into FY2028. These are opportunities, not completed transactions. Each remains subject to due diligence, valuation, definitive agreements, approvals, financing, completion and the establishment of control.

Multiple transactions in a compressed period can strain management capacity and create valuation, customer-retention, cultural, systems, governance and key-person risks. The proposed "mirroring" model may accelerate integration, but it is not a substitute for entity-specific diligence and operating design.

Mitigation measures: Transaction quality takes precedence over transaction count. Each acquisition will be subject to independent valuation, downside analysis, full financial, tax, legal, technical and customer diligence, a clearly accountable integration leader, retention plans and a practical 100-day agenda. No revenue, earnings or capability contribution is assumed before completion and control are established. Integration will be sequenced against the Company's capacity to absorb change.

7.5 Quality, certification and contract execution

As AXISCADES takes greater responsibility for manufacturing and complete-system delivery, quality and certification become direct economic risks. Supplier quality, first-pass yield, non-conformance, configuration management, product liability, warranty exposure and customer acceptance can affect revenue, margins, cash flow and reputation. Long qualification cycles can also delay the movement from design win to repeat production.

Fixed-price and milestone-based programmes add estimation risk. Weak bid discipline, scope change or inaccurate estimates at completion can erode margins, while incomplete acceptance evidence can delay revenue recognition and collection.

Mitigation measures: The control framework centres on bid and design reviews, supplier qualification, independent inspection, stage-gate controls and disciplined change management ahead of production ramp-up. Programme reviews connect quality indicators with estimates at completion, contract-loss assessment, acceptance evidence and cash milestones. The operating dashboard tracks first-pass yield, non-conformance closure, audit findings, certification status, claims and warranty trends.

7.6 Customer, market, geopolitical and currency exposure

The Group retains exposure to a relatively concentrated set of large customers and long-cycle programmes. Customer budgets, procurement policy, programme reprioritisation and acceptance timing can affect order conversion and revenue. Export controls, sanctions, tariffs, geopolitical disruption and restrictions on strategic technologies can affect market access and the availability of specialised materials or electronics.

The geographic revenue mix across APAC, Europe, the United States and Canada provides some diversification, but does not remove customer, programme or trade-policy concentration. Foreign-currency revenue also creates translation and transaction exposure.

Mitigation measures: The response combines continued diversification by customer, platform and geography with exposure limits and scenario analysis for material programmes. Contract reviews cover indexation, change control, liability, export restrictions and termination rights. Natural operating hedges and approved financial hedging operate within the Company's treasury policy, supported by consistent restricted-party screening, licence management and programme classification across facilities.

7.7 Technology, cybersecurity and intellectual property

AXISCADES operates in domains involving sensitive customer data, strategic electronics, embedded software, semiconductor engineering and artificial intelligence. A cyber incident, loss of intellectual property, unauthorised access or third-party vulnerability could disrupt delivery, compromise customer trust and create legal or national-security consequences. Rapid technology cycles also create a risk that assets, products or skills become obsolete before generating adequate returns.

Mitigation measures: The control approach embeds secure development, least-privilege access, network and data segregation, continuous monitoring, incident response and third-party assurance in programme delivery. Technology investment is staged against customer roadmaps, reusable architectures and clear qualification pathways. Cyber, intellectual-property and obsolescence risks are assessed before acquisitions, partnerships and new facilities are integrated.

7.8 Talent and organisational continuity

The reported attrition rate at the end of FY2026 was 19%. The portfolio transition also requires the movement or rebuilding of enabling functions, while the retained Company will require deeper skills in manufacturing, programme management, supply chain, quality, certification and systems integration. Gaps in leadership, succession or knowledge transfer could affect delivery and customer continuity.

Mitigation measures: The people response focuses on mapping critical roles and programme knowledge before separation or integration; aligning succession, retention and structured handovers with commissioning and customer milestones; and establishing clear ownership, backup capability and targeted training for each strategic programme.

7.9 Reporting perimeter and investor comparability

The FY2027 operating and reporting perimeter is expected to differ materially from FY2026. Divestments retained economic interests and any completed acquisitions may affect the classification of continuing and discontinued operations, consolidation dates, margins, capital employed and cash flow. Without a clear bridge, investors may misread the economics of the transformed Company.

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

Mitigation measures: The response combines transaction-specific accounting memoranda, auditor review and disciplined disclosure controls. Once transaction dates and accounting treatments are finalised, the Company will provide a published-to-comparable bridge separating reported performance, continuing operations and management-defined measures. Alternative performance measures will use consistent definitions and reconciliations.

FY2027 control priorities

The FY2027 risk agenda will be assessed against a short set of operating outcomes:

- Transactions completed only after all conditions, approvals and disclosure controls are satisfied, with capital deployed against net cash received.
- Executable programmes and year-end carry-forward deliverables converted into dispatch, acceptance, invoicing and cash.
- Capacity commissioned against qualified demand, with demonstrated utilisation, yield and return discipline.
- Operating cash generation restored through tighter control of receivables, inventory, milestones and collections.
- Acquisitions completed selectively and integrated without weakening customer relationships, governance or management focus.
- Quality, certification, cybersecurity, intellectual property and critical talent protected through the changing operating perimeter.
- A transparent investor bridge provided from the FY2026 reported perimeter to the FY2027 continuing business.

Risk governance

The Company's enterprise risk framework is overseen by the Board and the Risk Management Committee, with additional Audit Committee oversight of financial risks and controls. As the business model changes, risk management is moving closer to the programme level. A connected dashboard will bring together transaction milestones, committed capital, order conversion, cash, capacity, quality, people and customer continuity, with clear escalation thresholds and accountable owners.

This integrated approach is consistent with the "Built the Runway" strategy. Strategic focus will create value only if risk signals are identified early, capital is released selectively and operating interventions occur before delivery variance becomes a financial outcome.

8. Internal Control Systems and Their Adequacy

The Company has adopted policies and procedures to ensure the orderly and efficient conduct of its business, including adherence to Company policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures. These controls are aligned with statutory requirements and industry practice, covering the critical aspects of operations and compliance.

Governance and oversight. The Audit Committee reviews the adequacy of internal control systems, the adequacy and structure of the internal audit function, the scope of work discussed with internal and statutory auditors, the effectiveness of the audit process, the independence and performance of both sets of auditors, internal audit findings, and any weakness or failure of internal control systems reported by auditors. The Committee separately evaluates internal financial controls and the risk management system. Internal audit is conducted by an independent firm of consultants, and the statutory audit by an independent firm of chartered accountants, both reporting to the Committee.

Assurance. The statutory auditors obtain an understanding of internal control relevant to the audit in order to design appropriate audit procedures, and under Section 143(3)(i) of the Companies Act, 2013, express an opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and on the operating effectiveness of those controls. Significant deficiencies in internal control identified during the audit are communicated to those charged with governance. The audited financial results for the year ended 31 March 2026 were reviewed by the Audit Committee and approved by the Board of Directors on 27 May 2026.

Vigil mechanism. The Company's vigil mechanism, which incorporates the whistleblower policy, provides a formal route for all Directors and employees to approach the Chairman of the Audit Committee and make protected disclosures about unethical behaviour, actual or suspected fraud, or violations of the Company's Code of Conduct or ethics policy. Disclosures are addressed in the manner and time frames prescribed in the policy. No personnel were denied access to the Chairman of the Audit Committee during the year.

Evolution of the control environment during FY2026. The scope and complexity of the control environment expanded materially during the year. The Group comprised sixteen consolidated entities and one associate at the year end, spanning six countries. The shift from engineering services delivery toward manufacturing brought inventory, production and supply chain controls into greater prominence, with inventories rising to ₹78.97 crore and materials consumed to ₹253.36 crore. Capital expenditure of ₹134.44 crore, against ₹37.90 crore in the prior year, placed corresponding weight on project authorisation, contractor management and capitalisation controls, with capital work in progress of ₹44.22 crore carried at the year-end.

Controls over estimation and provisioning were exercised across several judgements during the year. The Group assessed the financial implications of the four Labour Codes notified on 21 November 2025, recognising an increase in gratuity and leave liability of ₹7.82 crore arising from past service cost. Impairment assessments were carried out on goodwill against identified impairment indicators, resulting in a charge of ₹7.98 crore, and contingent purchase consideration was remeasured against actual subsidiary performance, producing a gain of ₹4.63 crore. Provision for expected credit losses on trade receivables and contract assets was ₹3.77 crore, against ₹2.21 crore in the prior year, and provision for foreseeable loss on contracts was ₹2.79 crore against ₹1.99 crore, both reflecting the increase in receivables and in contracted manufacturing work.

9. Human Resources and Industrial Relations

FY2026 was a year of workforce realignment rather than material headcount expansion. The Group closed the year with 2,902 employees, compared with 2,891 at 31 March 2025, an increase of 0.4%. Within the year, the workforce mix moved towards core domains and enabling roles, consistent with the strategic focus on Aerospace, Defence, ESAI and manufacturing-linked execution.

FY2026 was less about adding headcount and more about redirecting capability towards core domains, manufacturing discipline and scalable execution.

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

9.1 Talent, Capability and Culture

The quarter-end series below uses the restated workforce classification published in the Q4 FY2026 investor presentation.

Employee category	Q1 FY2026	Q2 FY2026	Q3 FY2026	Q4 FY2026
Core	1,637	1,700	1,704	1,792
Industrial	913	852	849	822
Support	246	249	259	288
Total	2,796	2,801	2,812	2,902
Reported attrition rate	19%	20%	20%	19%

Between Q1 and Q4 FY2026, core headcount increased by 9.5%, industrial headcount declined by 10.0% and support headcount increased by 17.1%. The movement reflects programme and portfolio mix, ramp-downs in industrial activities, and the addition of leadership and enabling capacity. On the restated FY2026 series, core employees increased from 58.5% of total headcount in Q1 to 61.8% in Q4. This is an intra-year comparison rather than an FY2025-to-FY2026 movement.

The reported attrition rate ended FY2026 at 19%, unchanged from Q1 and one percentage point below the Q2 and Q3 levels. The Company responded through employee-engagement, upskilling and career-mapping programmes. Employee well-being initiatives, described in the FY2026 BRSR report in this annual report, include online medical consultations for employees and their families, an Employee Assistance Programme, health and wellness webinars, a structured meal programme and formal grievance-redressal mechanisms.

Technical capability building covered aerostructures, product lifecycle management, computer-aided engineering, manufacturing engineering and tool design. Leadership depth also increased through the addition of strategy, growth and investor-relations capability. On 27 March 2026, Mr Giridhar Aramane was appointed as a Non-Executive Independent Director, bringing more than three decades of experience across defence, infrastructure, finance and public policy. Employee stock-option and share-based-payment disclosures are cross-referenced to the statutory sections of the Annual Report.

9.2 Productivity and Non-Linear Growth

Consolidated revenue increased by 12.4% in FY2026, while closing headcount increased by 0.4%. The resulting indicators point to improved operating leverage. These are one-year indicators rather than evidence of structural decoupling, and are influenced by business mix, utilisation, currency, programme timing and the use of closing rather than average headcount.

Measure	FY2026	FY2025	Change
Revenue per employee	₹39.94 lakh	₹35.65 lakh	+12.0%
EBITDA per employee	₹6.12 lakh	₹4.93 lakh	+24.1%
Employee benefits expense / revenue	47.84%	50.10%	(227) bps

EBITDA per employee increased faster than revenue per employee, while employee benefits expense declined by approximately 227 basis points as a share of revenue. This indicates better people-cost absorption in FY2026. Comparability will change in FY2027 as employees aligned with the divested businesses transfer with those businesses, subject to transaction completion and the applicable employee-transfer arrangements.

9.3 Preparing the People Model for Manufacturing

During FY2026, the operating model remained predominantly engineering- and project-led. As the Company moves further into manufacturing, the people agenda is expected to widen to include shop-floor workforce planning, workmen skill certification, industrial relations, productivity monitoring and standardised quality and safety practices.

Late event during the first quarter of FY2027. Following the reporting date, management outlined a manufacturing-workforce framework that includes building shop-floor and industrial-relations capability, establishing a dedicated skills-development centre at the Devanahalli Atmanirbhar Complex, adopting digitally enabled and flexible production processes, and strengthening recruitment for specialised talent. Management also emphasised employee communication, transport and mobility support as facilities, payroll arrangements and work locations evolve. These are forward-looking initiatives rather than FY2026 outcomes, and their implementation will depend on facility commissioning, transaction completion, qualified demand and the relevant approvals.

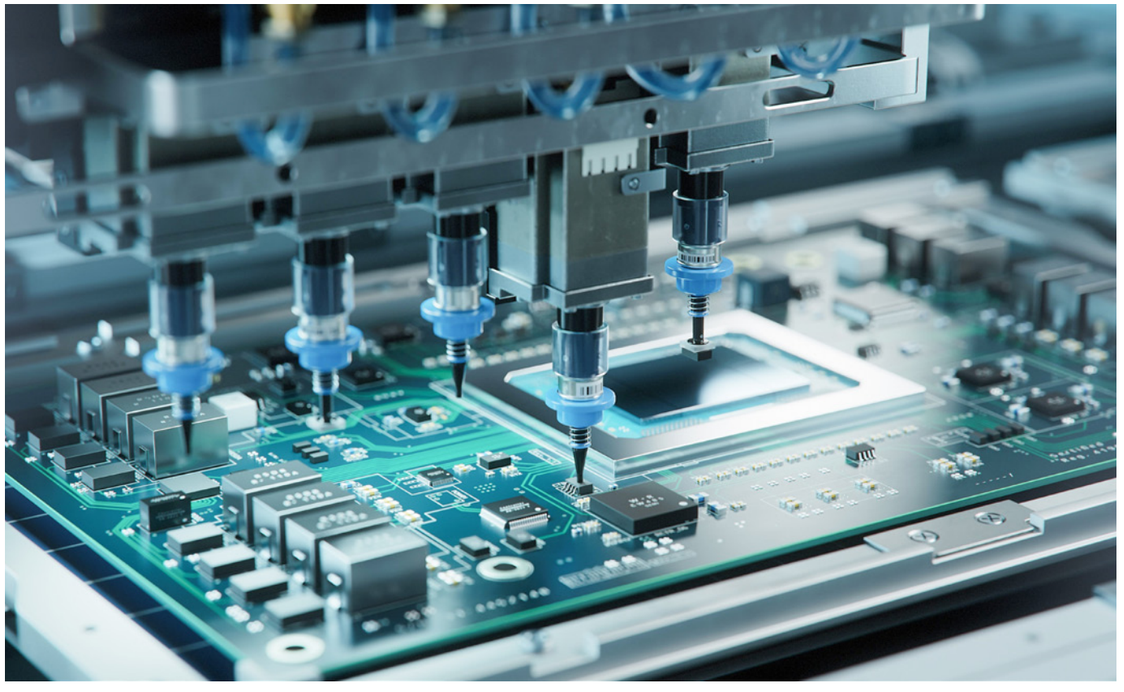
10. Outlook

AXISCADES enters FY2027 with a clearer portfolio and a favourable demand environment across its priority markets. Global aerospace capacity constraints, India's defence-indigenisation drive, accelerated investment in electronics and semiconductors, and the opening of the private space ecosystem are expanding the opportunity for certified manufacturing, strategic electronics, systems integration, AI-led engineering and lifecycle support.

These tailwinds are closely aligned with the capabilities the Company is building. The immediate opportunity is to convert this favourable market environment into qualified programmes, accepted deliveries, cash generation and sustainable returns.

10.1 Market Dynamics and Growth Tailwinds

Aerospace capacity and supply-chain diversification. The global aircraft order backlog has exceeded 17,000 aircraft, equivalent to nearly 12 years of current production capacity. The mismatch between aircraft demand and available production capacity is considered unlikely to normalise before 2031–2034. This creates a long-duration requirement for additional qualified capacity across aerospace tooling, precision and composite manufacturing, supply-chain management and component MRO. AXISCADES' engineering pedigree, customer relationships and developing manufacturing base provide a relevant platform for moving deeper into design-to-build and lifecycle participation. At the same time, continuing constraints in engines, specialised materials, electronics and skilled talent reinforce the importance of supply-chain resilience.



Defence modernisation and indigenisation. India's defence allocation for FY2026-27 increased to ₹7.85 lakh crore, including ₹1.39 lakh crore earmarked for procurement from domestic defence industries. Approximately 75% of the capital-acquisition budget has been reserved for domestic procurement. This policy direction supports a growing role for capable private-sector participants across strategic electronics, missile and radar programmes, land systems, unmanned platforms, systems integration and complete-system delivery. For AXISCADES, the opportunity is to convert its design positions and programme relationships into repeat production and higher-value integration responsibilities.

Electronics, semiconductors and AI-led engineering. India's semiconductor demand is projected to grow at approximately 19% annually to around US$90 billion by FY2030. Policy support through the India Semiconductor Mission, together with the country's established design talent, is encouraging investment across semiconductor design, assembly, testing, packaging and system-level integration. These trends support the development of ESAI and XiDA Inc at the intersection of post-silicon engineering, embedded systems, electronics realisation, AI and hardware-led solutions.

MANAGEMENT DISCUSSION & ANALYSIS
(contd...)

Emergence of India's private space economy. IN-SPACe estimates that India's space economy could grow from US$8.4 billion in 2022 to US$44 billion by 2033. The Access-to-Space segment, which includes satellite manufacturing, launch services and ground infrastructure, is projected to expand from US$1.3 billion to US$10.6 billion. This creates selective opportunities for AXISCADES in satellite-bus manufacturing, payload integration, onboard electronics and computing, cable harnesses and space situational awareness. As this remains an emerging platform for the Company, investment and capability creation will be sequenced through partnerships, qualification milestones and identified customer demand.

Importantly, these markets are supported by a shared capability foundation. Precision manufacturing, composites, certified assemblies, electronics, testing and systems engineering can serve Aerospace, Defence and selected Space programmes. This dual- and tri-use architecture can support higher asset utilisation, faster capability transfer and more efficient capital deployment as programmes scale.

10.2 FY2027 Execution Priorities and Reporting Perimeter

Following the post-year-end Engineering Services divestment announcements, the Company's FY2027 reporting perimeter is expected to differ materially from FY2026, subject to transaction completion and the applicable accounting treatment. The Company has indicated that a quantified update on the revenue transition, programme conversion and revised continuing-operations guidance will be provided with the Q1 FY2027 investor presentation. Until that update is available, forward-looking comparisons remain subject to a bridge between the FY2026 reported perimeter and the retained business.

The FY2027 operating agenda is focused on execution. Priorities include converting executable orders and year-end carry-forward programmes into delivery, inspection, customer acceptance, invoicing and collection; strengthening supply-chain resilience; releasing working capital; commissioning capacity against qualified demand; completing announced transaction milestones; and integrating acquired capabilities through disciplined investment and operating frameworks.

Commercial visibility will continue to be presented with clear distinctions between firm executable orders, Assured Forecast Visibility, L1 or preferred-bidder positions, design and qualification programmes, acquisition proposals and the wider opportunity pipeline. Growth in the pipeline is encouraging, but operating performance will ultimately be determined by the rate and quality of conversion into revenue, margins and cash.

10.3 Power 930 Trajectory

Power 930 sets the scale and direction of the Company's long-term value-creation ambition. The strength of the underlying Aerospace, Defence, Electronics, AI and Space markets provides a supportive demand backdrop. Progress will be demonstrated through tangible operating outcomes: programme conversion, timely qualification and commissioning, higher capacity utilisation, an improving revenue and margin mix, stronger cash conversion, successful acquisition integration and growing returns on invested capital.

Subject to transaction completion, the proposed proceeds, together with internally generated resources, are expected to create meaningful investment capacity. Capital will be deployed progressively, aligned with qualified customer demand, project readiness and clearly defined return thresholds. This approach is intended to accelerate growth across priority platforms while preserving financial resilience and capital discipline.

The direction of demand is favourable. The Company's FY2027 focus is to translate that opportunity into stronger delivery, cash generation and durable shareholder value.

11. Cautionary / Forward-Looking Statement

This Management Discussion and Analysis contains forward-looking statements based on current expectations and assumptions concerning the Company's business, prospects and operating environment. Objectives, projections, estimates, plans and predictions may constitute forward-looking statements under applicable securities laws.

Actual outcomes may differ materially because of transaction completion and adjustments; contingent consideration; customer acceptance and revenue-recognition criteria; changes in the reporting perimeter; acquisition completion and consolidation; certification and qualification; capacity commissioning and utilisation; working-capital availability; cybersecurity, security and export-control obligations; economic conditions; input availability; customer procurement; and movements in interest and exchange rates.

Assured forecast visibility, L1 positions, design wins, qualification positions and opportunity pipeline are not firm orders or revenue projections. Production forecasts remain subject to customer requirements, procurement, budgets, delivery, acceptance and applicable accounting criteria.

The Company does not undertake any obligation to publicly update or revise any forward-looking statement, whether because of new information, future events or otherwise. Readers are cautioned not to place undue reliance on such statements.

12. External Sources of Economic and Industry Data

The following publicly available external sources were used for economic and industry data, estimates and forecasts. Company financial statements, exchange filings, investor presentations and management commentary are excluded.

1. Economic Environment

1.1 Global Economy

- International Monetary Fund, World Economic Outlook Update: Global Economy in Crosscurrents of War and Technology, July 2026.
- International Monetary Fund, World Economic Outlook, Chapter 2: Defence Spending – Macroeconomic Consequences and Trade-offs, April 2026.
- World Bank, Commodity Markets Outlook, April 2026.

1.2 Indian Economy

- Ministry of Statistics and Programme Implementation, Provisional Estimates of Annual Gross Domestic Product for FY2025-26 and Quarterly Estimates for Q4 FY2025-26, 2026.
- Reserve Bank of India, Monetary Policy Statement, 2026-27, June 2026.
- Ministry of Finance, Department of Economic Affairs, Monthly Economic Review, June 2026.
- Government of India, Ministry of Finance, Union Budget 2026-27, including the Budget Speech, Budget at a Glance, Expenditure Profile and Finance Bill.
- Ministry of Statistics and Programme Implementation, Index of Industrial Production, April 2026.
- Reserve Bank of India, Order Books, Inventories and Capacity Utilisation Survey for Q4 FY2025-26.
- Department of Commerce, India's Foreign Trade: May 2026.
- Department for Promotion of Industry and Internal Trade, Quarterly Fact Sheet on Foreign Direct Investment Inflows up to March 2026.
- Reserve Bank of India, Weekly Statistical Supplement, May 2026.
- Ministry of Commerce and Industry, United States–India Joint Statement on the Interim Trade Agreement, February 2026.
- Ministry of Commerce and Industry, official releases concerning the India–Oman CEPA and India–UK CETA.
- Ministry of External Affairs, India–US Framework on Securing the Supply of Critical Minerals and Rare Earths, 2026.

2. Industry Landscape, Outlook and Positioning

2.1 Aerospace, Manufacturing, SCM & MRO

- International Air Transport Association, Annual Review 2026.
- International Air Transport Association, Aerospace Supply Chain Bottlenecks Continue to Constrain Airlines, Press Release No. 55, December 2025.
- International Air Transport Association, Air Travel Demand Will More Than Double by 2050, 2026.
- Deloitte, 2025 Aerospace and Defense Industry Outlook and 2026 Aerospace and Defense Industry Outlook.
- Airbus and Boeing, official commercial-aircraft order, production, delivery and India-sourcing releases.

2.2 Defence

- International Institute for Strategic Studies, The Military Balance 2026: Global Defence Spending.
- European Commission, White Paper for European Defence Readiness 2030, including the SAFE financing framework.
- Press Information Bureau, Ministry of Defence, Defence Atmanirbharta: Record Production and Exports, November 2025.
- Ministry of Defence, Defence Acquisition Procedure 2020 and Defence Procurement Manual 2025.
- Dealroom and Resilience Media, The State of Defence Tech 2025.

2.3 ESAI: Electronics, Semiconductors & AI

- Deloitte, 2026 Global Semiconductor Industry Outlook, February 2026.
- PwC, Semiconductor and Beyond.
- NITI Aayog, Future of India's Semiconductor Industry, 2026.
- Ministry of Electronics and Information Technology and India Semiconductor Mission, official programme and project disclosures.

2.4 Space (Emerging Platform)

- World Economic Forum and McKinsey & Company, Space: The US$1.8 Trillion Opportunity for Global Economic Growth, April 2024.
- IN-SPACe, Decadal Vision and Strategy for the Development of the Indian Space Economy, 2023.
- Government of India, Indian Space Policy 2023.
- Department of Space and ISRO, Annual Report 2025-26.
- Press Information Bureau, Department of Space, Parliament Question: Space Start-ups in India, February 2026.

2.5 Engineering R&D and Digital Engineering

- NITI Aayog, India's Technology Services: Reimagination Ahead, February 2026.

BOARD'S REPORT

To
The Members,
AXISCADES Technologies Limited

Your Directors have pleasure in presenting the Thirty Sixth (36th) Annual Report on the business and operations of the Company, along with the audited financial statements for the financial year ended March 31, 2026. The Consolidated performance of the Company and its subsidiaries has been referred to, wherever required.

1. FINANCIAL RESULTS

₹ in Lakhs

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Total income	46,743.16	41,210.99	1,18,173.35	1,05,157.27
Total expenditure (before interest & depreciation)	40,074.25	33,100.52	98,144.53	88,827.88
Earnings before interest, depreciation, amortization and extra-ordinary items	5,442.69	6,697.53	17,750.70	14,244.49
Interest & finance charges	2,659.32	3,080.46	3,097.39	3,229.70
Depreciation & amortization	1,763.18	1,760.20	4,437.8	3,959.88
Earnings/before Tax and Exceptional Items	2,246.41	3,269.81	12,493.62	9,139.81
Share in net profit/(Loss) of associate	-	-	(17.95)	(2.37)
Exceptional item	(510.57)	(152.29)	(1,116.84)	(385.87)
Profit/(Loss) before Tax (PBT)	**1,735.84**	**3,117.52**	**11,358.83**	**8,751.57**
Provision for Tax – Current & Deferred	**618.29**	**(941.89)**	**4,152.33**	**1,223.17**
Net Profit/(Loss) after Tax (PAT)	**1,117.55**	**4,059.41**	**7,206.50**	**7,528.40**
Minority Interest	-	-	14.68	34.72
Profit/(loss) for the period	1,117.55	4,059.41	7191.82	7,493.68
EPS:				
Basic	2.63	9.62	16.92	17.76
Diluted	2.61	9.33	16.83	17.22

STATE OF AFFAIRS / PERFORMANCE REVIEW

During FY26, AXISCADES delivered a strong operational performance, driven by sustained momentum across its Aerospace, Defence, Space, and ESAI (Electronics, Semiconductors and Artificial Intelligence) businesses. Consolidated revenue from operations increased by 12.4% year-on-year to ₹1,159 crore, reflecting robust programme execution and continued demand across the Company's core strategic sectors. EBITDA grew by 24.6% to ₹178 crore, while EBITDA margin expanded by approximately 150 basis points to 15.3%, underscoring the benefits of an enhanced business mix, operational leverage, and disciplined execution.

The Company's core businesses further strengthened their contribution to overall performance, with Aerospace, Defence, and ESAI activities accounting for approximately 78% of total revenue during the year. Growth was supported by increasing defence procurement opportunities, the expansion of aerospace programmes, strategic investments in electronics, and continued enhancement of manufacturing and deep-technology capabilities. The Company also progressed several strategic infrastructure initiatives and reinforced its position in high-value indigenous defence and aerospace programmes.

FY26 was also marked by significant strategic transformation. In line with its long-term strategic roadmap, AXISCADES entered into definitive agreements for the divestment of its Engineering Services business serving the Heavy Engineering, Energy, and Automotive sectors. This portfolio realignment is intended to sharpen the Company's focus on higher-growth and higher-margin opportunities in Aerospace Manufacturing, Defence, Space, and Deep Technology, while enhancing capital allocation efficiency and creating long-term shareholder value.

Reported profitability for the year was impacted by certain exceptional and timing-related factors. Revenue recognition of approximately ₹142 crore relating to specific customer programmes was deferred to FY27 due to supply chain constraints and programme execution timelines. In addition, one-time restructuring and transaction-related costs associated with the strategic divestment affected reported earnings. Notwithstanding these temporary impacts, the underlying performance of the business remained robust, with Normalised Profit After Tax increasing by 27.6% year-on-year to ₹83 crore, reflecting the strength and resilience of the Company's operating performance.

FINANCIAL HIGHLIGHTS – STANDALONE

Total Income increased by 13.42 % in FY 2025-26 to ₹46,743.16 lakhs. EBITDA Decreased by 18.74% to ₹5,442.69 lakhs and Profit before tax and exceptional items is ₹2,246.41 lakhs in FY 2025-26. Net profit after tax stood at ₹1,596.54 lakhs in FY 2025-26.

FINANCIAL HIGHLIGHTS – CONSOLIDATED

Total Income increased by 12.38 % to ₹1,18,173.35 lakhs in FY 2025-26. EBITDA increased by 24.61 % to ₹17,750.70 lakhs in FY 2025-26. Profit before tax and exceptional items increased from ₹9,139.81 lakhs to ₹12,493.62 lakhs in FY 2025-26. Net Profit after tax, before minority interest, decreased by 4.28 % to ₹7,206.50 lakhs in FY 2025-26.

RESERVES

The Company has not transferred any amount to its general reserves for the Financial Year ended March 31, 2026.

DIVIDEND

Considering need for conservation of funds for catering to the growth plans of the Company, your Directors consider it expedient to pass over dividend for FY 2025-26.

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has formulated and adopted the Dividend Distribution Policy. The Policy is available on our website at https://axiscadespdfs.b-cdn.net/CORPORATE%20GOVERNANCE/CORPORATE%20POLICIES/2.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in the Annual Report and furnished as **Annexure-I** to this Report.

PUBLIC DEPOSITS

The Company has not accepted/renewed any public deposits and as such no amount on account of principal or interest on public deposits under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on the date of the Balance Sheet.

Further, the Company did not receive any amount from any Director or relative of a Director during the financial year under review.

ISSUE AND LISTING OF SHARES

The Company's shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Stock performance and stock data of the Company are furnished in the section on Corporate Governance.

BUSINESS STRUCTURE

SUBSIDIARIES

The Company has the following subsidiaries:

Overseas Subsidiaries

Sl. No	Name of the subsidiary	Location/Country	%age Shareholding
1.	AXISCADES, Inc.	Peoria, Illinois USA	100%
2.	AXISCADES UK Ltd.	Leicestershire, UK	100% shares held by AXISCADES Inc.
3.	AXISCADES Technology Canada Inc.	Montreal, Quebec, Canada	100%
4.	Axis Mechanical Engineering Design (Wuxi) Co Ltd.	Wuxi City, China	100%
5.	AXISCADES GmbH	Germany	100%
6.	Mistral Solutions Inc.	USA	100% shares held by Mistral Solutions Private Limited
7.	add solution GmbH	Germany	100% shares held by AXISCADES GmbH

During the financial year 2025-26, the Company has allotted equity shares as below:

- 18,936 equity shares under ESOP Plan which were listed on NSE and BSE vide letters - NSE/LIST/2025/51900 and LOD / ESOP / TP / No. 260/ 2025-2026 respectively.
- 800 equity shares under ESOP Plan listed on NSE and BSE vide letters - NSE/LIST/2025/52190 and LOD / ESOP / TP / No. 28/ 2025-2026 respectively.

DEBENTURES

The total value of the outstanding debentures as on March 31, 2026 stands at INR 95.50 crores.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 are furnished in the prescribed form AOC-2 as **Annexure-I** to this Report. All transactions with the related parties during the financial year were in the ordinary course of business. The transactions have been approved by the Audit Committee, the Board and the Shareholders, wherever required. Your attention is drawn to the Notes to the financial statements, in this respect.

The Policy on materiality and dealing with related party transactions formulated and approved by the Board is posted on the website of the Company and is accessible at www.axiscades.com

MATERIAL CHANGES AND COMMITMENTS

Except as disclosed under the heading "State of Affairs / Performance Review," no material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed chapter on Management discussion and analysis highlighting the Company's strategy, business environment, operations, performance, risks and outlook is provided separately in this Annual Report.

BOARD'S REPORT (contd.)

Indian Subsidiaries

Sl. No	Name of the subsidiary	Location/Country	%age Shareholding
1.	Cades Studec Technologies (India) Private Limited (CSTI)	Bengaluru, India	76%
2.	AXISCADES Aerospace & Technologies Private Limited (ACAT)	Bengaluru, India	100%
3.	AXISCADES Aerospace Infrastructure Private Limited (AAIPL)	Bengaluru, India	100% shares are held by ACAT
4.	Enertec Controls Limited (ECL)	Bengaluru, India	51.84% shares are held by ACAT and 48.16% shares are held by AAIPL
5.	Mistral Solutions Private Limited (MSPL)	Bengaluru, India	58.68% shares are held by the Company and 41.28% shares are held by Explosoft
6.	Aero Electronics Private Limited (AEPL)	Bengaluru, India	51% shares held by MSPL
7.	Mistral Technologies Private Limited (MTPL)	Bengaluru, India	100% shares held by MSPL
8.	Explosoft Tech Solutions Private Limited (Explosoft)	Bengaluru, India	100%
9.	Epcogen Private Limited (Epcogen)	Bengaluru, India	100%

A report on the performance and financial position of each of the subsidiaries as per rule 8(1) of Companies (Accounts) Rules 2014 is furnished under the statement containing salient features of financial statements of subsidiaries in Form AOC-1 is attached to this Report as **Annexure II,** pursuant to Section 129(3) of Companies Act, 2013.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements of subsidiaries have been placed on the Company's website at www.axiscades.com. The copies of these documents will be sent if requested by any shareholder of the Company/ subsidiary interested in obtaining the same. These documents will also be made available for inspection at the Registered Office of the Company during business hours on working days.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of Companies Act, 2013. read with Indian Accounting Standards (IND AS) 21, 23 and 27, the audited Consolidated Financial Statements are furnished in the Annual Report.

2. ORGANIZATION DEVELOPMENT

BOARD OF DIRECTORS

Induction and cessation of Directors and KMPs during the year:

Sl. No	Name of the Directors/KMPs	Category	Appointment / reappointment / Cessation	Date
1	Mr. David Abikzir	Non-Executive, Non-Independent	Resignation	17-07-2025
2	Dr. Sampath Ravinarayanan	Chairman and Whole Time Director	Change in designation	07-08-2025
3	Mr. Alfonso Martinez Fernandez	CEO and Managing Director	Resignation	22-08-2025
4	Dr. Sampath Ravinarayanan	Chairman and Managing Director	Change in designation	23-08-2025
5	Mr. Venkatraman Venkitachalam	Non-Executive, Non-Independent	Retirement by rotation	24-09-2025
6	Mr. Giridhar Aramane	Non-Executive, Independent	Appointment	26-03-2026

HUMAN RESOURCES DEVELOPMENT

In our constant quest to be a customer focused, performance driven and future ready organization, the Company is committed to build an environment, where employees are inspired to deliver and achieve excellence. The Human Resource Policy of the Company is focused on attracting, building and retaining the best talent. Towards this, the Company continues to explore and implement best practices in Hire to Retire Cycle, the Company's particular focus is on training and development of its Employees, to develop their skills, grow in their career and be future ready. The Company is committed to provide a safe and healthy work environment to all its employees.

The Company has 2,902 employees on a consolidated basis as of March 31, 2026.

EMPLOYEE BENEFIT SCHEME

The Company has ESOP Scheme - AXISCADES ESOP 2018-Series 1 and AXISCADES ESOP 2018- Series 2 which are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and are effective from April 1, 2018.

Further the pool of ESOPs was increased by 26,43,167 by way of variation in the terms of existing ESOP schemes series (clause 14.1 & 14.3), which became effective on receiving shareholders' approval in the Annual General Meeting held on September 28, 2021.

The applicable disclosures in compliance with Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Rule 12 of companies (Share Capital and Debentures) Rules, 2014 are set out and enclosed as **Annexure III.**

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as **Annexure IV** to this Report.

Details of employee remuneration as required under the provisions of Section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further, this Report is being sent to the Members excluding the said statement. In terms of Section 136 of the Act, the said statement will be open for inspection and any Member interested in obtaining a copy of the same may write to the secretary@axiscades.com

3. CORPORATE GOVERNANCE

The report on Corporate Governance as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached and forms part of the Annual Report. A Certificate from the Auditors of the Company on compliance of conditions of corporate governance is also appended to the report.

MEETINGS OF THE BOARD

The Board of Directors met 8 (eight) times during the financial year. The dates, attendance and other particulars of the meetings are furnished in the Report on Corporate Governance attached to this Report. The intervening gap between any two meetings was within the limit prescribed by the provisions of Companies Act, 2013.

COMMITTEES OF THE BOARD

The Audit Committee consists of 3 members, namely – Lt. Gen. Codanda Poovaiah Cariappa, Mr. Tanmoy Chakrabarty, Independent Directors and Mr. Venkatraman Venkitachalam, Non-Executive Director. The Chairman of the Audit Committee is an Independent Director.

All the recommendations made by the Audit Committee during the year have been accepted by the Board.

The Company has also constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee as required under the provisions of Companies Act, 2013 and also as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the composition, scope of their functions, responsibilities etc. are given in the Corporate Governance Section, which forms part of this Report.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors under Section 149(7) of the Companies Act, 2013 (read together with Companies Amendment Act, 2017, to the effect that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 read together with any amendment thereto and that their names have been included in the databank of Independent Directors and are compliant with the prescribed regulations. The terms and conditions of appointment of Independent Directors are placed on the website of the Company at www.axiscades.com

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board and its Committees were evaluated by the Board / Committee after seeking inputs from all the directors/ members on the basis of the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section of the Annual Report.

VIGIL MECHANISM

The Vigil Mechanism of the Company which also incorporates the Whistle blower policy provides a formal mechanism to all Directors and employees to approach the Chairman of the Audit Committee and make protective disclosures about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Whistle blower policy is an extension of the Company Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he is aware of, that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No personnel of the Company were denied access to the Chairman of the Audit Committee. The Whistle blower policy which also describes the mechanism may be accessed on the Company's website at www.axiscades.com

BOARD'S REPORT (contd.)

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and the policy on remuneration of directors, key managerial personnel and other employees formulated pursuant to Section 134(3)(e) and 178(3) of the Companies Act, 2013 are furnished in **Annexure V** to this Report.

RISK MANAGEMENT POLICY

The Company has formulated and implemented a Risk Management Policy which focuses on the identification of various elements of risks, if any, which in the opinion of the Board, may threaten the existence of the Company.

The Company has a risk identification and management framework appropriate to its size and the environment under which it operates. The risk management process involves identification and periodic assessment of potential risks and their impact on the operations, profitability, growth and continuity of the business and focuses on risk elements pertaining to competitive position in the key market segments, business environment, statutory and regulatory changes, global economy and business scenario, Currency exchange rate fluctuations, resource constraints etc. and initiating timely preventive as well as remedial actions.

Reporting and control mechanisms ensure timely information availability and facilitates proactive risk management. These mechanisms are designed to cascade down to the level of line managers so that risk at the transaction level is identified and steps are taken towards mitigation in a decentralized fashion.

Risks are being continuously monitored in relation to business strategy, operations and transactions, statutory/legal compliance, financial reporting, information technology system etc. based on the inputs from both external and internal sources like key incidents, Internal audit findings etc.

The Risk Management Committee is responsible for monitoring risk levels on various parameters and the senior management group ensures implementation of mitigation measures, if required. The Audit Committee has additional oversight in the area of financial risks and controls.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In order to prevent sexual harassment of women at work place your Company has adopted a Policy for prevention of Sexual Harassment of Women at Workplace and has proper mechanism to control the same, which is commensurate with the nature and size of the business of the Company.

During the financial year 2025-26, no complaints have been received. The Company has an Internal Complaints Committee in compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

MATERNITY BENEFIT ACT

The Company is in compliance of the provisions of the Maternity Benefit Act, 1961.

4. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) read with Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

a. in the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures; if any

b. they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

c. they have taken proper 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. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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

5. AUDITORS AND AUDITORS' REPORT STATUTORY AUDITORS

M/s S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), were re-appointed as Statutory Auditors of the Company by the shareholders at the 32nd Annual General Meeting (AGM) held on September 27, 2022 to hold office till the conclusion of the 37th AGM of the Company. Hence, they will continue to be the Statutory Auditors of the Company.

The Statutory Auditors' Report does not contain any qualification, reservations or adverse remarks. The Auditors' Report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s BMP & Co. LLP, Company Secretaries, to undertake Secretarial Audit of the Company for the financial year 2025-26. The Secretarial Audit Report of the Company and its material subsidiaries for the FY 2025-26 are attached as **Annexure VI,** which forms part of this report. Secretarial Audit Report of the Company contains an observation relating to non-compliance with Regulation 17(1) of the SEBI (LODR) Regulations, 2015 due to a temporary vacancy on the Board arising from the resignation of a Director. The vacancy was subsequently filled through the appointment of Mr. Giridhar Aramane on March 26, 2026, and the Company has restored compliance with the applicable requirements.

Except for the observation referred to above, the Secretarial Audit Report does not contain any other qualification, reservation, adverse remark or disclaimer.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rules made thereunder, the Board of Directors at its meeting held on August 07, 2025, appointed Protiviti India Member Private Limited as Internal Auditor of the Company for the financial year 2025-26.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors and the Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Companies Act, 2013, including rules made thereunder.

COST RECORDS AND AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In pursuance of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is enclosed as **Annexure VIII** to this report.

SIGNIFICANT ORDERS BY REGULATORS/COURTS/TRIBUNALS

There are no significant and material orders passed by the regulators or courts which would impact the going concern status of the Company and its future operations.

ANNUAL RETURN

The Annual Return of your Company as on March 31, 2026, prepared pursuant to Section 92 of the Companies Act, 2013 and the Rules made thereunder, in Form MGT-7 is available on the website of the Company at https://www.axiscades.com/investor-relation/

INTERNAL FINANCIAL CONTROLS

Your Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company dissolved its Corporate Social Responsibility Committee in its Board Meeting held on June 11, 2021 pursuant to the amendment in CSR Rules and Section 135 of the Companies Act, 2013. The policy has been posted and is accessible on the Company's website at www.axiscades.com

The salient features of which are as under:

- CSR activities are based on three broad indicators of development namely Human Capital, Social Capital and Economic Capital.
- We recognize the need to work in partnership with other players as well.
- The Board is responsible to formulate and recommending changes to the policy indicating the activities to be undertaken including Monitoring and reviewing CSR activities.
- Transparent Monitoring.

The annual report on CSR activities is furnished in **Annexure VII** to this Report.

6. CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars pursuant to Rule 8(3) of Companies (Accounts) Rules 2014, are given below:

Conservation of Energy

Being an Information Technology Company, the Company's operations are not energy intensive. However, adequate measures have been taken to conserve energy by introducing improved operational methods. The Company in its initiative to be ISO14001 – Environmental Management System compliant, is adhering to the provisions of E-Waste (Management and Handling) Rules 2011 and Batteries (Management and Handling) Rules 2011, by efficiently managing the AC installations, replacing PC's by VPC and recycling of paper etc.

BOARD'S REPORT (contd.)

Foreign Exchange Earnings and Outgo (Standalone)

₹ in Lakhs

	FY 2025-26	FY 2024-25
Foreign Exchange Earnings (actual inflows)	34,539.32	29,647.19
Foreign Exchange Outgo (actual outflows)	8,982.29	10,906.67

Technology Absorption

The Company does not have any imported technology. Since the requirements of the technology business are changing constantly, your Company has sought to focus on critical in-house technologies and processes, which are likely to create value in the foreseeable future.

7. APPLICATION UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year, the Company has not made any application under the Insolvency and Bankruptcy Code, 2016.

8. FUTURISTIC STATEMENTS

Certain statements made in this section or elsewhere in this report may be futuristic in nature. Such statements represent the intentions of the Management and the efforts being put in by them to realize certain goals. The success in realizing these goals depends on various factors both internal and external. Therefore, the investors are requested to make their own judgment by taking into account all relevant factors before making any investment decision.

9. GREEN INITIATIVES

With reference to the MCA circular dated September 25, 2023 read with and SEBI circular dated October 07, 2023, this year the Company is dispensed with the printing and dispatch of Annual Reports to the Shareholders. Electronic copies of the Annual Report are sent to all the members whose email address are so registered.

10. OTHER DISCLOSURES

i. There has been no change in the nature of business of the Company during FY 2025-26.

ii. There has been no instance of one-time settlement with Banks or Financial Institutions.

iii. The Company is in compliance with SS - 1 i.e. Secretarial Standard on Meetings of the Board of Directors and SS - 2 i.e. Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

iv. There was no amount of unclaimed dividend required to be transferred to the Investor Education and Protection Fund (IEPF) during the financial year under review. Accordingly, the provisions relating to transfer of unclaimed dividend to the IEPF were not applicable to the Company during the financial year.

v. The details of remuneration and commission, if any, received by the Managing Director, Directors and Key Managerial Personnel from the Holding Company or Subsidiary Company during the financial year under review are disclosed in the Corporate Governance Report, forming part of the Annual Report.

vi. There were no penalties, punishment or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

ACKNOWLEDGEMENTS

Your Directors deeply appreciate and acknowledge the co-operation and support extended by Clients, Vendors, Investors and Bankers, various government agencies & regulatory bodies across the globe, the Software Technology Park, Noida, Hyderabad & Bangalore and other industry forums and agencies like NASSCOM and look forward to their continued support in the future. Your Directors wish to place on record their appreciation of the valuable contribution made by the employees of the Company at all levels.

For and on behalf of the Board of Directors

Sd/-
Sampath Ravinarayanan
Chairman & Managing Director
DIN: 00208793

Sd/-
Venkatraman Venkitachalam
Non-Executive Director
DIN: 05008694

Place: Bengaluru
Date: May 27, 2026

Annexure - I

PARTICULARS OF CONTRACT / ARRANGEMENTS WITH RELATED PARTIES

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 read with Sub-Section (1) of Section 188 of the Companies Act, 2013-AOC-2)

1 Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

2 Details of contracts or arrangements or transactions at arm's length basis:

Sl. No.	Particulars	Details																			
(a)	Corporate identity number (CIN) or any other registration number	36-3521444	02785760	1166643255	U72900KA2001PTC028394	47/704/02218	19/207/04636	U67120KA2004PTC033653	U34101TZ2022PTC038876	U72900KA2006PTC049241	U72300KA2014PTC191228	U72200KA1999PTC025232	U74110KA2014PTC190646	U29308KA2020PTC191733							
(b)	Name (s) of the related party	AXISCADES Inc.	AXISCADES UK Ltd.	AXISCADES Technology Canada Inc.	AXISCADES Aerospace & Technologies Private Limited	AXISCADES GmbH	add solution GmbH	Jupiter Capital Private Limited	Booma Manufacturing Private Limited	Cades Studec Technologies (India) Private Limited	Mistral Technologies Private Limited	Mistral Solutions Private Limited	Explosoft Tech Solutions Private Limited	Epcogen Private Limited							
	Nature of relationship	Wholly Owned Subsidiary	Stepdown Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Stepdown Subsidiary	Holding Company	Entity in which director or their relative has significant influence	Subsidiary	Stepdown Subsidiary	Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary							
(c)	Nature of contracts/arrangements/ transaction	Buy & Sale of service / Cross charge transactions	Buy & Sale of service, reimbursement / payment of expenses/ Cross charge transactions	Sale of service, reimbursement / payment of expenses/ Cross charge transactions	Service contract/ Cross charge transactions/ ICD/ Corporate guarantee	Service contract / Cross charge transactions	Buy & Sale of service	Cross charge transactions	Buy & Sale of service	Inter-corporate Deposits	Inter-corporate Deposits	Inter-corporate Deposits	Inter-corporate Deposits	Inter-corporate Deposits							
(d)	Duration of the contracts/ arrangements/ transaction	1. 36 Months from 1st Apr 2022 in respect of services – extended until 2030 2. Other transactions on ongoing basis	1. 36 Months from 1st Apr 2022 in respect of sale of services – extended until 2030 2. Other transactions on ongoing basis	1. 36 Months from 1st Apr 2022 in respect of sale of services – extended until 2030 2. Other transactions on ongoing basis	On assignment basis	36 months w.e.f. 2021 – extended until 2029	On assignment basis	On assignment basis	On assignment basis	36 months maturity w.e.f. 31.10.2023.	36 months w.e.f. 04.12.2023	1. 36 months w.e.f. 04.12.2023 2. 36 months w.e.f. 23.02.2026	36 months w.e.f. 12.02.2026	Multiple Inter-company deposits with 24 months/ 36 months							

Sl. No.	Particulars	Details												
(e)	Salient terms of the contracts or arrange-ments or transaction including the value, if any	Invoices to be raised each month within 10 business days from the end of each month, payable with-in 15 days of receipt of money from the customer	Invoices to be raised each month within 10 business days from the end of each month, payable within 15 days of receipt of money from the customer and for making payment it is within 60 days	Invoices to be raised each month, payable with-in 30days						Interest 11% p.a.	Interest 11.50% p.a.	Interest 11.50% p.a.	Interest pay-able 11.50% p.a.	Interest 11.50% p.a.
	Value of transactions during the year. (₹)													
	1. Revenue from opera-tions	24,39,73,639	4,93,25,057	21,94,24,936	-	60,182,109	-			-	-	-	-	-
	2. Expenses incurred on behalf of	2,42,73,725	2,011,315	76,93,014	-	-	1,41,12,000			-	-	-	-	-
	3. Software subscription charges incurred by	-	-	-	-	-	-			-	-	-	-	-
	4. Salaries, wages and bonus incurred on behalf of	13,951,452	-	5,899,181	-	-	-			-	-	-	-	-
	5. Salaries, wages and bonus recovered / staff welfare expense incurred by	-	-	-	-	-	-			-	-	-	-	-
	6. Services received from	-	200,447,986	-	-	-	431,750	9,292,500	516,000	17,901,846	-	-	-	2,413,917
	7. Software and Legal expenses charged to	73,67,913	-	6,97,091	-	-	3,07,291			-	-	-	-	-
	8. Interest Expenses	-	-	-	-	-	-			5,500,000	4,196,712	39,085,822	-	-
	9.Interest income	-	-	-	-	-	-			-	-	-	373,626	2,903,555
	10. Intercor-porate de-posits given/ repaid to	-	-	-	-	-	-			-	-		46,00,000	16,000,000
	11. Inter-corporate deposits availed from/ repaid by	-	-	-	-	-	-			-	15,000,000	122,500,000	3,300,000	20,000,000
	12. Corpo-rate guaran-tee received from	-	-	-	-	-	-			-	-	-	-	-
(f)	Date of ap-proval by the Board/Audit Committee (in respect of contract of sale of services)	The transactions were in the ordinary course of business and on arm's length basis. All the sale & purchase transactions are approved by the Audit Committee and Board wherever required.												
(g)	Amount paid as advances, if any	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors

Sd/-
Sampath Ravinarayanan
Chairman & Managing Director
DIN: 00208793

Sd/-
Venkatraman Venkitachalam
Non-Executive Director
DIN: 05008694

Place: Bengaluru
Date: May 27, 2026

Sd/-
Shashidhar SK
Chief Financial Officer

Sd/-
Sonal Dudani
Company Secretary
Membership No.: 40415

Annexures -II

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures (Pursuant to first proviso to Sub Section (3) of Section129 of the Companies Act 2013, read with Rule 5 of the Companies (Accounts) Rules 2014 (AOC -1)

Sl. No.	Particulars	AXISCADES Inc. (USA)	AXISCADES UK Ltd. (UK)	Axis Mechanical Engineering Design (Wuxi) Co. Ltd. (China)	AXISCADES Technology Canada Inc. (Canada)	AXISCADES GmbH (Germany)	CADES STUDEC TECHNOLOGIES (INDIA) Private Limited (India)	AXISCADES Aerospace & Technologies Private Limited (ACAT) (India)	AXISCADES Aerospace Infrastructure Private Limited (AAIPL) (India)	Enertec Controls Limited (India)	Mistral Solutions Pvt Ltd. (MSPL) (India)	Aero Electronics Pvt Ltd. (India)	Mistral Technologies Pvt Ltd. (India)	Mistral Solutions Inc. (USA)	Explosoft Tech Solutions Pvt Ltd. (India)	Epcogen Pvt Ltd (Epcogen) (India)	add solution GmbH (Germany)
1	CIN/any other registration number of subsidiary company	36-3521444	02785760	320213400000556	1166643255	47/704/02218	U72900KA2006PTC049241	U72900KA2001PTC028394	U85110KA2000PTC028009	U31101KA1988PLC008860	U72200KA1999PTC025232	U72211KA2010PTC056180	U72300KA2014PTC191228	94-3402285	U74110KA2014PTC190646	U29308KA2020PTC191733	19/207/04636
2	Financial period ended	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26	31-Mar-26
	Date of acquisition of Control	2004	2004	7-Dec-12	24-Mar-14	12-Jul-16	24-Mar-14	5-Dec-16	5-Dec-16	5-Dec-16	1-Dec-17	1-Dec-17	1-Dec-17	1-Dec-17	22-Dec-22	5-Dec-23	17-Aug-23
3	Reporting currency and Exchange rate 2.1 Reporting Currency	USD	GBP	RMB	CAD	EUR	INR	INR	INR	INR	INR	INR	INR	USD	INR	INR	EUR
	2.2 Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries (closing rate)	93.8287	124.2106	13.5899	67.3524	107.8537	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	93.8287	1.0000	1.0000	107.8537
	2.2 Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries (Average rate)	88.3945	118.4380	12.4546	63.9434	102.3797	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	88.3945	1.0000	1.0000	102.3797
4	Share capital	2,247,227	575,476	450,476	100	25,000	6,250,000	168,385,000	41,725,000	13,659,000	20,943,000	821,000	100,000	643,600	241,914,000	100,000	201,000
5	Reserves & surplus	2,278,114	1,424,727	(1,791,278)	7,245,388	(2,298,768)	280,854,000	1,531,603,000	698,660,000	352,235,000	3,198,261,000	207,724,000	103,547,000	970,863	-11,199,000	53,775,000	-1,533,465
6	Total assets	7,008,156	2,662,170	27,064	10,431,051	2,882,992	346,650,000	3,541,808,000	1,116,759,000	423,289,000	5,209,997,000	316,460,000	105,926,000	4,490,185	235,387,000	108,762,000	4,298,070
7	Total Liabilities	2,482,815	661,967	1,367,866	3,185,563	5,156,760	59,546,000	1,841,820,000	376,374,000	57,396,000	1,990,793,000	107,916,000	2,279,000	2,875,722	4,672,000	54,887,000	5,630,537
8	Investments^	1,149,031	-	-	-	2,511,566	43,163,000	1,063,478,000	120,300,000	-	-	-	-	-	235,110,000	-	-
9	Turnover *	12,740,866	4,908,696	-	7,309,612	889,070	166,040,000	1,266,366,000	-	-	3,772,966,000	-	5,945,000	9,096,901	-	197,491,000	1,525,893
10	Profit before taxation	148,513	691,243	(126,495)	624,432	(957,114)	8,255,000	251,735,000	-2,248,000	4,343,000	843,950,000	-3,519,000	9,817,000	159,178	-778,000	-18,132,000	-1,552,183
11	Provision for taxation	83,152	175,190	-162.00	235,806	14,443	2,480,000	80,347,000	-	4,055,000	216,437,000	-	2,627,000	36,540	-	891,000	33,962
12	Profit after taxation	65,361	516,053	-126,333	388,626	-971,557	5,775,000	171,388,000	-2,248,000	288,000	627,513,000	-3,519,000	7,190,000	122,638	-778,000	-19,023,000	-1,586,145
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sl. No.	Particulars	AXISCADES Inc. (USA)	AXISCADES UK Ltd. (UK)	Axis Mechanical Engineering Design (Wuxi) Co. Ltd. (China)	AXISCADES Technology Canada Inc. (Canada)	AXISCADES GmbH (Germany)	CADES STUDEC TECHNOLOGIES (INDIA) Private Limited (India)	AXISCADES Aerospace & Technologies Private Limited (ACAT) (India)	AXISCADES Aerospace Infrastructure Private Limited (AAIPL) (India)	Enertec Controls Limited (India)	Mistral Solutions Pvt Ltd. (MSPL) (India)	Aero Electronics Pvt Ltd. (India)	Mistral Technologies Pvt Ltd. (India)	Mistral Solutions Inc. (USA)	Explosoft Tech Solutions Pvt Ltd. (India)	Epcogen Pvt Ltd (Epcogen) (India)	add solution GmbH (Germany)
14	% of share-holding	100%	100% shares are held by AXISCADES Inc.	100%	100%	100%	76%	100%	100% shares are held by ACAT	51.84% shares are held by ACAT and 48.16% shares are held by AAIPL	58.68% held by ACTL and 41.28% held by Explosoft	51% shares are held by MSPL	100% shares are held by MSPL	100% shares are held by MSPL	100%	100%	100% shares are held by AXISCADES GmbH

* Turnover include other operating income.

^ Investments include investment in subsidiaries and associates.

Subsidiary's performance and financial position:

1. AXISCADES Inc: The revenue increased by 1.38% as compared to last year.
2. AXISCADES UK Limited: The revenue decreased by 9.16% during the year thereby the resultant profit has decreased.
3. AXISCADES Technology Canada Inc: The revenue increased by 1.78 % as compared to previous year.
4. CADES STUDEC TECHNOLOGIES (INDIA) Private Limited: The Revenue has decreased by 10.90 %.
5. Axis China: There is no revenue for the period, during the current year the company has incurred a loss of RMB 1,26,333 compared to a loss of RMB 11,000 in previous year.
6. AXISCADES GmbH: The revenue has increased by 44.73 % compared to previous year.
7. AXISCADES Aerospace & Technologies Private Limited: The Operating revenue has increased by 200 % during the year thereby the resultant profit has increased.
8. AXISCADES Aerospace Infrastructure Private Limited: It is an investment company. Hence no revenue.
9. Enertec Controls Limited: This is an investment company earning rental income. The net profit after tax for the year was INR 2.88 lakhs as against INR 34.71 lakhs in the previous year.
10. Mistral Solutions Private Limited: The revenue for the year has increased by 1.28% compared to previous year majorly due to higher revenue from existing customers.
11. Aero Electronics Private Limited: 51% shares are held by Mistral Solutions Private Limited and there is no revenue for the period.
12. Mistral Technologies Private Limited: This is a 100% subsidiary of Mistral Solutions Private Limited and revenue for the period is INR 59.45 lakhs.
13. Mistral Solutions Inc: This is a 100% subsidiary of Mistral Solutions Private Limited and revenue for the year increased to USD 90.96 lakhs. The revenue for the previous year was USD 25.84 lakhs
14. Explosoft Tech Solutions Pvt Ltd: This is a 100% subsidiary of the Company and there is no revenue for the period.
15. add solution GmbH: This is a 100% subsidary of AXISCADES GmbH and the revenue has decreased by 56% as compared to previous year thereby the resultant profit has decreased.
16. Epcogen Private limited: The revenue has increased by 9 % compared to previous year.

Place: Bengaluru
Date: May 27, 2026

Sd/-
Sampath Ravinarayanan
Chairman & Managing Director
DIN: 00208793

Sd/-
Shashidhar SK
Chief Financial Officer

Sd/-
Venkatraman Venkitachalam
Non-Executive Director
DIN: 05008694

Sd/-
Sonal Dudani
Company Secretary
Membership No.: 40415

Annexure – III

DISCLOSURE UNDER SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The applicable disclosures in compliance with Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are set out below:

Particulars		AXISCADES ESOP 2018 -Series 1	AXISCADES ESOP 2018-Series 2
a)	Date of shareholders' approval	March 31, 2018 & September 28, 2021	
b)	Total number of options approved under ESOPs	15,10,381	41,53,548
c)	Vesting requirements	Not less than 1 year from date of grant and maximum period in which the options shall be vested shall be within five years from the date of grant.	Not less than 1 year from date of grant and maximum period in which the options shall be vested shall be within four years from the date of grant.
d)	Exercise price or pricing formula	The exercise price shall be decided by the Board or the Compensation Committee in line with Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any other applicable guidelines.	
e)	Maximum term of options granted	Exercise period would be eight years from the date of grant of options	
f)	Source of shares (primary, secondary or combination)	Primary	
g)	Variation in terms of options	None	The pool of ESOPs increased by 26,43,167 equity shares by way of variations in the terms of existing ESOP Scheme series-2 (clause 14.1 & 14.3), which became effective on receiving shareholders' approval in the Annual General Meeting held on September 28, 2021.

Option movement during the year

Particulars	Details
Date of Grant	April 02, 2025
Total number of Options approved and granted	15,90,000
Exercise price per option	INR 555
Maximum term of Options Granted	3 years
Source of Shares	AXISCADES ESOP Series I & II
Options vested/Vesting Schedule	Vesting of the options shall take place over a maximum period of 3 years from the date of grant.
Number of options outstanding at the beginning of the period	10,12,045
Number of options granted during the year	NA
Number of options forfeited / lapsed during the year	-
Number of options vested during the year	-
Number of options exercised during the year	19,736
Number of shares arising as a result of exercise of options	19,736
Money realized by exercise of options (Rs), if scheme is implemented directly by the company	10,14,415.6
Loan repaid by the Trust during the year from exercise price received	NA
Number of options outstanding at the end of the year	9,92,309
Number of options exercisable at the end of the year	16,100

Employee wise details of options granted to

Particulars	Details
Senior Managerial Personnel (SMP)	Nil
Any other employee who receives a grant in any one year of option amounting to 5% or more of options granted during that year	Nil
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding warrants and conversions) of the Company at the time of grant	Nil

Description of method and significant assumptions used to estimate the fair value of options granted during the year

19,736 options have been exercised during the financial year 2025-26. However, the fair value of above options has been estimated using Black-Scholes Option pricing model.

For and on behalf of the Board of Directors

Sd/-
Sampath Ravinarayanan
Chairman & Managing Director
DIN: 00208793

Sd/-
Venkatraman Venkitachalam
Non-Executive Director
DIN: 05008694

Place: Bengaluru
Date: May 27, 2026

Annexure – IV

DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Rate	Particulars			
(i)	The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year	a.	Alfonso Martinez Fernandez	80.76
		b.	Sampath Ravinarayanan	1.02
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year	a.	Alfonso Martinez Fernandez	442.91%
		b.	Sampath Ravinarayanan	0%
		c.	Shashidhar S K	-13.05%
		d.	Sonal Dudani	38.66%
(iii)	The percentage increase in the median remuneration of employees in the financial year.	28.30%		
(iv)	The number of permanent employees on the rolls of the Company	2308		
(viii)	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.	-1.19(excluding managerial personnel) 0.84% (including managerial personnel) This is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and to ensure that the salaries are competitive to the peers in each geography that we operate in.		
(xii)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			

Note: Remuneration excludes the value of perquisites.

For and on behalf of the Board of Directors

Sd/-
Sampath Ravinarayanan
Chairman & Managing Director
DIN: 00208793

Sd/-
Venkatraman Venkitachalam
Non-Executive Director
DIN: 05008694

Place: Bengaluru
Date: May 27, 2026

Annexure – V

NOMINATION AND REMUNERATION POLICY

INTRODUCTION:

The Company is a Service Industry and therefore Company's policy strives to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company.

In terms of the provisions of the Companies Act, 2013 and SEBI Listing Regulations as amended from time to time, the Nomination and Remuneration Committee has formulated this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management (if any) and the same is approved by the Board of Directors.

OBJECTIVE:

- To identify persons who are qualified to become Directors (Executive, Non Executive and Independent) and persons who may be appointed in Senior Management and Key Managerial positions, in accordance with the criteria laid down
- Formulating Policy for remuneration for the Directors / KMPs and SMPs
- To specify the manner for effective evaluation of performance of Board, its committees and individual Directors as well as Key Managerial and Senior Management Personnel and review its implementation and compliance.
- Recommending appointment and removal of Directors, KMPs and SMPs to devise a policy on diversity of Board of Directors.

In order to achieve the aforesaid objectives the following policy has been originally formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on June 23, 2014 with first revision adopted on September 9, 2014 and second revision adopted on June 27, 2020.

EFFECTIVE DATE:

The original policy is effective from April 01, 2014. Any revision to the same shall be effective from the date of its adoption by the Board.

CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Board has renamed its Remuneration Committee as Nomination and Remuneration Committee on March 27, 2014 and reconstituted it on September 9, 2014.

The NRC shall comprise such Directors as approved by the Board of Directors. The Board has the power to reconstitute the NRC in conformity with the applicable statutory requirements.

APPLICABILITY:

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel (if any)

GENERAL

- This Policy is divided in three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and remuneration, PART – C covers proceedings of the Committee meetings.
- The key features of this Company's policy shall be included in the Board's Report.

PART – A

MATTERS TO BE DEALT WITH AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down.
- Recommend to the Board, appointment of Director, KMP and Senior Management Personnel.
- Performance Evaluation of each Director KMP and Senior Management Personnel for the purpose of appraisal or removal/ replacement.
- Policy for Remuneration for Director, KMP and Senior Management Personnel.
- Monitor the Board Diversity and balanced Board
- Succession planning- recommends to the Board from time to time on long term succession plan and also contingency plan in case of exigencies, relating to both Board as well as Executive management.
- Retirement policy- The retirement age of the directors is fixed by the Board of Directors in consultation with the Nomination & Remuneration Committee.

PART – B

POLICY FOR APPOINTMENT AND REMOVAL & REMUNERATION OF DIRECTOR, KMP AND SENIOR MANAGEMENT

Policy for appointment and removal & remuneration of Directors, KMPs & SMPs:

1. The Committee shall identify and ascertain the qualification, expertise, attributes and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.

2. For Recommending any person as Executive Director the Committee shall take into consideration the provisions of the Companies Act, 2013 read together with the Rules prescribed there under and Schedule V.

3. For recommending any person as Non Executive Director/ Independent Director the Committee shall take into consideration the provisions of the Companies Act, 2013 read together with the Rules prescribed there under and Schedule IV along with the criteria for independence defined under SEBI Listing Regulation.

- The Committee shall carry out evaluation of performance of Board, its Committees, every Director, KMP and Senior Management Personnel at regular interval (yearly).

- Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or on the basis of performance evaluation, the Committee may recommend, to the Board with reasons recorded in writing, removal / replacement of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

- The Non Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof or commission as per Companies Act, 2013. Provided that the amount of such sitting fees shall not exceed ₹ One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Such director may be paid remuneration either by way of a monthly payment or at specified percentage of the net profits of the company or partly by one way and partly by the other.

- An Independent Director shall not be entitled to any stock option of the Company.

- Remuneration to other employees would be as per the company policy as revised from time to time, and approved by CEO in consultation with Head HR.

PART – C

COMMITTEE PROCEEDINGS

- The Chairman of the Committee will report to the Board (at the next Board meeting) on the proceedings of each Committee meeting, bringing forward all Committee recommendations requiring Board approval.

- The Secretary will: (a) in conjunction with the Chairman of the Committee, settle agendas for and arrange meetings of the Committee so as to ensure timely coverage of all the Committee's business; (b) distribute agendas and supporting papers to Committee members sufficiently far in advance of scheduled meetings to permit adequate preparation; (c) keep and distribute minutes of each meeting to Committee members; and (d) circulate copies of the minutes to the remaining Board members upon request.

- The Committee shall meet at least once a year.

- The quorum for a meeting of the Committee will be a majority of the members and include at least one Independent Director.

Annexure – VI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 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,
AXISCADES TECHNOLOGIES LIMITED
CIN: L72200KA1990PLC084435
Block C, Second Floor, Kirloskar Business Park,
Bengaluru-560024, Karnataka, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AXISCADES Technologies Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 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:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 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'): -

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

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

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

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

   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable;

   g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

   h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review;

   i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the Company has not done any buyback of its securities during the financial year under review.

vi. The Company has identified the following laws as specifically applicable to the Company:

   1. Software Technology Parks of India its Rules and Regulations

   2. The Indian Copyright Act, 1957

   3. The Patents Act, 1970;

   4. The Trademarks Act, 1999;

   5. The Information Technology Act, 2000

   6. Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Rules/ Scheme thereunder; Employees State Insurance Act, 1948 and Rules made thereunder;

7. The Payment of Bonus Act, 1965 & its Central Rules / concerned State Rules, if any;

8. The Payment of Gratuity Act, 1972 & its Central Rules / concerned State Rules, if any;

9. The Maternity Benefit Act, 1961 & its Rules;

10. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

11. The Goods and Services Tax, 2017;

12. The Income Tax Act, 1961

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except the following:

I. There were only 5 Directors on the Board instead of 6 Directors during the period from August 23, 2025 to March 25, 2026, as required under Regulation 17(1) of Listing Regu-lations. In this regard, the NSE and BSE issued notices by levying fine of ₹2,30,100 each for the quarter ended December 31, 2025 as on the date of this report, and the same were duly paid by the Company.

We further report that: -

i. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except for the period stated in point number I above. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

ii. Except in case of meetings being convened at a shorter notice, adequate notice is given to all 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;

iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes;

iv. We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

v. As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that:-

i. The shareholders of the Company, vide Special Resolution dated 24th September 2025 passed in the AGM, approved the creation of charge on the assets of the Company under Section 180(1)(a) not exceeding ₹500 Crores.

ii. The shareholders of the Company, vide Special Resolution dated 24th September 2025 passed in the AGM, approved the borrowing limits of the Company under Section 180(1)(c) up to ₹500 Crores.

iii. The Board of Directors of the Company, in its meeting dated 16th March 2026 approved the acquisition of the balance 24% stake, comprising 1,50,000 equity shares, in Cades Studec Technologies India Private Limited ("CSTI") from STUDEC SAS France and execution of definitive agreements in this regard. Upon completion of the said acquisition in accordance with terms of the proposed agreement, CSTI will become a wholly owned subsidiary of the Company.

For **BMP & Co. LLP,**
Company Secretaries

sd/-
CS Biswajit Ghosh
Designated Partner
FCS No.: 8750 CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: May 27, 2026
UDIN: F008750H000500373

This report to be read with our letter of event date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
AXISCADES TECHNOLOGIES LIMITED
CIN: L72200KA1990PLC084435
Block C, Second Floor, Kirloskar Business Park,
Bengaluru-560024, Karnataka, India.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

7. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company

   Secretary/Managing Director & CEO, taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.

8. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP,**
Company Secretaries

sd/-
CS Biswajit Ghosh
Designated Partner
FCS No.: 8750 CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: May 27, 2026
UDIN: F008750H000500373

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 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,
AXISCADES AEROSPACE
& TECHNOLOGIES PRIVATE LIMITED
CIN: U72900KA2001PTC028394
Plot No. 14/15, 2nd Cross 2nd Main,
Electronic City, 1 Stage Partner,
Bangalore-560100, Karnataka, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AXISCADES Aerospace & Technologies Private Limited** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 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:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 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 – To the extent applicable to an Unlisted Company which is wholly-owned subsidiary of a Listed Company;

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 – To the extent applicable;

v. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - To the extent applicable to an Unlisted Company which is wholly-owned subsidiary and material subsidiary of a Listed Company;

vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client: Not Applicable;

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: Not Applicable

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: To the extent applicable to an Unlisted Company which is wholly-owned subsidiary of a Listed Company;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not Applicable;

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: Not Applicable;

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: Not Applicable;

f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: Not Applicable;

g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable.

viii. The Company has identified the following laws as specifically applicable to the Company:

1. Software Technology Parks of India its Rules and Regulations

2. The Indian Copyright Act, 1957

3. The Patents Act, 1970;

4. The Trademarks Act, 1999;

5. The Information Technology Act, 2000

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

i. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

ii. Except in case of meetings being convened at a shorter notice, adequate notice is given to all 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;

iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes;

iv. We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

v. As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

For **BMP & Co. LLP,**
Company Secretaries

sd/-
CS Biswajit Ghosh
Designated Partner
FCS No.: 8750;CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: 25th May 2026
UDIN: F008750H000461171

This report to be read with our letter of event date which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,
The Members,
AXISCADES AEROSPACE
& TECHNOLOGIES PRIVATE LIMITED
CIN: U72900KA2001PTC028394
Plot No.14/15, 2nd Cross 2nd Main,
Electronic City, 1 Stage,
Bangalore-560100, Karnataka, India.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

7. We further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.

8. We further report that the compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP,**
Company Secretaries

sd/-
CS Biswajit Ghosh
Designated Partner
FCS No.: 8750; CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: 25th May 2026
UDIN: F008750H000461171

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
AXISCADES Aerospace Infrastructure Private Limited
Plot No. 14/15, 2nd Cross, 2nd Main, Electronic City
1 Stage, Bangalore South, Electronics City,
Bangalore, Karnataka, India, 560100

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AXISCADES Aerospace Infrastructure Private Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of AXISCADES Aerospace Infrastructure Private Limited’s 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 authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by AXISCADES Aerospace Infrastructure Private Limited for the financial year ended on 31st March 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

vi. 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.

vii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) are not applicable to AXISCADES Aerospace Infrastructure Private Limited as it is an unlisted company:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021.

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,2021.

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

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

OTHER APPLICABLE LAWS:

(i) The Information Technology Act, 2000

(ii) Software Technology Parks of India its Rules and Regulations

(iii) The Indian Copyright Act, 1957

(iv) The Patents Act, 1970

(v) The Trademarks Act, 1999

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance in compliance with statutory requirements, 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minute book, and there was no dissenting members' view in any of the meetings.

We 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.

We further report that during the audit period:

1. There were no instances of:
   a) Public/Rights/Preferential issue of shares/debentures.
   b) Redemption / buy-back of securities.
   c) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
   d) Merger/amalgamation/reconstruction etc.
   e) Foreign Technical Collaborations

FOR S. CHAUHAN & ASSOCIATES.
Company Secretaries

sd/-
SURENDER SINGH CHAUHAN

FCS No. - 10958
CP No. – 15640
UDIN: F010958H000478801

DATE: 25th May 2026
PLACE: MUMBAI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
ENERTEC CONTROLS LIMITED
Plot No.14/15, Electronic City,
Hosur Road,
Bangalore 560029

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ENERTEC CONTROLS LIMITED (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of ENERTEC CONTROLS LIMITED's 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 authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 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:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by ENERTEC CONTROLS LIMITED for the financial year ended on 31st March, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable.

vi. 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.

vii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to Enertec Controls Limited as it is an unlisted company:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,2021.

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,2021.

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

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(i) OTHER APPLICABLE LAWS:

i. The Information Technology Act, 2000

ii. Software Technology Parks of India its Rules and Regulations

iii. The Indian Copyright Act, 1957

iv. The Patents Act, 1970

v. The Trademarks Act, 1999

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance in compliance with statutory requirements, 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minute book, and there was no dissenting members' view in any of the meetings.

We 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.

We further report that during the audit period:

1. There were no instances of:
   a) Public/Rights/Preferential issue of shares/debentures.
   b) Redemption / buy-back of securities.
   c) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
   d) Merger/amalgamation/reconstruction etc.
   e) Foreign Technical Collaborations

FOR S. CHAUHAN & ASSOCIATES.
Company Secretaries

sd/-
SURENDER SINGH CHAUHAN

FCS No. - 10958
CP No. – 15640
PR No. 1440/2021
UDIN: F010958H000452586

DATE: May 23, 2026
PLACE: MUMBAI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 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,
MISTRAL SOLUTIONS PRIVATE LIMITED
CIN: U72200KA1999PTC025232
#60, Adarsh Regent, 100 Feet Ring Road, Domlur, Bangalore-560071, Karnataka, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mistral Solutions Private Limited (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 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:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st March 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 – To the extent applicable to an Unlisted Company which is subsidiary of a Listed Company;

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 – To the extent applicable;

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

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: Not Applicable

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: To the extent applicable to an Unlisted Company which is subsidiary of a Listed Company;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not Applicable;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: Not Applicable;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: Not Applicable;

   f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: Not Applicable;

   g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable;

   h. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: To the extent applicable to an Unlisted Company which is subsidiary of a Listed Company;

   i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client: Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;

vi. The Company has identified the following laws as specifically applicable to the Company:

   1. Software Technology Parks of India its Rules and Regulations
   2. The Indian Copyright Act, 1957
   3. The Patents Act, 1970;
   4. The Trademarks Act, 1999;
   5. The Information Technology Act, 2000

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

i. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

ii. Except in case of meetings being convened at a shorter notice, adequate notice is given to all 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;

iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes;

iv. We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

v. As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

For **BMP & Co. LLP,**
Company Secretaries

sd/-
CS Biswajit Ghosh
Designated Partner
FCS No.: 8750; CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: May 27, 2026
UDIN: F008750H000500296

This report to be read with our letter of event date which is annexed as Annexure A and forms an integral part of this report

'Annexure A'

To,
The Members,
MISTRAL SOLUTIONS PRIVATE LIMITED
CIN: U72200KA1999PTC025232
#60, Adarsh Regent, 100 Feet Ring Road, Domlur,
Bangalore-560071, Karnataka, India.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

7. We further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.

8. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP,**
Company Secretaries

sd/-
CS Biswajit Ghosh
Partner
FCS No.: 8750 CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: May 27, 2026
UDIN: F008750H000500296

Annexure-VII

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2025-2026

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The Company recognizes its responsibility as an important stakeholder in the society and strives to work towards the betterment of the society constantly. With this objective, and on the recommendation of the CSR Committee, the Board of Directors have approved the CSR Policy.

The CSR activities of the Company mainly focus on the areas of Healthcare, Education, after school life skills and employment enhancing skills. The objective is to extend support to the deprived sections like underprivileged kids and differently abled people for their economic and social development.

2. COMPOSITION OF CSR COMMITTEE:

Pursuant to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the CSR Committee is not required to be constituted if amount to be spent by a Company in a year does not exceed ₹ 50 lakhs. Currently, as the CSR liability for the Company is less than ₹50 lakhs, hence all functions for fulfilling CSR liability shall be carried out by the Board of Directors of the Company.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company - https://www.axiscades.com/ investor-relations.html

- CSR Committee of the Company was dissolved in terms of section 135(9) of the Companies Act, 2013 w.e.f. June 11, 2021.

https://axiscadespdfs.b-cdn.net/CORPORATE%20GOVERNANCE/CORPORATE%20POLICIES/6.pdf

4. Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Impact assessment is not applicable during the year.

5. (a) Average net profit of the company as per sub-section (5) of section 135.

The average net profit / ~~(loss)~~ for the last three financial years ended is ₹ 609.15 lakhs hence, applicable.

(b) Two percent of average net profit of the company as per sub-section (5) section 135 – ₹ 12,18,000/-

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – 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)] – ₹ 12,18,000/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 8,14,000/-

(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)]: ₹ 8,14,000/-

(e) CSR amount spent or ~~unspent~~ for the Financial Year: ₹ 8,14,000/-

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (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
₹ 8,14,000/-	Nil	NA	PM CARES Fund	₹ 4,04,000/-	01-07-2026

f) Excess amount for set off, if any – NA

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 12,18,000/-
(ii)	Total amount spent for the Financial Year	₹ 12,18,000/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NA
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NA

7. Details of Unspent CSR amount for the preceding three financial years: 4,04,000

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (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	2025-26	-	-	-	4,04,000	01-07-2026	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135– Not Applicable

For and on behalf of the Board of Directors

Sd/-
Sampath Ravinarayanan
Chairman & Managing Director
DIN: 00208793

Sd/-
Venkatraman Venkitachalam
Non-Executive Director
DIN: 05008694

Place: Bengaluru
Date: May 27, 2026

Annexure-VIII
BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Contents

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

II. Product/Services

III. Operations

IV. Employees

V. Holding, Subsidiary, and Associate companies (including joint ventures)

VI. CSR Details

VII. Transparency and Disclosure Compliances

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.

Essential Indicators

Leadership Indicators

PRINCIPLE 2: Business should provide goods and services in a manner that is sustainable and safe

Essential Indicators

Leadership Indicators

PRINCIPLE 3: Business should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

Leadership Indicators

PRINCIPLE 4: Business should respect the interests of and be responsive to all its stakeholders

Essential Indicators

Leadership Indicators

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

Leadership Indicators

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

Leadership Indicators

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

Leadership Indicators

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

Leadership Indicators

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators

Leadership Indicators

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L72200KA1990PLC084435
2.	**Name of the Listed Entity**	AXISCADES Technologies Limited (hereafter referred to as "AXISCADES" or the "Company")
3.	**Year of incorporation**	1990
4.	**Registered office address**	Block C, Second Floor, Kirloskar Business Park, Bengaluru 560024
5.	**Corporate address**	Block C, Second Floor, Kirloskar Business Park, Bengaluru 560024
6.	**E-mail**	sustainability@axiscades.in
7.	**Telephone**	+91 80 4193 9000
8.	**Website**	https://axiscades.com/
9.	**Financial year for which reporting is being done**	FY 2025-2026
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited and BSE Limited
11.	**Paid-up Capital**	₹ 2127.40 Lakhs
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Ms Vidyawati Kulkarni Telephone: +91 99661 23965 Email address: sustainability@axiscades.in
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).**	The disclosures under this report are made on a standalone basis
14.	**Name of assurance provider**	Not Applicable
15.	**Type of assurance obtained**	Not Applicable

II. Product/Services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Technology services and solutions for Aerospace & Defence	AXISCADES offers innovative engineering and technology solutions to leading OEMs and globally recognised brands across sectors such as aerospace, heavy engineering, automotive, and energy. The Company also extends specialised capabilities to the semiconductor industry, including programming tools, processors, memory solutions and embedded engineering services. With a comprehensive and integrated portfolio, AXISCADES enables its clients to accelerate product development cycles, drive innovation and achieve critical business objectives in a timely and efficient manner.	100%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Technology services and solutions and strategic technology solutions	620	100

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	NA	3	3
International	NA	13	13

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

19. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	3
International (No. of Countries)	7

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

81.26%

c. A brief on types of customers

AXISCADES partners with a broad spectrum of global customers, ranging from top aerospace and defence OEMs and Tier 1 suppliers to government institutions and Fortune 500 enterprises. Backed by more than two decades of industry experience, the Company offers integrated engineering and technology capabilities across every stage of the product lifecycle covering design, analysis, production support, system integration, and certification. Its specialised capabilities in mission-critical systems make it a preferred partner for stakeholders in both defence and commercial aviation, as well as innovators working on unmanned aerial, terrestrial, and subsea platforms.

IV. Employees

20. Details as of the end of the 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)	1,663	1,422	86%	241	14%
2.	Other than Permanent (E)	85	73	86%	12	14%
3.	**Total employees (D+E)**	**1,748**	**1,495**	**86%**	**253**	**14%**
	WORKERS					
4.	Permanent(F)					
5.	Other than Permanent (G)		Not Applicable			
6.	**Total workers (F+G)**					

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	0	Nil	0
2.	Other than Permanent (E)	Nil	Nil	0	Nil	0
3.	**Total differently-abled employees (D+E)**	**Nil**	**Nil**	**0**	**Nil**	**0**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent(F)					
5.	Other than Permanent (G)		Not Applicable			
6.	**Total differently-abled workers (F+G)**					

21. Participation/Inclusion/Representation of Women:

	Total (A)	Number and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	6	1	16.66%
Key Management Personnel	3*	1	33.33%

*KMPs include Chairman & MD, CFO and CS.

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2026			FY 2025			FY 2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.79%	2.34%	18.13%	18.90%	2.50%	21.40%	15.25%	1.86%	17.24%
Permanent Workers	Not Applicable								

V. Holding, Subsidiary, and Associate companies (including joint ventures)

23. a. Names of holding/ subsidiary/ associate companies/ joint venture

S. 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	Jupiter Capital Private Limited	Holding Company	58.05%	No. However, all the Company's subsidiaries share the vision and values and are responsible businesses.
2	AXISCADES Aerospace & Technologies Private Limited	Wholly Owned Subsidiary	100%	
3	AXISCADES Technology Canada Inc	Wholly Owned Subsidiary	100%	
4	AXISCADES Inc.	Wholly Owned Subsidiary	100%	
5	Axis Mechanical Engineering Design (Wuxi) Co. Ltd	Wholly Owned Subsidiary	100%	
6	AXISCADES GmbH	Wholly Owned Subsidiary	100%	
7	Mistral Solutions Private Limited	Subsidiary Company	58.68% held by ACTL, 41.28% held by Explosoft	
8	Explosoft Tech Solutions Private Limited	Wholly Owned Subsidiary	100%	
9	Cades Studec Technologies (India) Private Limited	Subsidiary Company	76%	
10	Enertec Controls Limited	Step Down Subsidiary	51.84% shares are held by ACAT and 48.16% shares are held by AAIPL	
11	AXISCADES UK Ltd.	Step Down Subsidiary	100% shares held by AXISCADES Inc	
12	Aero Electronics Pvt. Ltd.	Step Down Subsidiary	51% shares are held by Mistral Solutions Pvt. Ltd.	
13	Mistral Technologies Pvt Ltd.	Step Down Subsidiary	100% shares held by Mistral Solutions Pvt. Ltd.	
14	Mistral Solutions Inc.	Step Down Subsidiary	100% shares held by Mistral Solutions Pvt. Ltd	
15	AXISCADES Aerospace Infrastructure Private Limited	Step Down Subsidiary	100% shares are held by ACAT	
16	add solution GmbH	Step Down Subsidiary	100% shares held by AXISCADES GmbH	
17	Epcogen Private Limited	Wholly Owned Subsidiary	100%	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in ₹): 45516.94 Lakhs

(iii) Net worth (in ₹): 40181.11 Lakhs

VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2026			FY 2025		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://axiscades.com/	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	https://axiscades.com/	Nil	Nil	-	Nil	Nil	-
Shareholders	https://axiscades.com/	1	Nil	The Company has resolved the complaint	Nil	Nil	-
Employees and workers	https://axiscades.com/	Nil	Nil	-	Nil	Nil	-
Customers	Yes, Escalation Matrix and relevant Policy can be mentioned. Additionally customers/ stakeholders can raise concerns through the website (/axiscades.com/contact-us).	Nil	Nil	-	Nil	Nil	-
Value Chain Partners	https://axiscades.com/	Nil	Nil	-	Nil	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, and approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. 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	Data Privacy and Cyber Security	R&O	As the Company manages sensitive customer information and proprietary technologies, any cybersecurity breach could result in significant financial losses, legal exposure, and reputational damage. Such incidents may diminish client confidence and adversely affect the Company's competitive standing in highly regulated industries such as aerospace, defence, and automotive.	AXISCADES maintains information security through ISO 27001 and TISAX-certified systems, complemented by regular internal and external audits. Its cybersecurity framework includes continuous investments in advanced technologies, employee awareness programmes, periodic policy reviews, robust incident response protocols, and cyber insurance coverage. These measures strengthen data protection, enhance system resilience, and mitigate evolving cyber risks while ensuring secure third-party connectivity.	Positive – Reduced financial costs through robust controls that minimize the risk of data breaches and cyber incidents. Negative – Cybersecurity breaches or attacks could lead to significant financial losses, business disruption, and adverse impacts on customer service delivery.
2	Energy & Emission Management	R	Energy consumption and greenhouse gas emissions continue to present significant risks for the Company amid evolving regulatory requirements and increasing stakeholder expectations for responsible environmental performance. Inefficient energy use and higher emissions could lead to increased operating costs, reputational risks, and reduced competitiveness, affecting long-term business resilience and customer relationships.	AXISCADES remains committed to improving its environmental performance through responsible resource management, with a focus on energy efficiency, water conservation, and waste management. Certified under ISO 14001, the Company continuously enhances its environmental management practices while ensuring regulatory compliance. Energy consumption, particularly across IT infrastructure, is optimized through the adoption of energy-efficient technologies, helping reduce emissions and improve operational efficiency.	Positive – Lower energy costs through efficient utilization of energy resources. Negative – Climate-related developments may directly or indirectly impact the Company's operations and those of its customers, affecting business continuity and future growth plans.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

S. 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)
3	Business Ethics and Corporate Governance	R&O	Business ethics and sound corporate governance remain fundamental to the organisation's long-term success. Any deficiencies in ethical conduct or governance practices could result in legal, financial, and reputational consequences. Upholding strong governance standards is essential to maintaining stakeholder confidence, ensuring regulatory compliance, and supporting sustainable business growth.	AXISCADES has established a comprehensive Enterprise Risk Management Framework supported by continuous internal and external audits. Risks are addressed through well-defined policies, procedures, and governance mechanisms that promote accountability. The Company reinforces ethical conduct through a Code of Conduct, regular employee training, and dedicated anti-bribery and anti-corruption policies.	Negative – Failure to comply with applicable regulatory and governance requirements may result in financial penalties and reputational damage.
4	Employee Well-being, Health, and Safety	R&O	Employee well-being, health, and safety remain both a strategic priority and a core responsibility for the entity. A healthy, engaged, and motivated workforce enhances productivity, strengthens employee commitment, and minimises risks associated with poor health and workplace dissatisfaction. Continued investment in employee well-being supports sustainable value creation for both employees and the organisation.	AXISCADES continues to prioritise employee well-being through comprehensive health and wellness initiatives. The Company provides free online medical consultations for employees and their families, an Employee Assistance Programme (EAP) for mental health support, regular wellness awareness sessions, structured meal programmes, and an effective grievance redressal mechanism to foster a healthy and supportive work environment.	Positive – Improved employee productivity and engagement. Negative – Higher attrition levels could increase recruitment and talent acquisition costs.
5	Talent Management	R&O	Effective talent management helps AXISCADES address skill gaps, reduce employee turnover, and ensure business continuity while fostering innovation. Continued investment in employee development and retention strengthens organisational capabilities, attracts high-quality talent, and supports long-term business growth and competitive advantage.	AXISCADES' dedicated Talent Acquisition team collaborates with leading educational institutions to fulfil project-specific hiring requirements efficiently. The Company also focuses on employee engagement through structured learning and development programmes, rewards and recognition initiatives, and well-being programmes that support the growth and retention of its global workforce.	Positive – Reduced operational costs through enhanced employee productivity. Negative – Increased attrition may lead to higher talent acquisition and replacement costs.
6	Diversity, Equity and Inclusion (DEI)	O	Fostering a diverse, equitable, and inclusive workplace encourages innovation, strengthens employee engagement, and enhances decision-making by bringing together diverse perspectives. It also reinforces AXISCADES' employer brand, attracts top talent, and supports long-term business growth through an inclusive workplace culture.	AXISCADES promotes an inclusive workplace through equal opportunity practices, fair talent management processes, employee awareness initiatives, and a culture that values diversity, collaboration, and mutual respect. The Company continues to strengthen inclusion across its workforce through policies and practices that foster equitable participation and belonging.	Positive – Improved workplace culture leading to stronger employee engagement, enhanced innovation, and lower attrition-related costs.

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.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available.	https://axiscades.com/investor-relation								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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.	The national and international codes/certifications/labels/ standards are as follows: • AS 9100D • ISO 14001: 2015 • TISAX, Level 2 • ISO 9100: 2015								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	1. Ensure adherence to all applicable regulatory and statutory compliance requirements. 2. Strive to minimise energy consumption, with a targeted reduction of 5% compared to the previous year.								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	AXISCADES has achieved a reduction of 13.8% in energy consumption from the previous year (FY 2024-25).								

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

Governance, leadership and oversight

7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

At AXISCADES, sustainability is embedded in our strategy for delivering engineering excellence and creating long-term stakeholder value. As a trusted engineering and technology partner to global industries, we believe innovation, operational excellence, and responsible business practices must go hand in hand.

During FY 2025–26, we made significant progress across our ESG priorities. Renewable energy consumption more than doubled, reflecting a significant shift towards greater adoption across operations. At the same time, NOx emissions declined from 123 mg/Nm³ to 49 mg/Nm³, demonstrating the effectiveness of our emission reduction initiatives. We also strengthened our climate disclosures by expanding our Scope 3 inventory to include Purchased Goods and Services and Capital Goods, providing a more comprehensive view of our value chain emissions.

Our continued focus on energy efficiency, employee-driven environmental initiatives, and qualitative climate risk assessment strengthened our climate governance and contributed to the improvement of our CDP Climate Change score from D to C. Further reinforcing our environmental management practices, the Company successfully sustained its ISO 14001:2015 Environmental Management System certification during the year.

Our focus on people continued to deliver positive outcomes, with the overall employee turnover rate reducing by 11.7%, 96% of employees receiving skill upgradation training (up from 90%), and participation in human rights training increasing from 36% to 72%. Beyond our operations, we enhanced engagement with our value chain by conducting dedicated sustainability awareness programmes for our business partners, fostering greater alignment on responsible business practices.

As an engineering solutions provider serving sectors such as aerospace, defence, automotive, energy, and heavy engineering, AXISCADES enables customers to develop products and systems that are more energy efficient, resource conscious, and technologically advanced. Through our engineering expertise, digital innovation, and responsible business practices, we continue to create sustainable value for our stakeholders while contributing to a more resilient future. Going forward, we remain committed to strengthening ESG governance, enhancing data transparency, deepening stakeholder engagement, and embedding sustainability into every aspect of our engineering excellence.

8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Chairman & 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.**	Yes, the Deputy CEO oversees sustainability-related decisions, guided by the Risk Management Committee of the Board of Directors.

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other-please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action					Director									Annually				
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances					Director									Annually				

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Yes, NVT Quality Certification International conducted an assessment of the policies.

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/ No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

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	%age of persons in respective category covered by the awareness programmes
Board of Directors	Sessions covered during orientations of new Directors & Board meetings	• Key disclosure areas include macro-economic conditions and industry developments as needed, business overview, operations, financial statements, and material updates. • Coverage also extends to strategic investments and outlook, plus regulatory updates under the Companies Act, Listing Regulations, and related laws. • Risk management, ESG and sustainability, Business and strategy orientation, AI, and interactions with senior leadership. These matters are regularly discussed and deliberated upon in Board meetings and Board's Committee meetings.	100%
Key Managerial Personnel	3	• Cyber security and Data privacy • Regulatory updates in the areas of Companies Act, Listing Regulations and other related laws. • POSH • CoC	100%
Employees other than BoD and KMPs	16	AXISCADES embeds key training programs across employee onboarding and mandatory sessions: • Integrity, Ethics, and Accountability (induction); • Environment (EMS and ESG orientation); • POSH, fairness, mutual respect, well-being, and inclusiveness (induction plus mandatory training); • Value to customers and stakeholders (induction); • Safety (awareness and orientation sessions).	63%
Workers	NA	NA	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

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	Principle 1	BSE Ltd	2,30,100.00*	A monetary penalty has been imposed due to non-compliance with Regulation 17(1) of the SEBI (LODR) Regulations, 2015, as the Board comprised only five directors instead of the required six during the period from August 23, 2025, to March 25, 2026.	No
	Principle 1	National Stock Exchange of India Limited	2,30,100.00*		No
Settlement				Nil	
Compounding fee				Nil	

Non-Monetary

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

**As of the date of this report, penalties have been levied by the BSE and NSE only for the quarter ended December 31, 2025, and the same have been duly paid by the Company.*

The fine amount specified herein is inclusive of Goods and Services Tax

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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.

AXISCADES promotes a strong culture of ethics and compliance through its Anti-Corruption Policy, which clearly forbids employees and associates from soliciting or accepting any form of personal benefit, whether monetary, gifts, or favours from suppliers, contractors, or third parties that may compromise independent judgment, irrespective of value. The policy further outlines zero tolerance for fraudulent practices, including theft, forgery, and misuse of company assets. It is backed by well-defined reporting and investigation processes, with strict consequences for non-compliance, including termination. Together, these measures strengthen transparency, accountability, and responsible conduct across the organization.

The web-link of the policy: https://axiscadespdfs.b-cdn.net/CORPORATE%20GOVERNANCE/CORPORATE%20POLICIES/13.pdf

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

	FY 2026	FY 2025
Directors	None	None
KMPs		
Employees		
Workers		

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

	FY 2026		FY 2025	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

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.

Not Applicable

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

	FY 2026	FY 2025
Number of days of accounts payables	86	96

9. Open-ness of business

Provide details of the 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 2026	FY 2025
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
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
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	18.98%	25.04%
	b. Sales (Sales to related parties/ Total Sales)	12.59%	12.96%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	100%	67.5%
	d. Investments (Investments in related parties/ Total Investments made)	100%	100%

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Environment Management System	100%

Note: Virtual Programme was conducted and all the value chain partners were covered. (online module was circulated)

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Yes, AXISCADES follows a well-defined framework to effectively manage conflicts of interest at the Board level, anchored in transparency, accountability, and strong ethical governance. Board members are required to promptly disclose any actual or potential conflicts, which are carefully reviewed to ensure they do not influence decision-making. In such cases, members refrain from participating in related discussions and decisions to maintain objectivity. Supported by periodic reviews and a robust ethical culture aligned with regulatory and governance standards, this approach safeguards the integrity of Board operations.

PRINCIPLE 2: Business 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 2026	FY 2025	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	Nil	Nil	NA

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

Yes

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

100%

The Company is committed to promoting sustainable sourcing by engaging with suppliers and business partners who uphold responsible environmental, social, and ethical business practices. Sustainability considerations are integrated into the supplier onboarding and governance process through the Supplier Code of Conduct (SCoC), which outlines expectations relating to compliance with applicable laws, ethical business conduct, environmental stewardship, and responsible labour practices. Suppliers and business partners are expected to acknowledge and adhere to these requirements throughout the course of their engagement with the Company, thereby supporting the development of a responsible, transparent, and sustainable supply chain.

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.

As an IT services company, AXISCADES does not manufacture physical goods requiring end-of-life recovery. However, it remains committed to responsible waste management by partnering with certified vendors to ensure all waste is recycled or disposed of in an environmentally sound manner. This approach reinforces the company's dedication to sustainability and regulatory compliance.

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.

No

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The metric is not applicable to AXISCADES, owing to the nature of its business operations.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2026	FY 2025
Not Applicable		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format

	FY 2026			FY 2025		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste General Waste (Dry & Wet)	Nil	Nil	Nil	Nil	Nil	Nil

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

PRINCIPLE 3: Business 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	Total (A)	% of employees covered by									
		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	1,422	1,422	100%	1,422	100%	0	0%	1,422	100%	0	0%
Female	241	241	100%	241	100%	241	100%	0	0%	0	0%
Total	**1,663**	**1,663**	**100%**	**1,663**	**100%**	**241**	**14.49%**	**1,422**	**85.51%**	**0**	**0%**
Other than Permanent employees											
Male	73	22	30%	0	-	-	-	-	-	0	0%
Female	12	1	8%	0	-	-	-	-	-	0	0%
Total	**85**	**23**	**27%**	**0**	**-**	**-**	**-**	**-**	**-**	**0**	**0%**

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

Category	Total (A)	% of workers covered by									
		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 workers											
Male											
Female					Not Applicable						
Total											
Other than Permanent workers											
Male											
Female					Not Applicable						
Total											

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

	FY 2026	FY 2025
Cost incurred on well-being measures as a % of total revenue of the company	0.18%	1.31%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2026			FY 2025		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the 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 the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	NA	100%	NA	NA
ESI	0%	0%	NA	0%	0%	NA
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, AXISCADES remains committed to fostering an inclusive workplace by ensuring its offices and facilities are accessible to persons with disabilities, in line with the requirements of the Rights of Persons with Disabilities Act, 2016. Across its locations, the Company has incorporated essential accessibility features, including wheelchair-friendly infrastructure, ramps, and other supportive amenities. Building on this foundation, AXISCADES continues to identify and address gaps through ongoing enhancements in infrastructure and workplace practices. It also promotes awareness and sensitisation around inclusivity, helping create a supportive, equitable, and barrier-free environment for all employees.

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 policy is accessible at the link - https://axiscades.com/investor-relation

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%	100%	Not Applicable	
Female	100%	100%		
Total	**100%**	**100%**		

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 Other than Permanent Workers	Not Applicable
Permanent Employees Other than Permanent Employees	Yes, AXISCADES has established a formal and accessible grievance redressal mechanism, as defined within its policy framework. The system provides a structured process that enables employees to raise concerns in a confidential manner and monitor the status of their resolution. By promoting timely and constructive feedback, the Company fosters a culture of transparency, accountability and continuous improvement, thereby supporting employee well-being and organisational effectiveness. Further, the Grievance Redressal Platform, developed using Microsoft Power Apps, facilitates the efficient management of grievances across the organisation. The platform enables end-to-end tracking of complaints, ensuring timely resolution and closure while maintaining transparency and accountability in the process.

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

Category	FY 2026			FY 2025		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1663	0	0%	1689	0	0%
Male	1,422	0	0%	1,464	0	0%
Female	241	0	0%	225	0	0%
Total Permanent Workers						
Male		Not Applicable			Not Applicable	
Female						

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

8. Details of training given to employees and workers:

Category	FY 2026					FY 2025				
	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	1,422	720	51%	1366	96%	1,464	328	22%	1,339	91%
Female	241	111	46%	234	97%	225	56	25%	182	81%
Total	**1,663**	**831**	**50%**	**1600**	**96%**	**1,689**	**384**	**23%**	**1,521**	**90%**
Workers										
Male	Not Applicable					Not Applicable				
Female										
Total										

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

Category	FY 2026			FY 2025		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,422	1,422	100%	1,464	1,464	100%
Female	241	241	100%	225	225	100%
Total	**1,663**	**1,663**	**100%**	**1,689**	**1,689**	**100%**
Workers						
Male	Not Applicable			Not Applicable		
Female						
Total						

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 such system?

Yes, AXISCADES has established a robust Occupational Health and Safety (OHS) management system across all its offices, demonstrating its strong commitment to providing a safe and healthy workplace. The Company conducts periodic inspections and follows defined protocols to ensure the safety and quality of its facilities, including regular testing of water, food, and indoor air quality, monitoring of safety parameters, maintenance of fire extinguishers and smoke detectors, and the conduct of fire-drill training sessions. In addition, routine cleaning of air-conditioning ducts is undertaken to maintain optimal indoor air quality, reinforcing AXISCADES' proactive focus on employee well-being and workplace safety.

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

AXISCADES adopts a structured and proactive approach to hazard identification and risk mitigation across its operations. A comprehensive preventive maintenance program is implemented, encompassing quarterly inspections and annual evaluations of transformers and electrical panels, along with monthly checks to ensure the operational readiness of fire extinguishers. Access to critical areas such as electrical, UPS, and air-conditioning rooms is strictly regulated. In addition, the Company carries out regular inspections, internal audits, management reviews, and mock drills as part of its continuous risk monitoring framework. All identified hazards are addressed promptly through defined mitigation measures and control mechanisms, underscoring AXISCADES' strong commitment to maintaining a safe and secure workplace.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has established robust mechanisms to encourage employees to promptly report any work-related hazards they observe.

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

Yes, the Company has partnered with third-party service providers to offer general medical and healthcare consultations for employees, supporting their overall health and well-being.

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

Safety Incident/Number	Category	FY 2026	FY 2025
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

Note: The above data includes the contract workforce

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

AXISCADES continues to prioritize the health and safety of its workforce by fostering a robust and proactive safety culture. This commitment is demonstrated through strict compliance with applicable safety regulations, ongoing hazard identification and mitigation measures, and regular training programs to enhance employee awareness and preparedness. The organization actively encourages open communication and employee participation by promoting the reporting of safety concerns and involvement in safety initiatives. Through continuous improvement and engagement, AXISCADES strives to maintain a safe, supportive, and high-performing work environment while upholding operational excellence.

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

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessment for the year:

% 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.

No significant risks/ concerns were noted as part of the assessments conducted.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers(Y/N).**

   (A) Employees – Yes

   (B) Workers - NA

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   AXISCADES ensures that the value chain partners timely deduct deposits of the applicable statutory dues.

3. **Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2026	FY 2025	FY 2026	FY 2025
Employees	Not Applicable			
Workers				

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes

5. **Details on assessment of value chain partners:**

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	Not Applicable
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

PRINCIPLE 4: Business 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.**

   AXISCADES adopts a systematic and continuous approach to identifying stakeholders, ensuring alignment with its strategic objectives and commitment to responsible business practices. The Company identifies and maps all key stakeholders, including employees, investors, suppliers, regulators, government authorities, and communities through internal consultations, feedback mechanisms, and engagement forums to understand their level of influence and dependence. Materiality assessments, surveys, and direct interactions are used to capture and address stakeholder expectations and concerns. These insights inform the prioritisation of actions, supporting business sustainability, regulatory compliance, and long-term value creation.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as a Vulnerable & Marginalized 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
Investors & Shareholders	No	Stock Exchange Intimations, Press releases and press conferences; email advisories; in-person meetings; investor presentations; conference calls.	Quarterly: Financial statements; earnings call; exchange notifications.	• To keep investors updated about the organisation's performance and other corporate development Growth and profitability Operational efficiency Future expansion strategies
Employees	No	Stock Exchange Intimations, Press releases and press conferences; email advisories; in-person meetings; investor presentations; conference calls.	Continuous: Investors page on the AXISCADES website. Analyst / Investors Meet	Ethical practices, Employee safety and well-being, Work-life balance and career growth
Customers	No	Annual report, Customer satisfaction surveys, Customer experience centres	As and when required	Better services, Competitive pricing and product quality, Optimizing environmental performance
Suppliers	No	Email Communication, Supplier location visits, Annual Report	As and when required	Stronger partnerships, Fair business practices, Governance
Regulators/ Government Authorities	No	Interactions as and when required, Regulatory compliance reporting, Industry bodies memberships, Stock Exchange filings, Annual Reports, Quarterly Reports, Media, Website	As and when required	Transparency and ethics, Regulatory compliance, Timely and transparent reporting

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   At AXISCADES, the senior leadership, including the Managing Director and Chief Financial Officer, regularly reviews and addresses key Environmental, Social, and Governance (ESG) priorities. These interactions ensure that ESG considerations are embedded within the overall risk management framework. The Board's Risk Management Committee (RMC) is regularly updated on ESG performance and developments, enabling effective oversight and alignment with strategic goals. This approach is supported by clearly defined protocols on frequency, roles, and reporting, and also incorporates stakeholder inputs to strengthen informed decision-making at the Board level.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, At AXISCADES, stakeholder engagement is integral to identifying and managing key environmental and social priorities. The Company gathers inputs from employees, suppliers, community members, and regulatory bodies through surveys, feedback sessions, and structured engagement forums. These insights inform its sustainability strategy, driving initiatives such as energy-efficient operations, improved workplace health and safety, and strengthened community programmes, for example, employee feedback has contributed to enhancing inclusivity and well-being policies. This collaborative approach enables the Company to develop responsible, stakeholder-aligned actions and policies.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

AXISCADES actively supports vulnerable and marginalized communities through focused social initiatives that advance inclusion and overall well-being. The Company prioritises areas such as education and skill development, designing its programmes based on identified community needs and continuous feedback. Through close collaboration with implementation partners, AXISCADES ensures that its initiatives remain meaningful, effective, and aligned with its commitment to inclusive and sustainable growth.

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 2026			FY 2025		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1,663	1,234	74%	1,689	590	35%
Other than permanent	85	31	37%	52	42	81%
Total Employees	**1,748**	**1,265**	**72%**	**1,741**	**632**	**36%**
Workers						
Permanent	Not Applicable			Not Applicable		
Other than permanent						
Total Employees						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2026					FY 2025				
	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	**1,663**	**0**	**0%**	**1,663**	**100%**	**1,689**	**0**	**0%**	**1,689**	**100%**
Male	1,422	0	0%	1,422	100%	1,464	0	0%	1,464	100%
Female	241	0	0%	241	100%	225	0	0%	225	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent	**85**	**0**	**0%**	**85**	**100%**	**52**	**0**	**0%**	**52**	**100%**
Male	73	0	0%	73	100%	47	0	0%	47	100%
Female	12	0	0%	12	100%	5	0	0%	5	100%
Other	0	0	0%	0	0%	0	0	0%	0	0%

	Workers	
Permanent	NA	NA
Male		
Female		
Other than Permanent		
Male		
Female		

3. Details of remuneration/ salary/ wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	14,36,226	1	18,06,987
Key Managerial Personnel (KMP)	3	6,88,27,292	1	38,41,737
Employees other than BoD and KMP	1,421	6,70,368	240	5,53,638
Workers	NA	NA	NA	NA

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2026	FY 2025
Gross wages paid to females as % of total wages	11%	10.4%

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, At AXISCADES, Human Resource Business Partners (HRBPs) play a central role in managing human rights–related matters within the organisation. They oversee the identification, evaluation, and resolution of concerns linked to human rights and workplace behaviour, ensuring alignment with the Company's policies, ethical principles, and core values. This is supported by initiatives that encourage awareness and open communication, along with well-defined processes to address concerns promptly, confidentially, and with due sensitivity.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

AXISCADES is committed to providing a safe, respectful, and inclusive workplace for all employees. The Company encourages an open and transparent culture where individuals can raise concerns related to human rights or workplace conduct without fear of retaliation. These concerns are managed through structured processes led by the Human Resources team, ensuring they are addressed promptly, fairly, and with strict confidentiality, in line with the Company's core values, ethical standards, and code of conduct.

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

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	NA	-	NA	NA	-
Discrimination at workplace	Nil	NA	-	NA	NA	-
Child Labour	Nil	NA	-	NA	NA	-
Forced Labour/Involuntary Labour	Nil	NA	-	NA	NA	-
Wages	Nil	NA	-	NA	NA	-
Other human rights related issues	Nil	NA	-	NA	NA	-

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2026	FY 2025
Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	0%	0%
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.

At AXISCADES, protecting the rights and dignity of every employee remains a key priority. In cases of discrimination or harassment, robust measures are in place to ensure that individuals who raise concerns or file complaints do not face any adverse consequences.

The Company maintains strict confidentiality throughout the process and safeguards complainants, witnesses, and all individuals acting in good faith from any form of retaliation. All investigations are conducted impartially, and any retaliatory actions are treated as serious violations, subject to appropriate disciplinary action.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements form part of business agreements and contracts.

10. Assessment for the year:

	% of your plants and offices that were assessed (by 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	Not Applicable

11. Provide details of any corrective actions taken or underway to address significant risks/ concerning arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

At AXISCADES, feedback related to human rights concerns has played a meaningful role in strengthening internal communication and awareness mechanisms. Based on employee inputs, the company has introduced targeted sensitization sessions focusing on workplace conduct, diversity, and inclusion. These sessions are embedded within onboarding and continuous learning programs to reinforce respectful behavior, prevent misconduct, and foster a culture of accountability across all levels of the organization.

2. Details of the scope and coverage of any Human rights due diligence conducted.

AXISCADES remains committed to strengthening its human rights framework through a structured and forward-looking approach. As part of its ongoing efforts, the organization plans to further enhance its due diligence processes to identify and assess potential human rights risks across its operations and supply chain. This includes a focused review of labour practices, workplace safety, and ethical conduct, along with the integration of appropriate monitoring and mitigation measures. Through these initiatives, AXISCADES aims to reinforce responsible business practices and uphold its commitment to human rights.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, AXISCADES continues to ensure compliance with the Rights of Persons with Disabilities Act, 2016, across all its offices, reaffirming its commitment to fostering an inclusive and accessible workplace. Key accessibility features, including wheelchair-friendly infrastructure, ramps, and necessary support mechanisms, are available to assist employees and visitors with disabilities. The organization also remains focused on continuously enhancing accessibility standards by identifying improvement opportunities and implementing relevant measures. These efforts reflect AXISCADES' commitment to building an equitable, barrier-free environment where all individuals can access workplace facilities and services with ease.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	Not Applicable
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others-please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments in Question 4 above.

Not Applicable

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 2026	FY 2025
From renewable sources			
Total electricity consumption (A)	GJ	5904.13	2726.54*
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	**GJ**	**5904.13**	**2726.54***
From non-renewable sources			
Total electricity consumption (D)	GJ	5349.44	11021.76*
Total fuel consumption (E)	GJ	1696.54	1285.55*
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	**GJ**	**7045.98**	**12307.31***
Total energy consumed (A+B+C+D+E+F)	**GJ**	**12,950.11**	**15,033.85***
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/Lakhs INR	1.05	1.50*
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	GJ/Lakhs INR adjusted to PPP	21.40	31.03*
Energy intensity in terms of physical output	-	-	-
Energy intensity (optional)- the relevant metric may be selected by the entity	In terms of full-time employees	7.41	8.64*

**Figures for FY 2024-25 have been restated based on the best available information, with improved data granularity, consistency and alignment with the streamlined approach, thereby enhancing the accuracy, completeness and reliability of the disclosure.*

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.

No

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

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? (Y/N) 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.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2026	FY 2025
Water withdrawal by source (in kilolitres)		
(i) Surface Water	-	-
(ii) Ground Water	4703.02	4470*
(iii) Third Party Water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4703.02	4470*
Total volume of water consumption (in kilolitres)	4703.02	4470*
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations) in kL/Lakhs INR	0.38	0.45*
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) in kL/ Million INR adjusted to PPP	7.77	9.23*
Water intensity in terms of physical output	-	-
Water intensity (in terms of full-time employees) – the relevant metric may be selected by the entity	2.69	2.57*

**Data for FY 2024-25 has been restated using an estimation methodology to enhance the accuracy of the disclosure and maintain comparability across reporting periods.*

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.

No

4. Provide the following details related to water discharged:

Parameter	FY 2026	FY 2025
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	Nil
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
iv) Sent to third-parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment-please specify level of treatment	Nil	Nil
Total water discharge (in kilolitres)	**Nil**	**Nil**

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.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, AXISCADES ensures responsible wastewater management by treating and recycling water generated at its sites for non-potable applications such as sanitation and landscaping, promoting sustainable water use across operations.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2026	FY 2025
NOx	mg/nm3	49	123
Sox	mg/nm3	21	32
Particulate matter (PM)	mg/nm3	39.1	52.8
Persistent organic compounds (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others-please specify	-	NA	NA

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.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2026	FY 2025
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	403.24	418.42*
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1055.03	2225.78*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	per lakhs rupees of turnover	0.12	0.26*
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)	TCo2e/Lakhs INR adjusted to PPP	2.41	5.46*
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (in terms of full time employees) – the relevant metric may be selected by the entity	In terms of full-time employees	0.83	1.52*

**Figures for FY 2024-25 have been restated based on the best available information, with improved data granularity and consistency, thereby enhancing the accuracy, completeness and reliability of the disclosure.*

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.

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, AXISCADES has implemented several initiatives to reduce energy consumption and greenhouse gas (GHG) emissions as part of its environmental sustainability commitment. Key measures include replacing conventional lighting with energy-efficient LED fixtures, using power strips to minimize device-related energy waste, and repairing leaky faucets to conserve water and associated energy. The company also promotes energy-conscious behavior, monitors usage regularly, and explores further sustainable practices, helping lower its overall carbon footprint.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2026	FY 2025
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	-	-
Biomedical Waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	-	-
Other Non-hazardous waste (dry + wet + food) generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	100.49	38.48*
Total (A+B + C + D + E + F + G + H)	100.49	38.48*
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.008	0.004*
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.16	0.08*
Waste intensity in terms of physical output (in terms of)	-	-
Waste intensity (in terms of full time employees)	0.06	0.02
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	100.49	38.48*
ii) Re-used	-	-
iii) Other recovery operations (Co-processing)	-	-
Total	**100.49**	**38.48***
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	-	-
ii) Landfilling	-	-
iii) Other disposal operations	-	-
Total	**-**	**-**

**The previous year's waste data has been restated to reflect a refined interpretation of applicable reporting requirements, enhancing the completeness, accuracy and year-on-year comparability of the disclosure.*

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.

No

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.

AXISCADES manages waste with a strong focus on environmental responsibility and regulatory compliance. The company implements systematic waste segregation at its facilities, ensuring proper disposal of biodegradable, recyclable, and non-recyclable waste through authorized vendors. E-waste and hazardous materials are handled per environmental norms to minimize impact. As an engineering and technology services firm, hazardous chemical use is minimal, but safe handling, storage, disposal procedures are emphasized, along with process improvements and safer alternatives where feasible.

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:

Sr. 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.
No; as none of our premises are located in ecologically sensitive areas.			

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 independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable; AXISCADES shall be undertaking EIA of projects in the upcoming years.					

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:

Yes, AXISCADES and its businesses are compliant with applicable environmental laws / regulations / guidelines in India.

S. No.	Specify the law/regulation / guidelines which was 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
Not Applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

i) Name of the area: NA

ii) Nature of operations: NA

iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2026	FY 2025
Water withdrawal by source (in kilolitres)		
i) Surface Water	NA	NA
ii) Ground Water	NA	NA
iii) Third Party Water	NA	NA
iv) Seawater / desalinated water	NA	NA
v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

Parameter		FY 2026	FY 2025
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)		NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity		**NA**	NA
Water discharge by destination and level of treatment (in kilolitres)			
i)	**Into Surface water**	NA	NA
	- No treatment	NA	NA
	- With treatment – please specify level of treatment	NA	NA
ii)	Into Groundwater	NA	NA
	- No treatment	NA	NA
	- With treatment – please specify level of treatment	NA	NA
iii)	Into Seawater	NA	NA
	- No treatment	NA	NA
	- With treatment – please specify level of treatment	NA	NA
iv)	Sent to third-parties	NA	NA
	- No treatment	NA	NA
	- With treatment – please specify level of treatment	NA	NA
v)	Others	NA	NA
	- No treatment	NA	NA
	- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)		NA	NA

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.

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2026	FY 2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	**Metric tonnes of CO2 equivalent**	1911.59	664.05*
Total Scope 3 emissions per rupee of turnover	TCO2e/lakh INR	0.15	0.07*
Total Scope 3 emission intensity *(optional)* – the relevant metric may be selected by the entity	**(in terms of full-time employees)**	1.09	0.38*

**Figures for FY 2024-25 have been restated based on the best available information, with improved data granularity and consistency, thereby enhancing the accuracy, completeness and reliability of the disclosure.*

Note: There is an expansion in GHG inventory boundary in Scope 3 categories, purchased goods & capital goods have been added for FY 2025-26.

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.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Our campuses are built on government-approved land in industrial zones and do not fall within or adjacent to protected areas or high-biodiversity areas

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Identification and Evaluation of Environmental Aspects	• Awareness programs, mailers, and signboards to promote eco-friendly practices • Use power strips for multiple gadgets to reduce standby energy waste • Unplug unused electronics to minimize unnecessary power consumption • Replace plastic cups with ceramic cups to cut single-use plastic • Install water filters at key points, eliminating office water bottles • Minimize paper usage by prioritizing digital copies • Replace tissue paper with hand-rolled sheets for better sustainability • Include natural resource conservation awareness in induction programs	Increased awareness on the conscious saving of electricity consumption.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, AXISCADES AXISCADES has established a robust Business Continuity and Disaster Management framework to strengthen operational resilience and limit potential disruptions. The framework is designed to safeguard employees, assets, and mission-critical functions during unforeseen events through proactive risk assessment, well-defined response measures, and structured recovery processes. With a strong emphasis on preparedness and stakeholder well-being, the Company periodically reviews and enhances the framework to incorporate emerging risks and evolving best practices, thereby supporting long-term sustainability and organizational resilience.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

8. How many Green Credits have been generated or procured:

a. By the listed entity - Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners. – Nil

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

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.

5

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	NASSCOM	National
2	Society of Indian Aerospace Technologies and Industries (SIATI)	National
3	Hanseatic Engineering & Consulting Association e.V. (HECAS)	International
4	Hamburg Aviation Membership	International
5	Society of Indian Defence Manufacturers (SIDM)	National

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
None		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
AXISCADES does not engage in direct public policy advocacy. However, the company contributes meaningfully by participating as a delegate in industry conferences and forums. This involvement keeps AXISCADES informed of sectoral developments and fosters collaboration with key stakeholders, strengthening its strategic perspective and industry presence.					

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 project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable; as there were no projects that required Social Impact Assessment (SIA)					

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 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)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

AXISCADES has established structured mechanisms to effectively receive, assess, and address community grievances. Community members can raise concerns through accessible channels, including dedicated email IDs, helpline numbers, and in-person interactions during stakeholder engagement activities. All grievances are documented, reviewed, and resolved promptly by a designated internal team. The company ensures transparency, responsiveness, and fairness, with regular monitoring to enhance processes and build community trust.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2026	FY 2025
Directly sourced from MSMEs/ small producers	49%	59%
Directly from within India	99.58%	97.91%*

*FY 2024-25 values have been restated to streamline the approach for sourcing categorisation in comparison with FY 2025-26.

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 2026	FY 2025
Rural	-	-
Semi-urban	-	-
Urban	12.87%	1.58%
Metropolitan	87.13%	98.42%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable; as there were no projects that required Social Impact Assessment (SIA)	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In INR)
None of the projects are undertaken in aspirational districts			

3. A) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable group? (Yes/ No)

No, AXISCADES does not have a preferential procurement policy comprising marginalized/vulnerable groups

B) From which marginalized /vulnerable groups do you procure?

Not Applicable

C) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No	Basis of calculating benefit share
Nil				

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (contd.)

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	School Infrastructure Development – GLPS, Reddy Halli	14 students	100%
2	School Infrastructure Development – GLPS, Kanmangalayapalya	41 students	100%

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.

AXISCADES has established structured processes to capture, track, and address customer feedback and grievances efficiently. Stakeholders can share their concerns through dedicated email channels, customer relationship managers, and formal feedback platforms. Each submission is systematically recorded, reviewed, and addressed by a responsible team to ensure timely resolution and enhance customer satisfaction. Insights from periodic analyses are used to identify patterns and continuously refine service quality.

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2026			FY 2025		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA	-	Nil	NA	-
Advertising	Nil	NA	-	Nil	NA	-
Cyber-security	Nil	NA	-	Nil	NA	-
Delivery of essential services	Nil	NA	-	Nil	NA	-
Restrictive Trade Practices	Nil	NA	-	Nil	NA	-
Unfair Trade Practices	Nil	NA	-	Nil	NA	-
Others (Products defects reported)	Nil	NA	-	Nil	NA	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No

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 safety of products/services.

No specific issues were raised during FY 2025-26.

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 – 0%

c. Impact, if any, of the data breaches – Nil

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on our company products and services can be accessed mainly through our website https://axiscades.com/ Additionally some of the services and products are showcased on social media channels such as LinkedIn (https://www.linkedin.com/company/axiscades) and X (https://x.com/AXISCADES)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

Not applicable, owing to the nature of business since we supply technology/engineering services

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Customer satisfaction is regularly monitored by AXISCADES through a structured Customer Satisfaction Survey process. As part of this approach, customers periodically provide feedback and ratings that reflect their level of satisfaction with the Company's service quality, delivery performance, and overall engagement. These assessments help the Company evaluate its performance and identify opportunities for continuous improvement.

4. A) Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, As AXISCADES operates in the technology and engineering services sector, disclosures related to the display of product information are not applicable. The Company's business model is service-oriented and does not involve the manufacture, sale, or distribution of physical products that require product-specific information disclosures.

Yes, AXISCADES periodically assesses customer satisfaction through structured Customer Satisfaction Surveys conducted in accordance with its established processes. Feedback from customers is gathered on a regular basis, with satisfaction ratings and performance evaluations serving as key indicators of the quality, effectiveness, and reliability of the Company's services.

REPORT ON CORPORATE GOVERNANCE

Good Corporate Governance is all about achieving the twin objectives of Performance and Conformance. The Company's Governance framework is meant to ensure efficient use of organizational resources for business outcomes and at the same time require accountability for the stewardship of these resources. The aim is to align the interests of all stakeholders, both internal and external, and the Society, at large. The Company strives to follow such Policies, Procedures and Practices which ensure that the Company is managed in the best interest of all stakeholders, through a mechanism of checks and balances to meet stakeholders' aspirations and societal expectations.

I. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is about its commitment to values and ethics in business conduct which stems from the culture, policies, practices, voluntary adherence to ethical standards and mindset of an organization. Your Board strongly believes that effective corporate governance practices should constitute the very foundation of Company's growth. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company's primary objective is to create and adhere to a corporate culture of fairness and transparency in actions of the Management which are the keys to enhancing shareholders value and discharge of social responsibility.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

II. BOARD OF DIRECTORS

i. The composition of the Board of the Company is in compliance with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. The Board has an optimum combination of both Independent and Non-Independent Directors. As on March 31, 2026, the Board of the Directors of the Company comprised of six (6) directors, with four (4) (66.67%) Non-Executive Independent Directors (including one women Director), one (1) (16.66%) Non-Executive Non-Independent Director and one (1) (16.66%) Executive Director. The Chairman of the Company is an Executive Non-Independent Director and is designated as Managing Director of the Company.

ii. The Company recognizes the need for diversified Board in its success and continuity. Keeping this in view, the Company has cultivated a policy to induct into the Board, successful persons drawn from diverse expertise, having achieved excellence in their respective fields. The present composition of the Board largely achieves this quality. The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

iii. None of the Directors on the Board is a member of more than ten (10) committees or Chairperson of more than five (5) committees (as specified under Regulation 26(1) SEBI Listing Regulations across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors.

iv. None of the Directors are related inter se within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the year have been duly informed to the Stock Exchanges from time to time.

As on March 31, 2026, Ms. Mariam Mathew, Non-Executive Independent Director, held 800 equity shares of the Company. None of the other directors held any equity shares in the Company.

v. The Board of Directors confirm that, in their opinion, the Independent Directors are independent of the management and fulfill the requirements specified in Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

vi. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). The necessary declarations from Independent Directors affirming that they meet the criteria of independence as required under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations are obtained. The Independent Directors abide by the code of conduct adopted by the Company and as laid out under Schedule IV of the Companies Act, 2013.

vii. The Independent Directors, as per Clause VII(1) of Schedule IV under Section 149(8) of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, shall meet at least once in every financial year to discuss matters pertaining to Company's affairs, evaluation of performance of the Board, their own performance and place their views regarding governance of the Company before the Board. During the year under review, the Independent Directors held five meetings on May 26, 2025, November 12, 2025, December 20, 2025, March 09, 2026 and March 20, 2026.

The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company.

viii. During FY 2025-26, eight (8) Board meetings were held and the gap between any two consecutive meetings did not exceed the prescribed time under the applicable laws for the time being in force. The necessary quorum was present at each of the meetings. The Board meetings were held on April 09, 2025, May 26, 2025, August 07, 2025, October 24, 2025, November 12, 2025, December 24, 2025, February 09, 2026 and March 16, 2026.

ix. The names and categories of the Directors on the Board, their attendance at Board meetings & the last Annual General Meeting (AGM) held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies are given herein below. Other directorships / committee membership does not include directorships/committee memberships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanships / memberships of board committees shall include only Audit Committee and Stakeholders' Relationship Committee.

Name of the Director	Category	No. of BM during 2025-2026		Attendance Last AGM	No. of other Directorships and Committee Membership/Chairmanship held as on March 31, 2026		
		Held	Attended		Other Directorships	Committee Memberships	Committee Chairmanships
Dr. Sampath Ravinarayanan	Chairman & Managing Director	8	8	Yes	1	-	-
Mr. Alfonso Martinez Fernandez	CEO & MD	3	3	NA	2	-	-
Ms. Mariam Mathew	ID	8	8	Yes	-	1	-
Mr. Tanmoy Chakrabarty	ID	8	8	Yes	3	3	-
Lt. Gen. Codanda Poovaiah Cariappa	ID	8	8	Yes	1	3	2
Mr. Venkatraman Venkitachalam	NED	8	8	Yes	1	3	-
Mr. Giridhar Aramane	ID	0	0	NA	3	1	-
Mr. David Abikzir	NED	2	2	NA	-	-	-

Ms. Sonal Dudani, Company Secretary, is the Compliance Officer of the Company. Further, she acts as a Secretary to all the committees of the Board.

Notes:

1. CEO & MD- Chief Executive Officer and Managing Director, ID- Independent Director, NED- Non-Executive Director, BM- Board Meeting, AGM- Annual General Meeting, NA - Not Applicable.
2. Other Directorship includes Directorships in the Subsidiary of Public Company.
3. Membership/Chairmanship includes membership/ Chairmanship in this Company.
4. There are no relationships inter-se directors as on 31st March 2026.

Appointments during the year:

1. Mr. Giridhar Aramane (DIN: 00483130) was appointed as Non-Executive, Independent Director of the Company w.e.f. March 26, 2026.

Resignations during the year:

1. Mr. David Abikzir (DIN: 03160720) resigned from the office of Director (Non-Executive Director) with effect from close of business hours of July 17, 2025.
2. Mr. Alfonso Martinez Fernandez (DIN: 10902446) ceased to be the Chief Executive Officer & Managing Director of the Company with effect from closing hours of August 22, 2025.

Redesignations during the year:

1. Dr. Sampath Ravinarayanan (00208793), was designated as Whole Time Director (KMP), designated as Executive Chairman w.e.f. August 7, 2025 and was re-designated as "Chairman & Managing Director" with effect from August 23, 2025.

REPORT ON CORPORATE GOVERNANCE (contd.)

x. Adequate notice was provided to all Directors for the scheduled Board Meetings and agenda along with detailed notes was circulated in compliance with the provisions of Companies Act, 2013. Further, an effective system exists for seeking and obtaining further information and clarifications on the agenda items prior to the meeting, thereby enabling all the directors to participate meaningfully and effectively at the meetings.

xi. Familiarization program for Directors

The Board of Directors are responsible for setting the strategic direction for the Company and overall strategic supervision of the Company. To achieve this, Board periodically reviews performance, risk management, internal/ external audit report etc. The Directors are familiarized through:

a) Presentations by senior executives giving an overview of operations.

b) Induction and orientation process, inter-alia, with respect to their roles, responsibilities and liabilities, nature of the industry in which the Company operates, business model of the Company.

c) External training programmes on industry developments and regulatory updates in the areas of Companies Act, Listing Regulations and other related regulations including ESG.

d) The Board of Directors are also updated on all business-related risks, challenges and initiatives.

The text of the policy and program is posted on the website of the Company at www.axiscades.com

xii. Matrix specifying the list of core skills/expertise/competence identified by the Board of Directors as required in context of the business and the sector in which it operates, for the Company to function effectively and those actually available with the Board along with names of Directors who have such skill/expertise/competence-

• Strategy/Business Leadership	• Finance
• Corporate Strategy Consultant	• Board service & Governance
• Technology	• Mergers & Acquisitions
• Sales and Marketing Experience	• Administration & Government Relations
• Corporate laws	• Trade Policy & Economics

Name of Director	Essential Skill / expertise/ Competency
Dr. Sampath Ravinarayanan	• Strategy/Business Leadership • Corporate Strategy Consultant • Technology • Sales and Marketing Experience • Finance • Board service & Governance • Mergers & Acquisitions • Administration & Government Relations • Aerospace & Defence
Ms. Mariam Mathew	• Strategy/Business Leadership • Finance • Technology • Board service & Governance
Mr. Tanmoy Chakrabarty	• Strategy/Business Leadership • Sales and Marketing Experience • Board service & Governance • Finance • Administration & Government Relations • Aerospace & Defence
Lt. Gen. Codanda Poovaiah Cariappa	• Strategy/Business Leadership • Corporate Strategy Consultant Technology • Finance • Board service & Governance • Administration & Government Relations
Mr. Giridhar Aramane	• Trade Policy & Economics • Administration & Government Relations
Mr. Venkatraman Venkitachalam	• Strategy/Business Leadership • Corporate strategy consultant • Mergers and Acquisition • Board service & Governance • Corporate law • Finance • Trade Policy & Economics • Administration & Government Relations

III. COMMITTEES OF THE BOARD

Currently the Board has four Committees. The roles of the committees of the Board are in alignment with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Addition or amendments, if any, to the scope and functions of the committees are approved by the Board.

The Board Committees, along with their roles, are as detailed below:

A. AUDIT COMMITTEE

i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, as amended, read with Section 177 of the Companies Act, 2013.

ii. The terms of reference of the Audit Committee are broadly as under:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure correct, complete and credible financial statements.

b. Review with management, quarterly/annual results and financial statements of the Company and Auditors' report before recommending the same to the Board of Directors for approval, with particular reference to:

i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

ii) changes, if any, in accounting policies and practices and reasons for the same;

iii) major accounting entries involving estimates based on the exercise of judgment by management;

iv) significant adjustments made in the financial statements arising out of audit findings;

v) compliance with listing and other legal requirements relating to financial statements;

vi) disclosure of any related party transactions;

vii) modified opinion(s) in the draft audit report.

c. Review of statement of management discussion & analysis of financial conditions, results of operations, review of directors' responsibility statements and changes in accounting policies and practices.

d. Approval or any subsequent modification of transactions of the listed entity with related parties.

e. Recommending to the Board the appointment/ re-appointment of Auditors and Internal Auditor of the Company, with their remuneration and terms of appointment.

f. The Audit Committee also reviews:

- Independence of auditors,
- Performance of statutory and internal auditors,
- Effectiveness of audit process,
- Adequacy of internal control systems,
- Adequacy of internal audit function,
- Structure of internal audit organization,
- Scope discussions with internal and statutory auditors,
- Internal auditor's and statutory auditor's notes,
- Internal audit and findings, if any,
- Weakness or failure of internal control systems, if any, reported by Auditors.

g. Review of Statement of significant related party transactions (as defined by the Audit Committee) submitted by the management.

h. Scrutiny of inter- corporate loans and investments.

i. Valuation of undertakings or assets of the Company, whenever necessary.

j. Evaluation of internal financial controls and risk management system.

k. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

l. Monitoring and review of whistle blower policy and mechanism.

m. To recommend to the Board the appointment of Chief Financial Officer after assessing his qualifications, experience and background etc. of the candidate.

REPORT ON CORPORATE GOVERNANCE (contd.)

n. To invite the auditors and Key Managerial Personnel (KMP) (for hearing) while considering the Auditors Report at the Audit Committee Meeting.

o. Reviewing Management letters / letters of internal control weaknesses issued by the statutory auditors and Internal audit reports relating to internal control weaknesses.

p. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

q. Reviewing of the financial statements, in particular, the investments made by the unlisted subsidiaries.

r. Discussion with internal auditors of any significant findings and follow up there on;

s. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

t. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

u. Reviewing of statement of deviations:

   i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.

   ii. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.

v. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

w. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

x. Any other function as may be specifically entrusted by the Board.

iii. The Audit Committee charter has vested with the Committee the following powers for its effective functioning:

1. To call for information on comments/observation of the auditors about internal control systems, review of financial statements before their submission to the Board.

2. Scope of various Audits.

3. To discuss any related issues with the internal and statutory auditors and the Management of the Company.

4. To investigate any activity within its terms of reference.

5. To seek information from the Management, auditors, internal auditors and employees of the Company.

6. To obtain outside legal or expert advice and to engage external experts and advisors.

iv. The Audit Committee invites executives, representatives of the Statutory Auditors, Internal Auditors to be present at its meetings. The Audit Committee also holds independent discussions with Statutory Auditors/Internal Auditors.

v. The Chairperson of the Committee is an Independent Director and was present at the last AGM held on Wednesday, September 24, 2025. All the members of the Committee have expertise in accounting and financial management and are considered financially literate as defined in Regulation 18(1)(c) of the SEBI Listing Regulations. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

vi. During the fiscal year 2025-2026, six (6) meetings of the Audit Committee were held and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

May 26, 2025, August 7, 2025, October 23, 2025, November 7, 2025, November 12, 2025 and February 9, 2026

The quorum as required under Regulation 18(2) of the SEBI Listing Regulations, was maintained at all the meetings.

vii. The composition, name of the members, chairperson, and attendance of the members of Audit Committee are given below:

Name of the Member	Category	No. of meetings attended (Held - 6)
Lt. Gen. Codanda Poovaiah Cariappa, Chairman	ID	6
Mr. Tanmoy Chakrabarty	ID	6
Mr. Venkatraman Venkitachalam	NED	6

Notes: ID – Independent Director; NED – Non-Executive Director

Internal Audit

Your Company has appointed M/s. Protiviti India Member Private Limited, a reputed global consulting firm to oversee and carry out internal audit of its operations and activities. The internal audit is carried out in accordance with a risk-based audit plan, which is reviewed and approved by the Audit Committee.

The Audit Committee reviewed the reports submitted by the internal auditors including the external Internal Auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the Company's financial statements. The Committee also considered significant financial issues affecting the Company and engaged in detailed discussions with the internal auditors, statutory auditors and the Company's Management to evaluate the adequacy and effectiveness of the internal control and governance framework.

The minutes of the Audit Committee meetings are placed before the Board for its noting. During the year, all recommendations made by the Audit Committee, as mandatorily required, were accepted and approved by the Board.

Related Party Transactions

As a part of the mandate under the SEBI Listing Regulations and the terms of reference, the Audit Committee undertakes quarterly review of related party transactions entered into by the Company with its related parties. Pursuant to Regulation 23 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the Audit Committee has granted omnibus approval in respect of transactions which are repetitive in nature, which may or may not be foreseen, not exceeding the limits specified thereunder. The transactions under the purview of omnibus approval are reviewed on quarterly basis by the Audit Committee. The details of Related Party Transactions during FY 2025-26 including the details regarding approval granted for material related party transactions are provided in the Director's Report segment of the Annual Report.

Pursuant to Regulation 23 of the SEBI Listing Regulations, only the Independent Directors of the Committee participate and vote in respect of related party transactions.

Further, the Company has formulated and adopted a policy on dealing with related party transactions, in line with Regulation 23 of the SEBI Listing Regulations, which is available on the website of the Company at www.axiscades.com.

B. NOMINATION & REMUNERATION COMMITTEE

i. The constitution of the Committee is in conformity with the provisions of Regulation 19 of SEBI Listing Regulations, 2015, as amended, read with Section 178 of Companies Act, 2013.

ii. The terms of reference of the Nomination and Remuneration Committee are as under:

The Committee is primarily responsible to oversee nomination process for appointment of Directors, Executive Management and Key Managerial Personnel and for laying down a sound policy for Board and executive remuneration. Its terms of reference approved by the Board of Directors inter alia include:

   i. Formulation of criteria for determining qualifications, positive attributes and independence of Directors;

   ii. Devising a policy on Board Diversity and balanced Board;

   iii. Identification of suitable persons for appointment as Director, Senior Management personnel in accordance with the laid down criteria and recommending their appointment to the Board;

   iv. Formulation of criteria for evaluation of Independent Directors and the Board;

   v. Formulating and recommending to the Board a Remuneration Policy;

   vi. Evaluating the performance of Directors and recommend to the Board, their appointment or removal.

   vii. recommend to the Board, all remuneration, in whatever form, payable to senior management.

   viii. Oversee the implementation of the share-based employee benefits scheme by whatever name called as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, within the terms and conditions of the said Plan(s); and perform the function of overall superintendence of the scheme(s);

iii. During the FY 2025-2026, three (3) meetings of Nomination & Remuneration Committee were held on July 29, 2025, December 03, 2025 and March 26, 2026.

iv. The Chairperson of the Committee is an Independent Director and was present at the last AGM held on September 24, 2025.

REPORT ON CORPORATE GOVERNANCE (contd.)

v. The composition of the nomination and remuneration committee and the details of meetings attended by its members are given below:

Name of the Member	Category	No. of meetings attended (Held -3)
Mr. Tanmoy Chakrabarty, Chairman	ID	3
Lt. Gen Codanda Poovaiah Cariappa	ID	3
Ms. Mariam Mathew	ID	3
Mr. Venkatraman Venkitachalam	NED	3

Notes: ID – Independent Director, NED – Non-Executive Director

EVALUATION OF PERFORMANCE OF DIRECTORS/BOARD

The Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and Directors, including Independent Directors and Chairman of the Board. The Board works with Nomination & Remuneration Committee to lay down the evaluation criteria for the performance of executive/ non-executive/independent directors through peer evaluation. The policy envisages evaluation process to be undertaken, generally once at the end of each year.

The various criteria laid down in the policy for evaluation of a Director/Board, are briefly stated below.

Key Criteria for evaluation of a Director

1. The ability to contribute to the compliance of corporate governance practices.
2. The ability to analyse controls, risks, operations and to channelize the same for its effective cascading in the organization.
3. Recognition and fulfillment of their roles and responsibilities
4. Commitment to the fulfillment of Director's obligations and fiduciary responsibilities, including participation in Board and committee meetings.

NOMINATION AND REMUNERATION POLICY

The Company is in the Service Industry and therefore Company's policies recognizes Human Resource as its true asset and strives to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company.

In terms of the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, the Nomination and Remuneration Committee has formulated a policy on nomination and remuneration of Directors, Key Managerial Personnel & Senior Management and the same is approved by the Board of Directors, from time to time.

The remuneration considers a balanced blend of Fixed and Variable pay, in line with the best market practices, to attract and retain talent, to achieve excellence in performance, so as to meet its strategic, short-term and long-term goals and objectives of the Company.

The Policy sets out the guiding principles for Nomination and Remuneration Committee for recommending to the Board, remuneration of the Executive Management of the Company.

(i) Policy on Directors' Remuneration

The Non-Executive / Independent Directors shall receive remuneration by way of sitting fees for attending meetings of Board or Committee and Commission as approved by the shareholders on September 28, 2023. The amount of such fees shall not exceed the limits as may be prescribed by the Central Government from time to time.

The Independent Directors are not entitled to any stock options of the Company.

The Board shall, on the recommendation of the Nomination and Remuneration Committee, review and approve the remuneration payable to the Non-Executive Directors within the overall limits approved by the shareholders.

(ii) Remuneration to Executive Directors and Key Managerial Personnel

The remuneration structure for the Executive Directors and Key Managerial Personnel shall consist of:

i) Basic pay

ii) Benefits, Perquisites and Allowances

iii) Performance based Variable Pay

iv) Retiral benefits

v) ESOP, as and when granted as per the approved Scheme.

The Board shall, on the recommendation of the Nomination and Remuneration Committee, review and approve the remuneration payable to the Executive Directors & KMPs' as per applicable statutory regulations and requisite approvals.

(iii) Remuneration to other employees

The employees shall be evaluated annually based on their role, qualifications, competencies and expertise. Their remuneration levels shall be determined in line with the industry best practices and prevailing market standards.

The Board shall, on the recommendation of the Nomination and Remuneration Committee, review and approve the remuneration policy of the Company from time to time.

Remuneration to Non-Executive Directors

The Non-Executive Directors and Independent Directors are paid a sitting fee of ₹1,00,000/- each for every Board and Audit Committee Meeting and ₹50,000/- each for every Committee meeting attended by them. Further, Chairperson of Nomination and Remuneration Committee is paid a sitting fee of ₹1,00,000/- for every meeting with effect from September 26, 2024.

Apart from sitting fees, the Directors are reimbursed for expenses directly and exclusively incurred for the performance of their duties as a Director.

The Non-Executive Directors are eligible for payment of commission as approved by the shareholders of the Company at the Thirty third (33rd) Annual General Meeting held on September 28, 2023, up to an amount, not exceeding 2% of the net profits of the Company, in accordance with the audited standalone net profits of the Company for the financial year, computed in accordance with section 198 of the Companies Act, 2013 and in the case of loss or inadequate profits, payment of minimum remuneration of ₹5 lakhs per annum per Non-Executive Director, for a period of 3 years.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Details of the sitting fees for the year ended March 31, 2026 are as follows:

Details of remuneration paid/payable for the financial year ended March 31, 2026

Sl. No.	Name	Category	Sitting fees	Commission*
1	Dr. Sampath Ravinarayanan	Chairman & MD	2,00,000	2,65,464
2	Mr. Alfonso Martinez Fernandez	CEO & MD	-	-
3	Ms. Mariam Mathew	ID	10,50,000	7,56,987
4	Mr. Tanmoy Chakrabarty	ID	18,00,000	7,56,987
5	Lt. Gen Codanda Poovaiah Cariappa	ID	16,50,000	7,56,987
6	Mr. Giridhar Aramane	ID	-	12,444
7	Mr. David Abikzir	NED	2,00,000	2,23,985
8	Mr. Venkatraman Venkitachalam	NED	17,00,000	7,56,987
	Total		**66,00,000**	**35,29,841**

**The Commission for FY 2025-26 shall be paid subject to the approval of the annual audited accounts by the shareholders at the 36th Annual General Meeting.*

Notes: ID- Independent Director, NED- Non-Executive Directors

As on March 31, 2026, Ms. Mariam Mathew held 800 equity shares of the Company.

Remuneration to Executive Directors

Name of the Director	Fixed Salary			Performance linked Variable pay	Total
	Salary	Perquisites	Retiral Benefits		
Dr. Sampath Ravinarayanan	5,00,000	0	0	0	5,00,000
Mr. Alfonso Martinez Fernandez	3,79,83,668	38,06,985	7,50,000	0	4,25,40,653

Note: On accrual basis

The annual performance linked variable pay is computed/disbursed on the basis of achievement of both financial and non-financial objectives and metrics, which are aligned to the Company's performance.

REPORT ON CORPORATE GOVERNANCE (contd.)

Performance Evaluation Criteria for Independent Directors

The Nomination and Remuneration Committee establishes the criteria for evaluating the performance of Independent Directors. The assessment covers various factors, such as the director's level of participation and contribution, commitment, effective utilisation of knowledge and expertise, integrity, maintenance of confidentiality, as well as independence in behaviour and decision making.

C. STAKEHOLDER'S RELATIONSHIP COMMITTEE

i. The constitution of the Committee is in conformity with the provisions of Regulation 20 of SEBI Listing Regulations, as amended, read with Section 178 of Companies Act, 2013.

ii. One meeting was held during the year FY 2025-26 on February 6, 2026

iii. The composition of the Stakeholder Relationship Committee and the details of meetings attended by its members are given below:

Name of the Member	Category	No. of meetings attended (Held -1)
Lt Gen Codanda Poovaiah Cariappa, Chairman	ID	1
Mr. Tanmoy Chakrabarty	ID	1
Mr. Venkatraman Venkitachalam	NED	1

Notes: ID – Independent Director, NED – Non-Executive Director

Mr. Tanmoy Chakrabarty was appointed as Member of the Committee w.e.f August 7, 2025.

Note: The Committee was reconstituted on August 7, 2025.

iv. The main function of Stakeholders' Relationship Committee is to address investor grievances and issues, if any, which are of interest to shareholders and other security holders. The Committee also oversees the share transfer process.

v. Name and Designation of Compliance Officer:

Name	Ms. Sonal Dudani	
Designation	Company Secretary and Compliance Officer	
Contact details	Address	Block C, 2nd Floor, Kirloskar Business Park, Bangalore 560024
	Phone	+91 80 4193 9000
	E-mail	sonal.d@axiscades.in

vi. Details of investor complaints received and redressed during the financial year 2025-2026 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	1	1	Nil

Registrar and Share Transfer Agent ('RTA')

Pursuant to Regulation 7 of the SEBI Listing Regulations, the Company has engaged the services of KFin Technologies Limited (erstwhile known as M/s KFin Technologies Private Limited) for the purpose of share transfer facility and of dealing and processing investor services requests. The contact details of the RTA are given below:

Name	KFin Technologies Limited	
Contact Details	Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032.
	Phone	1800 309 4001
	E-mail	einward.ris@kfintech.com
	Investor Support Centre	https://kprism.kfintech.com/
	KFINTECH Corporate Website	https://www.kfintech.com
	RTA Website	https://ris.kfintech.com
	KPRISM (Mobile Application)	https://kprism.kfintech.com/signup

D. RISK MANAGEMENT COMMITTEE

i. The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations.

ii. The terms of reference of the Risk Management Committee are as under:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

iii. During the FY 2025-2026, two meetings of Risk Management Committee were held on October 14, 2025 and March 30, 2026. The necessary quorum was present for each of the meetings.

REPORT ON CORPORATE GOVERNANCE (contd.)

iv. The composition of the Risk Management Committee and the details of meetings attended by its members are given below:

Name of the Member	Category	No. of meetings attended (Held -2)
Ms. Mariam Mathew, Chairperson	ID	1*
Mr. Venkatraman Venkitachalam	NED	2
Mr. Shashidhar SK	KMP	2

Notes: ID – Independent Director, NED – Non-Executive Director, KMP - Key Managerial Personnel

*Leave of absence was granted to Ms. Mariam Mathew for the meeting held on March 30, 2026.

E. SENIOR MANAGEMENT

During the year, the following were appointed/ designated as Senior Management Personnel (SMP) of the Company

a. Mr. K.P. Mohanakrishnan was appointed as Deputy Chief Executive Officer (Deputy CEO) and Senior Management Personnel (SMP) of the Company w.e.f. April 09, 2025

b. Mr. Muralikrishnan was designated as Chief Operating Officer (COO) of the group and Senior Management Personnel (SMP) of the Company w.e.f. April 09, 2025.

c. Mr. Ravikumar Joghee, Chief Strategy & Marketing Officer was designated as the Senior Management Personnel (SMP) of the Company w.e.f. May 20, 2025

d. Mr. Anurag Sharma was designated as Chief Growth Officer and Senior Management Personnel (SMP) of the Company w.e.f. May 20, 2025.

e. Mr Mukund Santhanam was appointed as Chief Strategy and Growth Officer and Head - Investor Relations, Senior Management Personnel (SMP) of the Company wef February 09, 2026

y. ANNUAL GENERAL MEETINGS

The following is the summary of the Annual General Meetings (AGM) of the Company held during the last three years:

Financial Year ended	Date and time	Venue of the meeting	Special Resolutions transacted
March 31, 2023	September 28, 2023; 02:30 PM (IST)	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. Payment of Commission to Non-Executive Directors 2. Approval for borrowing limits of the Company 3. Approval for creation of charge on the assets of the Company
March 31, 2024	September 18, 2024; 5:00 PM (IST)	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. Appointment of Mr. Tanmoy Chakrabarty (DIN: 00207066) as Non-Executive, Independent Director of the Company
March 31, 2025	September 24, 2025 11:30 AM (IST)	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	1. To appoint Dr. Sampath Ravinarayanan as Managing Director of the Company. 2. To appoint M/s. BMP & Co. LLP, Company Secretaries as Secretarial Auditors of the Company 3. Approval for Borrowing limits of the Company. 4. Approval for Creation of Charge on the Assets of the Company

I. DISCLOSURES

i. Related Party Transactions

All the related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions which have potential conflict with the interests of the Company at large. With effect from financial year ended March 31, 2026, the details of related party transactions, on a consolidated basis, are filed, half yearly, with the stock exchanges, pursuant to the amendment thereof in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Related party transactions are reported in Notes to the financial statements of the Company.

The Board has reviewed and approved a policy on related party transactions and the same is hosted on the website of the Company at the following link- https://axiscades.com/download/policy-on-dealing-with-related-party-transactions?wpdmdl=4146&refresh=661cc8b0b70511713162416

ii. Details of non-compliance

2025-26

The Company has paid fine imposed by the Stock Exchanges in relation to non-compliance with the requirement relating to minimum number of Directors under Regulation 17 of SEBI Listing Regulations.

2024-25

There are no instances of non-compliance by the Company during the fiscal year 2024-25 and no penalties, or strictures imposed on your Company by any of the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the year.

2023-24

The Company has paid fine imposed by the Stock Exchanges in relation to non- compliance with the requirement pertaining to prior intimation of Board meeting for fund raise through Qualified Institutions Placement and to consider pre-payment of Unlisted Non-Convertible Debentures under Regulation 29 of SEBI Listing Regulations.

iii. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with the requirements under the Companies Act, 2013, and SEBI Listing Regulations. All employees and Directors have communication access to the Audit Committee. The said policy has been also put up on the website of the Company at the following link- https://axiscades.com/download/whistle-blower-policy?wpdmdl=4142&refresh=661cc8b0b790b1713162416

iv. Disclosure of Compliance

The Company complies with the corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI Listing Regulations except for the matter as disclosed in Point No. (ii) under Main Point I.

In its endeavor to comply, beyond the statutory requirements, the Company has fulfilled the following non-mandatory requirements as specified in Part E of Schedule II of SEBI Listing Regulations:

- The Internal Auditor directly reports to the Audit Committee.
- The Company is in the regime of unmodified audit opinion.

v. Code of Conduct

The Board has laid down a comprehensive Code of Conduct applicable to all Board members including Independent Directors, Senior Management, and employees of the Company. The code of conduct is available on the website of the Company www.axiscades.com. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is furnished at the end of this report.

vi. Internal Code of Conduct for Prevention of Insider Trading

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 which has come into force with effect from May 15, 2015 and the amendment thereof which has come into force with effect from April 01, 2019, the Company has formulated/amended a Code of conduct to regulate, monitor and report trading by its employees, directors and other connected persons.

As required under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has also formulated Code of practices and procedures for fair disclosure of unpublished price sensitive information and the same is posted and is accessible on the website of the Company at www.axiscades.com

Based on the amendment to SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from April 01, 2019, the trading window is closed from the end of every quarter till 48 hours after the declaration of financial results.

II. SUBSIDIARY COMPANIES

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with the report on significant developments of the unlisted subsidiary companies are placed before the board of the Company.

REPORT ON CORPORATE GOVERNANCE (contd.)

In terms of the Company's Policy on determining "material subsidiary", during the financial year ended March 31, 2026, the Company has following material subsidiaries, The details as required have been given below:

Sl. No.	Name of the Subsidiary	Date of incorporation	Place of incorporation	Name of the Statutory Auditors	Date of appointment of Statutory Auditors
1.	AXISCADES Aerospace & Technologies Private Limited	03/01/2001	Bangalore, Karnataka	S.R. Batliboi & Associates LLP	26/09/2022
2.	AXISCADES Aerospace Infrastructure Private Limited	23/10/2000	Bangalore, Karnataka	Vishnu Daya & Co LLP	05/08/2025
3.	Mistral Solutions Private Limited (MSPL)	20/05/1999	Bangalore, Karnataka	S.R. Batliboi & Associates LLP	15/11/2023
4.	AXISCADES Inc.	07/06/1987	Illinois, United States	S.R. Batliboi & Associates LLP	17/05/2022

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following link- https://axiscades.com/download/policy-for-determining-material-subsidiaries?wpdmdl=4144&refresh=661cc8b0b74d91713162416

III. MEANS OF COMMUNICATION

The quarterly, half-yearly & nine months unaudited financial results and annual audited results of the Company are generally published in leading newspapers such as Financial Express and Prajavani. The results are also displayed on the Company's website www.axiscades.com. Press notes/ releases/presentations to the Institutional Investors and analysts, other announcements and Notices are posted promptly on the website of the Company in addition to Stock Exchange communication.

vi. GENERAL SHAREHOLDER INFORMATION

i. Details of the AGM

Date: Monday, September 28, 2026

Time: 10:30 AM (IST)

Mode: Video Conferencing

ii. Financial Calendar

Financial Year: Financial Year of the Company commences from 1st day of April and ends on 31st day of March of next year.

Financial reporting calendar (tentative) for financial year 2026-27 is as under:

Quarter	Period ended on	On or Before
Q1	30 June 2026	August 13, 2026
Q2	30 September 2026	November 14, 2026
Q3	31 December 2026	February 14, 2027
Q4	31 March 2026	May 30, 2027

Dividend Payment: Nil

iii. Listing on Stock Exchanges:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street,

Fort, Mumbai – 400001

National Stock Exchange of India Ltd. (NSE)

Exchange Plaza Plot No.C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai, 400051

Stock Code/Symbol

BSE: 532395

NSE : AXISCADES

The Listing fees for the fiscal year 2025-2026 as applicable have been paid to all the above Stock Exchanges.

iv. Dematerialised of Equity Shares

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's share is INE555B01013.

Equity shares of the Company representing 99.94% of the Company's equity share capital are dematerialized as on March 31, 2026. The Company's equity shares are actively traded on BSE and NSE.

Further, the entire shareholding of Promoter and Promoter Group are held in dematerialised mode only.

v. The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2026, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

vi. Registrar and Transfer Agent

Name and Address:

KFin Technologies Limited

Selenium Building, Tower-B,

Plot No 31 & 32,Financial District,

Nanakramguda, Serilingampally,

Hyderabad, Rangareddy, Telangana, India - 500 032.

Telephone : 01800 309 4001

E-mail: einward.ris@kfintech.com

vii. Share transfer System:

Pursuant to Regulation 40 of SEBI Listing Regulations (as amended), the securities of AXISCADES Technologies Limited held in physical mode are not transferable, effective April 01, 2019. Further in compliance with Securities and Exchange Board of India vide circular bearing SEBI/ HO/MIRSD/ MIRSD_PoD/P/CIR/2025/97 dated July 2, 2025, a special window is open for re-lodgment of transfer deeds, which were lodged prior to the deadline of April 01, 2019 and rejected/ returned/ not attended to due to deficiency in the documents/ process/ or otherwise , for a period of six months from July 7, 2025 to January 6, 2026.

The Securities and Exchange Board of India vide circular bearing ref. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that, in respect of investor services including transmission, duplicate share certificate, transposition, securities re-lodged for transfer etc., the listed entity shall issue the securities in dematerialised mode only.

In compliance with the above circular, no securities in physical mode are issued by the listed entity.

The securities, however held in dematerialised mode, are freely transferable. The transfer through demat mode takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.

KFin Technologies Limited is the common Registrar & Transfer Agent for shares held in both physical and dematerialised mode. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, considering the enhanced measures to ease dealings in securities market by the Investors, has mandated:

a. furnishing of PAN, email address, mobile number, bank account details and nomination by holders of physical securities,

b. registration of the PAN, Bank details and the nomination for dealing with any service request and complaint,

c. linking of PAN and Aadhaar by such date as may be specified by the Central Board of Direct Taxes to avoid freezing of folio.

The prescribed procedure for dealing with the above requests have been advised to the shareholders vide our letter dated May 29, 2023 and the shareholders are requested to refer to the same. In view of the SEBI circular SEBI/HO/ MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, we would like to urge the shareholders holding shares in physical form to dematerialize their holdings at the earliest. Dematerialised of shares ensures quick, error-free and seamless transactions. It is a safe and convenient way to trade or invest and enables to monitor portfolio from anywhere across the Globe.

Confirmation in respect to the requests for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL, expeditiously.

viii. Shareholding as on March 31, 2026:

Distribution of equity shareholding as on March 31, 2026

Category	No. of Holders	% to Holders	No. of Shares	% To Equity
1 - 5000	41957	95.65	19677655	9.26
5001 - 10000	912	2.08	6766490	3.18
10001 - 20000	485	1.11	6998545	3.29
20001 - 30000	172	0.39	4287350	2.02
30001 - 40000	84	0.19	2892455	1.36
40001 - 50000	61	0.14	2794160	1.31
50001 - 100000	94	0.21	6657895	3.13
100001 and above	102	0.23	162512395	76.45
Total	**43867**	**100.00**	**212586945**	**100.00**

Categories of equity shareholders as on March 31, 2026:

Category	No. of shares	Percentage
Promoters Group – Indian	24682047	58.05
Indian Public	12703576	29.89
Bodies Corporate	2491645	5.86
NRIs/ OCBs/ Foreign Nationals/FIIs	1164659	2.74
Others	1475462	3.46
Total	**42517389**	**100**

REPORT ON CORPORATE GOVERNANCE (contd.)

ix. CEO/CFO certification

The Certificate duly signed by Chairman & Managing Director and Chief Financial Officer of the Company as required under Regulation 17(8) of SEBI Listing Regulations is attached to this Report.

x. Compliance Certificate

Certificate on compliance of conditions of corporate governance under SEBI Listing Regulations is attached.

xi. Foreign Exchange Risk and Hedging

The Company has a policy on Foreign Exchange Risk Management. The Board periodically reviews foreign exchange exposure and forward contract outstanding and future hedging requirements.

xii. Plant locations: The Company is engaged in the business of providing technology services and solutions and does not have any manufacturing plants.

xiii. Registered Office & Address for correspondence:

Block C, Second Floor, Kirloskar Business Park,
Bengaluru-560024, Karnataka
Other locations of offices of the Company are available at the Company's website at www.axiscades.com

xiv. Credit Ratings: During the year, CARE India Limited has reaffirmed the credit rating of the Company as CARE A-; Stable and CARE A-/CARE A2+ for Bank facilities. The necessary disclosures were made to Stock Exchange periodically.

xv. There were no such mandatory matters where the Board had not accepted any recommendation by the Committees in the financial year 2025-2026.

xvi. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the Statutory Auditor and to all entities in the network firm/network entity of which the Statutory Auditor is a part, is ₹ 1,70,40,761/- (excluding out of pocket expenses).

a. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the FY 2025-26.

No. of Complaints filed	Nil
No. of Complaints disposed off	Nil
No. of Complaints pending as on March 31, 2026	Nil

xvii. The Company has received a certificate from S. Chauhan & Associates, Company Secretaries, stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/Ministry of Corporate Affairs or any such other statutory authority. A certificate from S. Chauhan & Associates, Company Secretaries, confirming compliance with conditions of Corporate Governance is annexed to this Report

xviii. Utilization of Funds raised through Qualified Institutional Placement (QIP):

During the year 2023-24, the Company allotted 33,23,262 equity shares through Qualified Institutional Placement (QIP) at an issue price of ₹ 662 per equity share (including a premium of ₹ 657 per equity share and reflecting a discount of ₹ 34.70 (i.e. 4.98%) on the floor price of ₹ 696.70 per equity share) aggregating to ₹ 2,19,99,99,444 on January 15, 2024. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and Sections 42 and 62 of the Companies Act, 2013 as amended, including the rules made thereunder. The proceeds of the funds are utilised as follows (up to March 31, 2026):

Particulars	Amount (in ₹)
Amount raised from QIP	2,19,99,99,444
Issue Expenses	16,52,59,423
Amount utilised for redemption of Non-Convertible Debentures (NCDs) and other debts	1,58,45,48,001
Amount utilised for General Corporate purpose	45,01,92,020

xix. The details of loans and advances in the nature of loans to firms/companies in which directors are interested form part of Note No. 29 of Standalone Financial Statements published in this Annual Report.

xx. Date of incorporation and Corporate Identity Number (CIN) of the Company: 24th August 1990
CIN: L72200KA1990PLC084435

xxi. Details of unclaimed equity dividend - NA

xxii. Details of shares held in the Suspense Account - NA

xxiii. Disclosure relating to compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 - The disclosures have been made in the Board's Report, forming part of this Annual Report.

xxiv. During FY 2025-26, the Company had not sought any approval of the Shareholders by way of Resolution through Postal Ballot.

xxv. Agreements relating to the Company - There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

xxvi. Disclosure regarding appointment or re-appointment of Directors - The disclosures have been made in the Notice of AGM forming part of this Annual Report.

xxvii. Dividend Distribution Policy - The Company has a Dividend Distribution Policy which is disclosed on its website at https://axiscadespdfs.b-cdn.net/ CORPORATE%20GOVERNANCE/CORPORATE%20POLICIES/2.pdf

xxviii. Adoption of Mandatory and Discretionary Requirements - The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations.

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Schedule V (para E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
AXISCADES TECHNOLOGIES LIMITED
CIN: L72200KA1990PLC084435
Block C, Second Floor, Kirloskar Business Park,
Bengaluru-560024, Karnataka, India.

We have examined the compliance of conditions of Corporate Governance by **AXISCADES Technologies Limited** ("the Company") having **CIN:** L72200KA1990PLC084435, for the purpose of certifying of the Corporate Governance under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from the period April 01, 2025, to March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, except for the following:

a. During the period from August 23, 2025 to March 25, 2026, the Board comprised five directors, which was below the minimum requirement of six directors prescribed under Regulation 17(1) of Listing Regulations. Consequently, NSE and BSE issued notices by levying penalty in this regard, and the same were duly paid by the Company. The Board composition was subsequently regularized and brought into compliance with Listing Regulations on March 26, 2026.

   We further state that such compliance 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.

For **BMP & Co. LLP,**
Company Secretaries

Sd/-
CS Biswajit Ghosh
Designated Partner
FCS No.: 8750 CP. No.: 8239
Peer Review Certificate No. 6387/2025
Firm Registration Number: L2017KR003200

Place: Bengaluru
Date: 13th August, 2026
UDIN: F008750H001096672

CEO/CFO CERTIFICATION

To
The Board of Directors
AXISCADES Technologies Limited
Bengaluru

Dear Sirs,

Sub: Certification under Regulation 17 of the Listing Regulations for the year ended March 31, 2026

We, Dr. Sampath Ravinarayanan, Chairman & Managing Director and Shashidhar SK, Chief Financial Officer, hereby certify that:

(a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief.

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   (ii) These statements together present a true and fair view of the Company's affair and are in compliance with the 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 period which are fraudulent, illegal or violate the Company's code of conduct.

(c) We accept the responsibility for establishing and maintaining internal controls for the financial reporting, and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the 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 taken or proposed to be taken to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit committee:

   i. significant changes, if any, in internal control over financial reporting during the year ended;

   ii. significant changes, if any, in accounting period during the year ended and that the same have been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board of Directors

sd/-
Dr. Sampath Ravinarayanan
Chairman & Managing Director

sd/-
Shashidhar SK
Chief Financial Officer

Place: Bengaluru
Date: 27.05.2026

DECLARATION ON THE COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To
The Shareholders
AXISCADES Technologies Limited

The Company has adopted a Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to further strengthen Corporate Governance practice in the Company.

All the members of the Board and Senior Management Personnel have affirmed compliance with the said Code of Conduct in so far as it is applicable to them, and no instances of non-compliance were reported during the financial year ended March 31, 2026.

Sd/-
Dr. Sampath Ravinarayanan
Chairman and Managing Director
AXISCADES Technologies Limited

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
AXISCADES TECHNOLOGIES LIMITED
(CIN: L72200KA1990PLC084435)
Block C, Second Floor, Kirloskar Business Park
Bengaluru 560024,
Karnataka, India

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AXISCADES Technologies Limited having CIN: L72200KA1990PLC084435 and having registered office at Block C, Second Floor, Kirloskar Business Park, Bengaluru Bangalore 560024, Karnataka, India (the "Company"), produced before us 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 the Securities and 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 Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2026 have been debarred and disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of appointment at current designation in the Company
1.	Dr. Sampath Ravinarayanan	00208793	12/10/2024
2.	Mrs. Mariam Mathew	08065365	13/02/2018
3.	Mr. Tanmoy Chakrabarty	00207066	13/07/2024
4.	Lt. Gen. Codanda Poovaiah Cariappa (Retd)	10777872	19/09/2024
5.	Mr. Venkatraman Venkitachalam	05008694	06/01/2023
6.	Mr. Giridhar Aramane	00483130	26/03/2026

Ensuring the eligibility for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our 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.

FOR S. CHAUHAN AND ASSOCIATES.
COMPANY SECRETARIES

SURENDER SINGH CHAUHAN
FCS No. - 10958
CP No. - 15640

UDIN: F010958H000478964
PR NO. 1440/2021

DATE : 25.05.2026
PLACE: Mumbai

FINANCIALS

The audited record for FY2026. This section includes the standalone and consolidated financial statements, along with the Independent Auditors' Reports for each. Every figure quoted earlier in this report is traceable to the accounts set out here.

09.

INDEPENDENT AUDITOR'S REPORT

To the Members of **AXISCADES Technologies Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of AXISCADES Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive loss, its cash flows and the changes in equity 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), as specified under Section 143(10) of the Act. Our responsibilities under those Standards 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 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 audit opinion on the standalone financial statements.

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 for the financial year ended March 31, 2026. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition – unbilled revenue (as described in note 2.2(f), note 7 and note 21 of the standalone financial statements)	
Revenue from sale of engineering services for the year ended March 31, 2026 amounted to ₹ 45,466.91 lakhs and unbilled receivables as at March 31, 2026 amounted to ₹ 4,132.07 lakhs. Revenue from time and material contracts related to engineering services are recognised over time as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Billing is done basis customer acceptances. Revenue from the end of last invoicing to the reporting date is recognized as unbilled revenue. Considering significant amount and volume of transactions, there is an inherent risk related to the occurrence of unbilled revenue at the year-end date. Accordingly, we have determined this area to be key audit matters in our audit of the standalone financial statements.	Our audit procedures included the following: • We evaluated the Company's accounting policy for revenue recognition and assessed its compliance with Ind AS 115, Revenue from Contracts with Customers; • We assessed the design and tested the operating effectiveness of internal controls related to revenue; • We performed sample test of revenue transactions of unbilled revenue at the year-end and traced those to underlying terms agreed with customers, proof of service delivery and approvals. Also, tested, on a sample basis, invoices raised subsequent to year end; • We assessed aging of unbilled revenue as on the balance sheet date and in case of aged items obtained reasons for delays and expected timelines for invoicing of the same; and • Assessed the relevant disclosures in the standalone financial statements as per the relevant accounting standards.

Key audit matters	How our audit addressed the key audit matter
Assessment of impairment of investment in subsidiaries (as described in note 2.2(a) and note 5 of the standalone financial statements)	
As at March 31, 2026, the carrying value of investment in subsidiaries in the standalone balance sheet aggregates ₹ 41,138.65 lakhs, net of impairment. The Management assesses annually the existence of impairment indicators in respect of its investment in subsidiaries and such investments are subject to impairment test. For the purpose of the above assessment, recoverable amount has been determined by forecasting and discounting future cash flows. Furthermore, the recoverable amount is based on Management's assumptions of variables and market conditions such as volume growth rates, future operating expenditure, discount rates and long-term growth rates. Determination of the recoverable amount of the investment in subsidiaries involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these investments and accordingly, the assessment of impairment of investment in subsidiaries were determined to be a key audit matter in our audit of the standalone financial statements.	Our audit procedures included the following: • We understood, evaluated and tested Management's key controls over the process of assessment of impairment in investments; • We assessed the Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we also assessed the objectivity and independence of Company's specialists involved in the process; • We engaged experts to assess the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and long-term growth rates and methodologies used by the Management to determine the recoverable amount; • We tested the arithmetical accuracy of the impairment testing models; and • We have assessed the disclosure in the standalone financial statements as per the relevant accounting standards.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

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

Our opinion on the standalone financial statements does not cover the other information and we do 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 and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the applicable laws and regulations.

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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

INDEPENDENT AUDITOR'S REPORT *(continued)*

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.

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 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.

- Conclude on the appropriateness of management'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 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 for the financial year ended March 31, 2026 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.

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 the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (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 is 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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3) (b) and paragraph (i)(vi) below on reporting under Rule 11(g);

   (i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 46 to the standalone financial statements;

      ii. Provision has been made in the standalone financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 17 to the standalone financial statements;

      iii. There were no amounts which were 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 its knowledge and belief, as disclosed in the note 50(vi) 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, whether, 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 its knowledge and belief, as disclosed in the note 50(vii) 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, whether, 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; and

      c) Based on such 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 (a) and (b) contain any material misstatement.

      v. No dividend has been declared or paid during the year by the Company.

      vi. The Company has used two accounting software for maintaining its books of account. Based on our examination which included test checks, the softwares 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 softwares, except as also described in note 49 to the financial statements, the audit trail feature is not enabled at the database level for one software. Audit trail features have not been tampered with in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior years.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Pradip Agarwal
Partner
Membership Number: 065537
UDIN: 26065537DFRCXU2019

Place of Signature: Bengaluru
Date: May 27, 2026

ANNEXURE 1

referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: AXISCADES Technologies Limited ('the Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the Management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 15 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns/ statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have sanctioned working capital limits in excess of ₹ five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company

(iii) (a) During the year the Company has not provided advances in the nature of loans or security to companies, firms, Limited Liability Partnerships or any other party. Further, during the year the Company has granted loan to subsidiary companies and stood guarantee on behalf of subsidiary companies, as follows:

	Loans (INR in lakhs)	Guarantee (INR in lakhs)
Aggregate amount granted during the year		
- Subsidiaries	206.00	950.00
- Others	-	-
Balance outstanding as at balance sheet date in respect of above case		
- Subsidiaries	256.00	6,750.00
- Others	-	-

The Company does not have any associate and joint venture, hence the requirement to report on clause 3(iii)(a) of the Order in respect of associate and joint venture, is not applicable to the Company.

(b) During the year the Company has not made investments, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Further, the terms and conditions of the loans granted and guarantees provided during the year, are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year to subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans or advances in the nature of loans granted to companies, firms, Limited Liability Partnerships or any other parties which are overdue for more than ninety days.

(e) During the year, the Company had granted fresh loans to the subsidiaries to settle the loan granted to these parties which had fallen due during the year.

The aggregate amount of such dues settled by fresh loans and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Parties	Aggregate amount of loans granted during the year (INR in lakhs)	Aggregate overdue amount settled by fresh loan granted to same parties (INR in lakhs)	Percentage of the aggregate to the total loans granted during the year (INR in lakhs)
Explosoft Tech Solutions Private Limited (Subsidiary)	46.00	33.00	71.74%
Epcogen Private Limited (Subsidiary)	160.00	50.00	31.25%

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, income-tax, , duty of customs, value added tax, cess and other statutory dues applicable have generally been regularly deposited with the appropriate authorities though there has been a serious delays in deposit of provident fund. According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, income-tax, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of the dues	Amount (INR in lakhs)	Period to which the amount relates	Due date	Date of payment
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund (including interest)	59.25	January 2025 to September 2025	Various	May 14, 2026

(b) The dues of income-tax and service tax that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (INR in lakhs)	Amount paid under protest (INR in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	194.43	40.00	Financial Year 2015-16	Commissioner of Income Tax (Appeals)
The Finance Act, 1994	Service Tax	956.39	-	April 2006 to September 2010	Honourable Supreme Court of India
The Goods and Service Tax Act, 2017	Goods and Service Tax	1,405.34	-	Financial Year 2018-19 to 2020-21	Honourable High Court of Madras

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ANNEXURE 1 *(continued)*

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis in the form of cash credit, PCFC and overdraft facility from banks aggregating to ₹ 3,875.85 lakhs for long-term purposes representing acquisition of property plant and equipment, repayment of loans, advance for capital goods.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Further the Company does not have any joint venture or associate company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 47 to the standalone financial statements of the Company, funds raised by the Company prima facie have been used for the purposes for which the funds were raised.

Further during the year, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 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.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (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. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred any cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 45 to the standalone financial statements, ageing and expected dates of realization 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) The Company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in note 37 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 37 to the financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

_____
per Pradip Agarwal
Partner
Membership Number: 065537
UDIN: 26065537DFRCXU2019

Place of Signature: Bengaluru
Date: May 27, 2026

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AXISCADES TECHNOLOGIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of AXISCADES Technologies 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.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 issued by the Institute of Chartered Accountants of India ("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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 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 these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Pradip Agarwal
Partner
Membership Number: 065537
UDIN: 26065537DFRCXU2019

Place of Signature: Bengaluru
Date: May 27, 2026

STANDALONE BALANCE SHEET

As at March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,742.38	1,887.94
Intangible assets	4	865.50	286.00
Right-of-use assets	30	2,024.71	1,681.54
Financial assets			
Investments	5	41,138.70	41,617.70
Loans	6	156.00	208.00
Other financial assets	7	649.21	933.03
Deferred tax assets, net	33	1,575.03	1,792.28
Non-current tax asset, net	8	900.81	1,067.40
Other non-current assets	9	4,032.40	53.33
Total non-current assets		**53,084.74**	**49,527.22**
Current assets			
Financial assets			
Loans	6	100.00	75.00
Trade receivables	10	11,746.06	7,718.21
Cash and cash equivalent	11	543.35	1,120.08
Bank balances other than cash and cash equivalent	12	1,888.89	2,874.77
Other financial assets	7	6,270.11	4,987.46
Other current assets	9	4,806.07	2,630.59
Total current assets		**25,354.48**	**19,406.11**
Total assets		**78,439.22**	**68,933.33**
Equity and liabilities			
Equity			
Equity share capital	13	2,127.40	2,126.41
Other equity	14	38,053.71	37,118.38
Total equity		**40,181.11**	**39,244.79**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	15	6,264.32	14,920.57
Lease liabilities	30	1,432.37	880.21
Other financial liabilities	16	10.49	1,035.60
Provisions	17	1,486.04	1,003.56
Total non-current liabilities		**9,193.22**	**17,839.94**
Current liabilities			
Financial liabilities			
Borrowings	15	18,501.01	5,511.54
Lease liabilities	30	771.44	1,028.44
Trade payables	18		
(a) Total outstanding dues of micro enterprises and small enterprises		560.34	121.79
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,272.03	2,317.90
Other financial liabilities	16	3,817.54	1,024.42
Provisions	17	883.82	732.54
Current tax liabilities, net	19	179.89	88.06
Other current liabilities	20	2,078.82	1,023.91
Total current liabilities		**29,064.89**	**11,848.60**
Total liabilities		**38,258.11**	**29,688.54**
Total equity and liabilities		**78,439.22**	**68,933.33**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	21	45,516.94	39,798.05
Other income	22	1,226.22	1,412.94
Total income		**46,743.16**	**41,210.99**
EXPENSES			
Purchase of traded goods		42.79	72.00
Employee benefits expense	23	27,989.89	23,777.19
Finance costs	24	2,659.32	3,080.46
Depreciation and amortization expense	25	1,763.18	1,760.20
Other expenses	26	12,041.57	9,251.33
Total expense		**44,496.75**	**37,941.18**
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		**2,246.41**	**3,269.81**
Exceptional items, net	27	(510.57)	(152.29)
Profit before tax		**1,735.84**	**3,117.52**
Income tax expense:	33		
(i) Current tax		255.13	85.71
(ii) Adjustment of tax relating to earlier years		(116.21)	(123.74)
(iii) Deferred tax charge/ (credit)		479.37	(903.86)
Total income tax expense/ (benefit)		**618.29**	**(941.89)**
PROFIT FOR THE YEAR		1,117.55	4,059.41
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans	36	51.37	(125.22)
Income tax effect		(12.93)	31.52
Net other comprehensive income/ (loss) not to be reclassified to profit or loss in subsequent periods		**38.44**	**(93.70)**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Losses on cash flow hedges	35	(1,092.87)	(203.75)
Income tax effect		275.05	51.28
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		**(817.82)**	**(152.47)**
Other comprehensive loss for the year, net of tax		**(779.38)**	**(246.17)**
Total comprehensive income for the year, net of tax		**338.17**	**3,813.24**
Earnings per equity share in ₹ [nominal value of ₹ 5 per share (March 31, 2025 : ₹ 5 per share)]	28		
Basic		2.63	9.62
Diluted		2.61	9.33

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
OPERATING ACTIVITIES			
Profit before tax		1,735.84	3,117.52
Adjustments to reconcile profit before tax to net cash flows:			
Exceptional Items:	27		
Additional purchase consideration paid		-	152.29
Fair value adjustment of a contingent consideration		(462.88)	-
Impairment in value of investment in subsidiary		479.00	-
Depreciation and amortization expense	25	1,763.18	1,760.20
Interest income	22	(355.94)	(662.71)
Fair value gain on financial instruments at fair value through profit or loss	22	(0.54)	(8.17)
Finance costs	24	2,659.32	3,080.46
Provision for expected credit losses of trade receivables and contract assets	26	87.23	106.86
Provision/ liabilities no longer required, written back	22	(378.85)	-
Advances written off	26	7.08	-
Share based payment expense	23	588.00	(1,316.27)
Loss on sale of property, plant and equipment, net	26	-	25.05
Gain on sale of assets held for sale	22	-	(659.19)
Net foreign exchange differences (unrealised)		(81.05)	225.93
Operating profit before working capital changes		**6,040.39**	**5,821.97**
Movements in working capital			
(Increase) in trade receivables		(3,874.31)	(653.00)
(Increase) in other assets including financial assets		(3,646.71)	(779.38)
Increase in trade payables, other liabilities and financial liabilities		2,529.47	336.78
Increase in provisions		599.33	81.04
Cash generated from operating activities		**1,648.17**	**4,807.41**
Direct taxes (paid)/ refund, net		119.50	(165.69)
Net cash flows from operating activities (A)		**1,767.67**	**4,641.72**
INVESTING ACTIVITIES			
Purchase of property, plant and equipment and intangible assets including capital advance		(5,042.93)	(2,139.44)
Proceeds from sale of assets held for sale		-	1,043.87
Payment of deferred purchase consideration		-	(212.26)
Proceeds from sale of mutual funds units, net		0.54	8.17
Loan to subsidiaries		(206.00)	(206.50)
Repayment of loan by subsidiaries		233.00	100.00
Interest received (finance Income)		359.63	681.93
Investment in fixed deposits		(702.06)	(2,356.34)
Redemption of fixed deposits		2,095.00	7,398.96
Net cash flows (used in)/ from investing activities (B)		(3,262.82)	4,318.39
FINANCING ACTIVITIES			
Repayment of principal and interest portion of lease liabilities	30	(1,308.76)	(1,199.31)
Proceeds from long-term borrowings		-	6,409.00
Repayment of long-term borrowings		(960.22)	(5,316.87)
Proceeds/ (repayments) of short term borrowings, net		3,774.17	(7,460.06)
Proceeds from inter company deposits		1,375.00	-
Proceeds from exercise of share options		10.15	338.72
Interest paid		(1,958.50)	(2,261.30)
Net cash flows from/ (used in) financing activities (C)		**931.84**	**(9,489.82)**
Net decrease in cash and cash equivalent (A+B+C)		**(563.31)**	**(529.71)**
Effect of exchange rate changes, net		(13.42)	(43.74)
Cash and cash equivalent at the beginning of the year		1,120.08	1,693.53
Cash and cash equivalent at the end of the year	11	**543.35**	**1,120.08**

Refer note 15 for change in liabilities arising from financing activities and for non cash financing and investing activities
The accompanying notes form an integral part of the standalone financial statement

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

For the year ended March 31, 2026

Equity shares of ₹ 5 each (March 31, 2025: ₹ 5 each) issued, subscribed and fully paid-up	Equity shares	
	Number (in lakhs)	Amount
As at April 1, 2025	424.97	2,126.41
Add: Issued and subscribed during the year [refer note (i) below]	0.20	0.99
At March 31, 2026	**425.17**	**2,127.40**

For the year ended March 31, 2025

Equity shares of ₹ 5 each (March 31, 2024: ₹ 5 each) issued, subscribed and fully paid-up	Equity shares	
	Number (in lakhs)	Amount
At April 1, 2024	**419.48**	**2,098.94**
Add: Issued and subscribed during the year [refer note (i) below]	5.49	27.47
At March 31, 2025	**424.97**	**2,126.41**

(i) During the year, the Company allotted 19,736 (March 31, 2025 - 549,449) equity shares of ₹ 5 each aggregating ₹ 0.99 lakhs (March 31, 2025 - ₹ 27.47 lakhs), consequent to the exercise of stock options by employees of the Company under the "AXISCADES Employee Stock Option Plan 2018 – Series 1" and "AXISCADES Employee Stock Option Plan 2018 – Series 2".

B. Other equity (Note 14)

For the year ended March 31, 2026

	Reserves and Surplus				Items of OCI	Total
	Securities premium	Retained earnings	Share based payment reserve	Capital reserve	Hedge reserve	
As at April 1, 2025	31,753.69	1,195.90	67.14	4,227.97	(126.32)	37,118.38
Profit for the year	-	1,117.55	-	-	-	1,117.55
Fair value loss on derivative instruments, net of tax	-	-	-	-	(817.82)	(817.82)
Re-measurement gains on defined benefit plans, net of tax	-	38.44	-	-	-	38.44
Total comprehensive income/ (loss) for the year	-	1,155.99	-	-	(817.82)	338.17
Exercise of share options	14.72	-	(5.56)	-	-	9.16
Share based payments to employees, net (refer note 40)	-	-	588.00	-	-	588.00
As at March 31, 2026	**31,768.41**	**2,351.89**	**649.58**	**4,227.97**	**(944.14)**	**38,053.71**

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026 *(contd.)*

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended March 31, 2025

	Reserves and Surplus				Items of OCI	Total
	Securities premium	**Retained earnings**	**Share based payment reserve**	**Capital reserve**	**Hedge reserve**	
As at April 1, 2024	31,226.34	(2,769.81)	1,788.06	4,227.97	26.15	34,498.71
Profit for the year	-	4,059.41	-	-	-	4,059.41
Fair value loss on derivative instruments, net of tax	-	-	-	-	(152.47)	(152.47)
Re-measurement losses on defined benefit plans, net of tax	-	(93.70)	-	-	-	(93.70)
Total comprehensive income / (loss) for the year	-	3,965.71	-	-	(152.47)	3,813.24
Exercise of share options	527.35	-	(216.10)	-	-	311.25
Share based payments to employees, net (refer note 40)	-	-	(1,504.82)	-	-	(1,504.82)
As at March 31, 2025	**31,753.69**	**1,195.90**	**67.14**	**4,227.97**	**(126.32)**	**37,118.38**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

1. Corporate information:

The Standalone financial statements comprise financial statements of AXISCADES Technologies Limited ('the Company'/ 'AXISCADES') (CIN: L72200KA1990PLC084435) for the year ended March 31, 2026. The Company is a public limited company domiciled in India and is incorporated on August 24, 1990 under the provisions of the Companies Act applicable in India. The Company's shares are listed for trading on the National Stock Exchange of India Limited and BSE Limited in India. The registered office of the Company is Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560024, Karnataka, India.

The Company is principally engaged in the business of Technology Services and Solutions. Information on other related party relationships of the Company is provided in note 29.

The Standalone financial statements were approved for issue in accordance with a resolution of the directors on May 27, 2026.

The financial statements once approved by the Board of directors needs to be adopted by the shareholders at the annual general meeting of the company.

2. Material accounting policies

2.1 Statement of compliance and basis of preparation

The 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 of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

Derivative financial instruments,

Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and Contingent consideration arising from business combination

Equity settled ESOP at grant date fair value

The accounting policies and related notes further described the specific measurements applied for each of the assets and liabilities.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The financial statements are presented in INR and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Summary of material accounting policies

a) Investment in subsidiaries and associates

A subsidiary is an entity that is controlled by another entity.

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.

The Company's investments in its subsidiaries and associates are accounted at cost less impairment.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

b) Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

c) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Repair and maintenance costs are recognised in profit or loss as incurred. The present value of

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	Useful lives (in years)
Computers / Laptops	3
Server & Network equipments	6
Workstation (Desktops, Monitors, etc.)*	6
Furniture and fixtures	10
Office equipment	5
Office buildings	61
Vehicles	8

The Company, based on management estimate, depreciates workstations over estimated useful lives which are different from the useful life prescribed in Schedule II to 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 Company has evaluated the applicability of component accounting as prescribed under Ind AS 16, Property, plant and equipment, and Schedule II of the Companies Act, 2013, the Management has not identified any significant component having different useful lives. Schedule II requires the Company to identify and depreciate significant components with different useful lives separately.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold improvements are depreciated over its lease period including renewable period or estimated useful life, whichever is shorter, on a straight-line basis.

d) 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. Internally generated intangibles, excluding capitalised development costs (refer below policy for R&D costs), are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred

The useful lives of intangible assets are assessed as either finite or indefinite.

Expenditure incurred towards development, if eligible for capitalisation, is carried as 'intangible assets under development' where such assets are not yet ready for their intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Process manuals are amortised over the remaining project term or the useful life of the process manual, whichever is shorter. Software's are amortised over the period of 6 years / over the period of the respective project.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

e) 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 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.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss.

For assets excluding goodwill an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

f) Revenue from operations

The specific recognition criteria described below must also be met before revenue is recognized.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services and excludes amounts collected on behalf of third parties. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of services (Technology services and solutions)

The Company derives its revenues primarily from engineering design services entailing delivering of numerous engineering design reports as per specifications provided by the customers that are used in aerospace, automotive and other industries. These design reports are generally prepared and delivered within a period ranging between one to three days. Each of these reports are separate performance obligation with a transaction price agreed with the customers. Revenue from time and material contracts are recognized on output basis measured by time and efforts expended, units delivered etc.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Revenue from above contracts is recognized over time as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Finance income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by providing services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Revenues in excess of invoicing are classified as contract assets (which we refer to as Unbilled Revenue). Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section 2 (p) Impairment of financial assets.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2 (o) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

g) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

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 expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Overseas social security

The Company contributes to social security charges of countries to which the Company deputes its employees on employment or has permanent employees. The plans are defined contribution plan and contributions paid or payable is recognised as an expense in these periods in which the employee renders services in those respective countries.

Defined benefit plan

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Compensated absences

The Company provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of vesting as well as non vesting benefit. The cost of short term compensated absences are provided for based on estimates. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

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

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs.

Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to Statement of Profit and Loss in a subsequent period. Further, as required under Ind AS compliant Schedule III, the Company transfers those amounts recognized in other comprehensive income to retained earnings in the statement of changes in equity and in the balance sheet.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

h) Leases

The Company has lease contracts for buildings, plant and machinery used in its operations. Lease terms generally ranges between 3 and 9 years.

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, as follows:

Buildings	3 to 9 years
Plant and machinery	3 years

If ownership of the right to use asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(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 because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(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 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.

i) Foreign currencies

The Company's Standalone financial statements are presented in Indian Rupees ('₹' or 'INR'), which is also the Company's functional currency.

Transactions and balances

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 profit or 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

j) 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.

k) Investments in subsidiaries

The Company's investment in equity instruments in subsidiaries are accounted for at cost. 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 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 Statement of Profit and Loss.

l) Taxes

Current income tax

Tax expense comprises current tax expense and deferred 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 in the countries where the Company operates and generates taxable income.

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 shall reflect 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 balance sheet approach 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 liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences 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.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). 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.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions

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 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.

Decommissioning liability

The Company records a provision for decommissioning costs associated with the premises taken on lease. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities

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 entity or

(b) a present obligation that arises from past events but is not recognized 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 recognize a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

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

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (g) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Financial assets at amortised cost (debt instruments)

ii. Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

iii. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

iv. Financial assets at fair value through profit or loss

i. Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets.' Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets. For more information on financial assets, refer note 7 and for receivables, refer note 10.

ii. Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.
The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

iii. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation for the issuer and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity investment which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

iv. Financial assets at fair value through profit or loss

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis. For the Company, this category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. The Company has not designated any financial assets at FVTPL.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

Interest earned on instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate. Dividend income on listed equity investments are recognised in the statement of profit and loss as other income when the right of payment has been established.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) 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. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities are designated upon initial recognition as at fair value through profit or loss 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 recognized in OCI. These gains/ losses are not subsequently transferred to P&L. 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 and loss. The Company has not designated any financial liability as at fair value through profit or loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Supplier finance arrangements

The Company has established supplier finance arrangements. The Company evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Company classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the company is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are not met, the Company derecognises its original liability toward the supplier and recognise a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Company (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements that continue to be classified in trade payables in the standalone balance sheet are included in operating activities in the standalone statement of cash flows, when the Company finally settles the liability.

In cases, where the Company has derecognised its original liability toward the supplier and recognise a new liability toward the bank, the Company has assessed that the bank is acting as its agent in making payment to the supplier. Accordingly, the Company presents operating cash outflow and financing cash inflow, when bank made payment to the supplier. The payment made by the Company to the bank toward interest, if any, as well as on settlement is presented as financing cash outflow.

Derecognition of financial liabilities

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 and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

Derivative financial instruments and Hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks arising from highly probable future forecasted sales. This derivative financial instrument are designated in a cash flow hedge relationship. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss and is reclassified to underlying hedged item.

o) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Company tracks credit risk and changes thereon for each customer. For recognition of impairment loss on other financial assets and risk exposure, the Company 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, life time ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

a. Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b. Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

c. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Trade receivables

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

p) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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.

All assets and liabilities for which fair value is measured or disclosed in the 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:

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurements as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Management present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

q) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, Cash and cash equivalent consist of cash at banks and on hand and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in the Technology Services and Solutions, which constitutes its single reportable segment.

s) Earnings per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company (after adjusting for interest on the convertible preference shares, if any) 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. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

t) Business combinations

Business combinations between entities under common control is accounted for at carrying value under the provisions of Ind AS 103, Business Combinations.

Transaction costs that the Company incurs in connection with a business combination such as finders' fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

u) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

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. Further details are given in note 40.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves 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 Company'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.

v) Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

The appropriate level of management is committed to a plan to sell the asset

An active programme to locate a buyer and complete the plan has been initiated (if applicable)

The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

w) Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its separate financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2.3 Changes in accounting policies and disclosures

There are no new accounting policies applied during the current year and accounting policies are consistent from previous year.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

2.4 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments have resulted in additional disclosures in note 15 but have not had an impact on the classification of Company's liabilities.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of 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.

As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and

- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 1, 2025, but not for any interim periods ending on or before March 31, 2026.

The amendments had no impact on the Company's standalone financial statements as the Company is not in scope of the Pillar Two model rules.

2.5 Standards notified but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

(i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its financial statements.

2.6 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment (PPE)

	Computers	Furniture and fixtures	Office equipment	Vehicles	Leasehold improvements	Total
Cost						
As at April 1, 2024	**1,318.51**	**93.52**	**165.78**	**47.85**	**253.88**	**1,879.54**
Additions	1,667.43	7.99	82.66	-	-	1,758.08
Disposals	(19.63)	(9.58)	(6.38)	(42.60)	-	(78.19)
As at March 31, 2025	**2,966.31**	**91.93**	**242.06**	**5.25**	**253.88**	**3,559.43**
Additions	321.12	8.59	11.26	-	5.14	346.11
Disposals	-	-	(3.06)	-	-	(3.06)
As at March 31, 2026	**3,287.43**	**100.52**	**250.26**	**5.25**	**259.02**	**3,902.48**
Depreciation						
As at April 1, 2024	**919.47**	**44.10**	**95.78**	**21.75**	**66.58**	**1,147.68**
Charge for the year	478.19	10.44	27.74	6.42	57.90	580.69
Disposals	(18.79)	(9.58)	(5.59)	(22.92)	-	(56.88)
As at March 31, 2025	**1,378.87**	**44.96**	**117.93**	**5.25**	**124.48**	**1,671.49**
Charge for the year	405.31	6.26	32.88	-	47.22	491.67
Disposals	-	-	(3.06)	-	-	(3.06)
As at March 31, 2026	**1,784.18**	**51.22**	**147.75**	**5.25**	**171.70**	**2,160.10**
Net book value						
As at March 31, 2026	**1,503.25**	**49.30**	**102.51**	**-**	**87.32**	**1,742.38**
As at March 31, 2025	**1,587.44**	**46.97**	**124.13**	**-**	**129.40**	**1,887.94**

a Change in accounting estimate

During the year ended March 31, 2025, the Company had reassessed the useful lives and residual values of its property, plant and equipment. The changes in useful life and residual value based on the expected pattern of consumption of the future economic benefits embodied in the asset and to align with the useful lives specified in Schedule II of the Companies Act. Effective from January 1, 2025, the Company had re-assessed useful lives of Servers & Networks and Workstations from 3 years to 6 years, Furniture and Fixtures from 7 years to 10 years and Office Equipment from 7 years to 5 years. The Company had reassessed the residual value of all its PPE to five percent of original cost. The effect of this change on depreciation expense in the year ended March 31, 2025 was ₹ 76.78 lakhs.

b Property, plant and equipment pledged as security

Details of PPE pledged are as per note 15.

c Decommissioning cost

A provision has been recognised for decommissioning costs associated with the premises taken on lease. The Company is committed to decommissioning the premises as a result of improvements made to the premises (refer note 17).

d Capitalised borrowing cost

No borrowing costs are capitalised during the year ended March 31, 2026 (March 31, 2025: Nil).

4 Intangible assets

	Software	Process manuals	Sub-total	Intangible assets under development*	Total
Cost					
As at April 1, 2024	**1,861.80**	**1,754.44**	**3,616.24**	**-**	**3,616.24**
Additions	98.36	-	98.36	84.27	182.63
Disposals	(210.08)	-	(210.08)	-	(210.08)
Reclassification**	84.27	-	84.27	(84.27)	-
As at March 31, 2025	**1,834.35**	**1,754.44**	**3,588.79**	**-**	**3,588.79**
Additions	771.00	-	771.00	-	771.00
Disposals	-	-	-	-	-
As at March 31, 2026	**2,605.35**	**1,754.44**	**4,359.79**	**-**	**4,359.79**
Amortisation					
As at April 1, 2024	**1,615.81**	**1,754.44**	**3,370.25**	**-**	**3,370.25**
Charge for the year	142.62	-	142.62	-	142.62
Disposals	(210.08)	-	(210.08)	-	(210.08)
As at March 31, 2025	**1,548.35**	**1,754.44**	**3,302.79**	**-**	**3,302.79**
Charge for the year	191.50	-	191.50	-	191.50
Disposals	-	-	-	-	-
As at March 31, 2026	**1,739.85**	**1,754.44**	**3,494.29**	**-**	**3,494.29**
Net book value					
As at March 31, 2026	**865.50**	**-**	**865.50**	**-**	**865.50**
As at March 31, 2025	**286.00**	**-**	**286.00**	**-**	**286.00**

* Intangible assets under development represents cost incurred towards software development activity.

** Intangible assets under development has been transferred to computer software upon completion of development and is ready for use.

Refer note 15 for details of assets pledged as security for borrowings.

a Change in accounting estimate

The Company had reassessed the useful life of its computer software during the year ended March 31, 2025. This reassessment had resulted in an increase in the useful life from 3 years to 6 years. The decision was based on a thorough evaluation of historical data, which indicated that the software is expected to provide economic benefits over a longer period than previously estimated. This change in accounting estimate had been applied prospectively, affecting the depreciation expense recognized in the year ended March 31, 2025 was ₹ 28.60 lakhs.

b Intangible assets under development

Intangible assets under development represents cost incurred towards software development activity

	Software	Total
As at April 1, 2024	**-**	**-**
Additions during the year [refer note (iii) below]	84.27	84.27
Less: Reclassified to software	(84.27)	(84.27)
As at March 31, 2025	**-**	**-**
Additions during the year	-	-
Less: Capitalised during the year	-	-
As at March 31, 2026	**-**	**-**

(i) There were no projects temporarily suspended as at March 31, 2026 and March 31, 2025

(ii) There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the year ended March 31, 2026 and March 31, 2025.

(iii) Employee benefit expenses of ₹ 84.27 lakhs relating to employees involved in internally developed software has been capitalised as intangible assets under development.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Financial Assets

5 Investments

Non-current

		As at March 31, 2026	As at March 31, 2025
i)	**Unquoted Investments in equity shares**		
	Investment in equity shares of subsidiaries carried at cost:		
	AXISCADES Inc.	1,489.06	1,489.06
	19,725 (March 31, 2025: 19,725) equity shares of no par value (March 31,2025: no par value)		
	Cades Studec Technologies (India) Private Limited	719.66	719.66
	475,000 (March 31, 2025: 475,000) equity shares of ₹10 (March 31, 2025: ₹10) each, fully paid up		
	AXISCADES Technology Canada Inc.	0.05	0.05
	100 (March 31, 2025: 100) equity shares of Canadian Dollar 1 (March 31, 2025: Canadian Dollar 1) each, fully paid up		
	Axis Mechanical Engineering Design (Wuxi) Co., Ltd.	42.68	42.68
	1 (March 31, 2025: 1) equity share of no par value (March 31, 2025: no par value)		
	AXISCADES GmbH	18.87	18.87
	1 (March 31, 2025: 1) equity share of no par value (March 31, 2025: no par value)		
	AXISCADES Aerospace & Technologies Private Limited	11,962.04	11,962.04
	16,838,512 (March 31, 2025: 16,838,512) equity shares of ₹10 (March 31, 2025: ₹10) each, fully paid up		
	Mistral Solutions Private Limited	17,000.97	17,000.97
	2,387,025 (March 31, 2025: 2,387,025) equity shares of ₹5 (March 31, 2025: ₹5) each, fully paid up		
	Explosoft Tech Solutions Private Limited	7,213.00	7,213.00
	24,191,364 (March 31, 2025: 24,191,364) equity shares of ₹ 10 (March 31, 2025: ₹10) each, fully paid up		
	Epcogen Private Limited	3,214.00	3,214.00
	10,000 (March 31, 2025: 10,000) equity shares of ₹ 10 (March 31, 2025: ₹10) each, fully paid up	.	
		41,660.33	**41,660.33**
	Less: Provision for impairment in value of investment in Axis Mechanical Engineering Design (Wuxi) Co., Ltd.	(42.68)	(42.68)
	Less: Provision for impairment in value of investment in Epcogen India Private Limited (refer note a below)	(479.00)	-
	Net Investment in equity shares of subsidiaries:	**41,138.65**	**41,617.65**
	Total investment carried at cost (A)	**41,138.65**	**41,617.65**
ii)	**Investments in equity shares of other companies (at FVTPL) (unquoted)**		
	Axis Cogent Global Limited	-	-
	946,822 (March 31, 2025: 946,822) equity shares of ₹ 10 (March 31, 2025: ₹ 10) each, fully paid up		
	Datum Technology Limited	-	-
	50,000 (March 31, 2025: 50,000) equity shares of ₹ 10 (March 31, 2025: ₹ 10) each, fully paid up		
	Total investment carried at fair value through profit or loss (B)	-	-

		As at March 31, 2026	As at March 31, 2025
iii)	**Other investments (at amortised cost)**		
	National savings certificates	0.05	0.05
	Total investment carried at amortised cost (C)	**0.05**	**0.05**
	Aggregate value of investments (A+B+C)	**41,138.70**	**41,617.70**
	Aggregate value of unquoted investments	41,660.38	41,660.38
	Aggregate book value of quoted investments	-	-
	Aggregate market value of quoted investments	-	-
	Aggregate provision for impairment in value of investments	(521.68)	(42.68)

* Refer note 15 for details of assets pledged as security of borrowings.

a The Company assesses at each reporting date whether there is any indication of impairment in respect of its investments. During the year, based on assessment of the recoverable amount of its investment in Epcogen Private Limited, the Company concluded that the carrying value exceeded its recoverable amount. Accordingly, an impairment loss of ₹ 479.00 lakhs (March 31, 2025: Nil) has been recognised in the Statement of Profit and Loss as an exceptional item (refer note 27).

6 Loans

	As at March 31, 2026	As at March 31, 2025
(carried at amortised cost)		
Non Current		
(Unsecured, considered good)		
Inter-corporate deposit to related party (refer note 29)	156.00	208.00
	156.00	**208.00**
Current		
(Unsecured, considered good)		
Inter-corporate deposit to related party (refer note 29)	100.00	75.00
	100.00	**75.00**

Disclosure required under Section 186(4) of the Companies Act, 2013

Included in loans are intercorporate deposits, the particulars of which are disclosed below as required by Section 186(4) of the Companies Act, 2013

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	Purpose	As at March 31, 2026	As at March 31, 2025
Explosoft Tech Solutions Private Limited	11.50%	February 11, 2029	Unsecured	Working capital requirements	46.00	-
Epcogen Private Limited	9.50%	February 6, 2028	Unsecured	Working capital requirements	100.00	-
Epcogen Private Limited	11.50%	February 5, 2029	Unsecured	Working capital requirements	10.00	-
Epcogen Private Limited	11.50%	December 24, 2026	Unsecured	Working capital requirements	100.00	50.00
Epcogen Private Limited	11.50%	February 19, 2026	Unsecured	Working capital requirements	-	50.00
Epcogen Private Limited	11.50%	May 5, 2026	Unsecured	Working capital requirements	-	75.00
Epcogen Private Limited	11.50%	August 8, 2026	Unsecured	Working capital requirements	-	75.00
Explosoft Tech Solutions Private Limited	10.00%	January 4, 2026	Unsecured	Working capital requirements	-	25.00
Explosoft Tech Solutions Private Limited	11.50%	April 17, 2026	Unsecured	Working capital requirements	-	8.00
					256.00	***283.00***

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

(i) During the year, the Company had granted fresh loans to settle loans that had fallen due during the year, amounting to ₹ 33.00 lakhs and ₹ 55.00 lakhs to Explosoft Tech Solutions Private Limited and Epcogen Private Limited, respectively.

(ii) The loan has been utilized for meeting their working capital requirements.

(iii) Loans are non-derivative financial assets which generate a fixed interest income for the Company and are measured at amortised cost. The carrying value may be affected by changes in the credit risk of the counterparties.

7 Other financial assets

	As at March 31, 2026	As at March 31, 2025
Non-current		
(measured at amortised cost)		
(Unsecured, considered good)		
Security deposits	309.40	591.28
Margin money deposits with banks [refer note (i) below]	336.85	323.53
Interest accrued on fixed deposits	0.44	3.21
Interest accrued on inter-corporate deposit (refer note 29)	2.52	15.01
	649.21	**933.03**
Current		
(measured at amortised cost)		
(Unsecured, considered good)		
Interest accrued on fixed deposits	9.35	13.63
Interest accrued on inter-corporate deposit (refer note 29)	8.12	16.27
Margin money deposits with banks [refer note (ii) below]	754.36	1,204.00
Contract assets - unbilled revenue [refer note (iii) below]	4,132.07	3,258.36
Receivables from related parties (refer note 29)	622.54	453.45
Security deposits	369.40	41.75
Other receivables [refer note (iv) below]	374.27	-
	6,270.11	**4,987.46**
(Unsecured, considered doubtful)		
Contract assets - unbilled revenue	36.92	6.53
Security deposits	33.83	33.83
	70.75	**40.36**
Less:		
Allowance for doubtful contract assets	(36.92)	(6.53)
Allowance for doubtful security deposits	(33.83)	(33.83)
	(70.75)	**(40.36)**
	6,270.11	**4,987.46**

(i) Fixed deposits have been deposited as margin money against debentures

(ii) Fixed deposits have been deposited as margin money against the working capital loans, corporate credit cards and the term loan availed from the banks.

(iii) Includes ₹ 651.62 lakhs (March 31, 2025: ₹ 489.43 lakhs) from related parties (refer note 29)

(iv) Other receivables represent an approved insurance claim receivable from the insurance company in respect of severance payments made to employees of Add Solution GmbH, a step-down subsidiary, under the group insurance policy held by the Company. The Company has a corresponding obligation to remit such receivable amount to Add Solution GmbH, which has been classified under other financial liabilities.

Refer note 15 for details of assets pledged as security for borrowings.

8 Non-current tax asset, net

	As at March 31, 2026	As at March 31, 2025
Advance income tax (net of provision for tax)	900.81	1,067.40
	900.81	**1,067.40**

9 Other assets

	As at March 31, 2026	As at March 31, 2025
Non-current		
(Unsecured, considered good)		
Prepaid expenses	47.69	10.26
Capital advance*	3,984.71	43.07
	4,032.40	**53.33**
Current		
(Unsecured, considered good)		
Balances with government authorities	3,054.68	1,526.53
Prepaid expenses	1,638.52	1,010.84
Advance to suppliers ^	94.80	53.04
Advance to employees	18.07	40.18
	4,806.07	**2,630.59**
(Unsecured, considered doubtful)		
Balances with government authorities	27.67	27.67
	27.67	**27.67**
Less: Allowance for balances with government authorities	(27.67)	(27.67)
	(27.67)	(27.67)
	4,806.07	**2,630.59**

* Mainly pertaining to capital advance of ₹ 3,943.44 lakhs paid to Telangana State Industrial Infrastructure Corporation Limited pursuant to a provisional allotment letter for allotment of land for setting up an engineering facility in Hyderabad. Allotment of land is subject to fulfilment of conditions specified in the provisional allotment letter.

^ includes ₹ 30.53 lakhs (March 31, 2025: Nil) given to related parties (refer note 29)

Refer note 15 for details of assets pledged as security for borrowings.

10 Trade receivables

(carried at amortised cost)

	As at March 31, 2026	As at March 31, 2025
Current		
Trade receivables:		
Receivables from other parties (unrelated parties)	10,099.12	6,253.73
Receivables from related parties (refer note 29)	2,065.83	1,826.53
	12,164.95	**8,080.26**
Impairment allowance (allowance for bad and doubtful debts)	(418.89)	(362.05)
Total trade receivables	11,746.06	7,718.21
Break-up for security details:		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	11,746.06	7,718.21
Trade receivables which have significant increase in credit risk	38.99	103.87
Trade receivables - credit impaired	379.90	258.18
	12,164.95	**8,080.26**
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables which have significant increase in credit risk	(38.99)	(103.87)
Trade receivables - credit impaired	(379.90)	(258.18)
Total trade receivables	**11,746.06**	**7,718.21**

Set out below is the movement in the allowance for expected credit losses of trade receivables :

	As at March 31, 2026	As at March 31, 2025
As at 1 April	362.05	261.72
Provision for expected credit losses	56.84	100.33
As at 31 March	**418.89**	**362.05**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Trade receivables ageing schedule as on March 31, 2026

	Unbilled (included in note 7)	Current but not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	4,132.07	10,289.69	1,434.64	0.42	-	-	-	11,724.75
(ii) Undisputed trade receivables - which has significant increase in credit risk	13.53	24.87	13.48	0.64	-	-	-	38.99
(iii) Undisputed trade receivables - credit impaired	23.39	-	-	-	37.91	43.31	255.61	336.83
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	21.31	21.31
(v) Disputed trade receivables - which has significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	43.07	-	-	43.07
Total	**4,168.99**	**10,314.56**	**1,448.12**	**1.06**	**80.98**	**43.31**	**276.92**	**12,164.95**

Trade receivables ageing schedule as on March 31, 2025

	Unbilled (included in note 7)	Current but not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	3,258.36	6,393.53	1,300.63	2.74	-	-	-	7,696.90
(ii) Undisputed trade receivables - which has significant increase in credit risk	6.53	23.77	24.35	8.18	40.00	7.57	-	103.87
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	221.31	221.31
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	21.31	21.31
(v) Disputed trade receivables - which has significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	36.87	-	-	-	-	36.87
Total	**3,264.89**	**6,417.30**	**1,361.85**	**10.92**	**40.00**	**7.57**	**242.62**	**8,080.26**

No trade or other receivables are due from director or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer note 29.

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

Refer note 15 for details of assets pledged as security for borrowings.

11 Cash and cash equivalent

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- on current accounts	539.35	919.16
- Deposits with original maturity of less than three months	4.00	200.92
	543.35	**1,120.08**

(i) As at March 31, 2026, the Company has ₹ 15,749.70 lakhs (March 31, 2025: ₹ 1,082.24 lakhs) of undrawn committed borrowing facilities.

(ii) Refer note 15 for details of assets pledged as security for borrowings.

(iii) Sanction limits of domestic operations are secured against current assets. The quarterly returns or statements of current assets filed with banks by the Company against sanctioned working capital limits with banks are in agreement with the books of accounts.

Notes:

	As at March 31, 2026	As at March 31, 2025
a) For the purpose of statement of cash flows, cash and cash equivalent comprises the following:		
Balances with banks		
- on current accounts	539.35	919.16
- Deposits with original maturity of less than three months	4.00	200.92
	543.35	**1,120.08**

12 Bank balances other than cash and cash equivalent

	As at March 31, 2026	As at March 31, 2025
Deposits with banks [refer note 47 and note (i) below]	-	2,000.00
Margin money deposits with banks [refer note (ii) below]	1,888.89	874.77
	1,888.89	**2,874.77**

(i) Deposits with banks Nil (March 31, 2025: ₹ 2,000.00 lakhs) for the amounts received under QIP

(ii) Deposits have been deposited as margin money against credit facilities availed from banks and corporate credit cards.

(iii) Refer note 15 for assets pledged as security for borrowings.

a) Breakup of financial assets carried at amortised cost

	As at March 31, 2026	As at March 31, 2025
Investments (Non-current) (refer note 5)	0.05	0.05
Other financial assets (Current and Non Current) (refer note 7)	6,919.32	5,920.49
Loans (Current and Non Current) (refer note 6)	256.00	283.00
Trade receivables (Current) (refer note 10)	11,746.06	7,718.21
Cash and cash equivalent (refer note 11)	543.35	1,120.08
Bank balances other than cash and cash equivalent (refer note 12)	1,888.89	2,874.77
	21,353.67	**17,916.60**

13 Share capital

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Authorized share capital				
Equity shares of ₹ 5 each	2,040.00	10,200.00	2,040.00	10,200.00
Preference shares of ₹ 100 each	1.00	100.00	1.00	100.00
	2,041.00	**10,300.00**	**2,041.00**	**10,300.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Issued share capital				
Equity shares of ₹ 5 each issued [refer note (i) below]	425.69	2,128.42	425.49	2,127.43
Subscribed and paid-up				
Equity shares of ₹ 5 each (March 31, 2025: ₹ 5 each) issued, subscribed and fully paid	425.17	2,125.87	424.97	2,124.88
Add: Forfeited shares (amount originally paid ₹ 3 per share on 51,100 equity shares) ^	-	1.53	-	1.53
	425.17	**2,127.40**	**424.97**	**2,126.41**

^ Out of 51,100 equity shares of ₹ 5 each issued, ₹ 2 had not been subscribed amounting to ₹ 1.02 lakhs.

(a) Reconciliation of the equity shares

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Equity shares of ₹ 5 each, par value				
Balances as at the beginning of the year	424.97	2,126.41	419.48	2,098.94
Add: Issued and subscribed during the year [refer note (i) below]	0.20	0.99	5.49	27.47
Balance at the end of the year	**425.17**	**2,127.40**	**424.97**	**2,126.41**

(i) During the year, the Company allotted 19,736 (March 31, 2025 - 549,449) equity shares of ₹ 5 each aggregating ₹ 0.99 lakhs (March 31, 2025 - ₹ 27.47 lakhs), consequent to the exercise of stock options by employees of the Company under the "AXISCADES Employee Stock Option Plan 2018 – Series 1" and "AXISCADES Employee Stock Option Plan 2018 – Series 2".

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. Dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and shall be payable in Indian rupees. In the event of liquidation of the Company, the shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Holding Company:				
Jupiter Capital Private Limited	246.82	1,234.10	252.82	1,264.10

(d) Details of shareholders holding more than 5% shares in the Company:

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Percentage holding	Number of shares (in lakhs)	Percentage holding
Equity shares of ₹ 5 each, fully paid				
Jupiter Capital Private Limited	246.82	58.05%	252.82	59.49%

(e) In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

(f) In the period of five years immediately preceding the Balance Sheet date, the Company has not allotted any shares for consideration other than cash.

(g) Details of shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares (in lakhs) at the beginning of the year	Change (in lakhs) during the year	No. of shares (in lakhs) at the end of the year	% of total Shares	% change during the year
Jupiter Capital Private Limited (Equity shares of ₹ 5 each fully paid-up)	252.82	(6.00)	246.82	58.05%	-2.37%

As at March 31, 2025

Promoter Name	No. of shares (in lakhs) at the beginning of the year	Change (in lakhs) during the year	No. of shares (in lakhs) at the end of the year	% of total Shares	% change during the year
Jupiter Capital Private Limited (Equity shares of ₹ 5 each fully paid-up)	252.82	-	252.82	59.49%	0%

(h) Shares reserved for issue under options

The ESOP scheme titled "AXISCADES Employee Stock Option Plan 2018 – Series 1" and "AXISCADES Employee Stock Option Plan 2018 – Series 2" ("ESOP Schemes") was approved by the Shareholders of the Company vide resolution passed at the Extra Ordinary General Meeting through postal ballot held on March 31, 2018 in respect of grant of options exercisable into equity shares of face value of ₹ 5 each fully paid-up, not exceeding 3,020,762 equity shares or 8% of the paid up equity shares of the Company from time to time. Further, the Company has got its shareholders approval in its 31st AGM dated September 28, 2021 for increase in the pool of ESOP additionally by 2,643,167 options under scheme "AXISCADES Employee Stock Option Plan- Series 2" ("ESOP Series 2") thereby the total pool under ESOP Schemes shall not exceed 5,663,929 shares or 15% of the paid-up equity shares of the Company from time to time. Also refer note 40 for details of shares reserved for issue under the Share based payment plan of the Company.

14 Other equity

	As at March 31, 2026	As at March 31, 2025
Securities premium	31,768.41	31,753.69
Hedge reserve	(944.14)	(126.32)
Retained earnings	2,351.89	1,195.90
Capital reserve (reserve credited pursuant to the Scheme of Amalgamation)	4,227.97	4,227.97
Share based payment reserve	649.58	67.14
	38,053.71	**37,118.38**

Refer Statement of Changes in Equity, for movement in other equity

Nature and purpose:

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilized in accordance with the provisions of the Companies Act, 2013.

Hedge Reserve

The Company uses hedging instruments as part of its management of foreign currency risk. For hedging foreign currency, the Company uses foreign currency forward contracts and cross currency swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the hedging reserve. Amounts recognised in the hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Retained earnings

Retained earnings are the profits/(losses) that the Company has earned till date. Retained earnings include re-measurement losses/ (gain) on defined benefit plans, net of taxes that will not be reclassified to the Standalone Statement of Profit and Loss.

Capital reserve

Capital reserve is created pursuant to Amalgamation of India Aviation Training Institute Private Limited("IAT") with the Company with effect from April 1, 2016.

Share based payment reserve

The share based payment reserve is used to recognise the value of equity-based share based payments provided to employees, including key management personnel, as part of their remuneration. Refer note 40 for further details of these plans.

15 Borrowings

	Effective interest rate %	Maturity (Financial year ending)	As at March 31, 2026	As at March 31, 2025
Non current				
Debentures				
12.75% Unrated Unlisted Redeemable Non-Convertible Debentures (secured) [refer note (a)(i) and note (a)(vi) below]	13.89% - 14.11%	2028	1,209.99	5,139.72
12.00% Unrated Unlisted Redeemable Non-Convertible Debentures (secured) [refer note (a)(ii) below]	12.00%	2028	3,150.00	4,300.00
Term loan				
₹ 500 lakhs term loan from banks (secured) [refer note (a)(vii) below]	Repo rate + 3.5%	2029	121.55	228.41
₹ 1,409 lakhs term loan from banks (secured) [refer note (a)(iv) below]	Repo rate + 3.6%	2029	782.78	1,252.44
Loan from related parties				
Intercorporate deposit from subsidiary (unsecured) [refer note 29 and note (a)(iii) below]	11.00% - 11.50%	2027	1,000.00	4,000.00
			6,264.32	**14,920.57**
Current				
Working capital loan				
Working capital loan from bank (secured) [refer note (a)(v) below]	5.74% - 9.63%	2027	8,350.63	4,548.13
Loan from related parties				
Intercorporate deposit from subsidiary (unsecured) [refer note 29 and note (a)(iii) below]	11.50%	2027	4,375.00	-
Supplier finance arrangements				
Trade credits from banks and financial institutions (unsecured) [refer note (a)(viii) below]	7.5% -7.80%	2027	58.86	-
Current maturities of long term borrowings				
Debentures				
12.75% Unrated Unlisted Redeemable Non-Convertible Debentures (secured) [refer note (a)(i) and note (a)(vi) below]	14.11%	2027	1,150.00	-
12.00% Unrated Unlisted Non-Convertible Debentures (secured) [refer note (a)(ii) below]	12.00%	2027	3,990.00	700.00
Term loan				
₹ 500 lakhs term loan from banks (secured) [refer note (a)(vii) below]	Repo rate + 3.5%	2029	106.86	106.86
₹ 1,409 lakhs term loan from banks (secured) [refer note (a)(iv) below]	Repo rate + 3.6%	2029	469.66	156.55
			18,501.01	**5,511.54**
Aggregate secured loans			**19,390.33**	**16,432.11**
Aggregate unsecured loans			**5,375.00**	**4,000.00**

a) Details of security for borrowings

(i) The 12.75% Unrated Unlisted Redeemable Non-Convertible Debentures is secured by first pari-passu charge over all assets (including PPE, intangible assets and intellectual rights, current assets and non-current assets) of the Company and subsidiary companies, AXISCADES Aerospace & Technologies Private Limited and Mistral Solutions Private Limited, property owned by step down subsidiary, Enertec Controls Limited, at Electronic City, Bangalore, pledge of 100% shares of Mistral Solutions Private Limited and first pari-passu charge over fixed deposit of ₹1,200 lakhs and Corporate guarantee from subsidiary companies, Mistral Solutions Private Limited, AXISCADES Aerospace & Technologies Private Limited and Enertec Controls Limited. Additionally, cash margin equivalent to interest payable on the immediately succeeding coupon payment date in the form of fixed deposits lien to be maintained. The Company has made prepayment of ₹ 5,250 lakhs during the year ended March 31, 2025 and the balance is repayable in 5 quarterly installments starting from June 2026.

(ii) The 12.00% Unrated Unlisted Redeemable Non-Convertible Debentures of ₹ 5,000 lakhs is secured by first pari-passu charge over all assets (including movable PPE, intangible assets and intellectual rights, current assets and non-current assets) of the Company and subsidiary companies, AXISCADES Aerospace & Technologies Private Limited and Mistral Solutions Private Limited, property owned by step down subsidiary, Enertec Controls Limited, at Electronic City, Bangalore, pledge of 51% shares of Mistral Solutions Private Limited and first pari-passu charge over fixed deposit of ₹1,200 lakhs and Corporate guarantee from subsidiary companies, Mistral Solutions Private Limited, AXISCADES Aerospace & Technologies Private Limited and Enertec Controls Limited. Additionally, cash margin equivalent to interest payable on the immediately succeeding coupon payment date in the form of fixed deposits lien to be maintained. Repayable in 11 quarterly installments starting from June 2025. During the year ended March 31, 2026, the Company has repaid an amount of ₹ 700 lakhs (March 31, 2025: Nil).

(iii) Loan from related parties includes unsecured intercorporate loans of

a) An inter-corporate deposit ('ICD') of ₹ 500.00 lakhs (March 31, 2025: ₹ 500 lakhs) from subsidiary company, Cades Studec Technologies (India) Private Limited ('CSTI') is unsecured and repayable in November 2026, carries an interest rate of 11.00% per annum.

b) ICDs of ₹ 450.00 lakhs (March 31, 2025: ₹ 300 lakhs) from step down subsidiary company, Mistral Technologies Private Limited are unsecured and repayable in December 2026, carries an interest rate of 11.50% per annum.

c) ICDs of ₹ 2,000 lakhs (March 31, 2025: ₹ 2,000 lakhs), ₹ 1,425.00 lakhs (March 31, 2025: ₹ 1,200 lakhs) and ₹ 1,000 lakhs (March 31, 2025: Nil) from subsidiary company, Mistral Solutions Private Limited are unsecured and repayable in May 2026, December 2026 and February 2029 respectively, carries an interest rate of 11.50% per annum.

(iv) During the year ended March 31, 2025, the Company had taken a term loan of ₹ 1,409.00 lakhs from bank and repayable in 36 equal monthly installments of ₹ 39.14 lakhs starting from December 2025, carries an interest rate of repo rate + 3.6% per annum. The loan was secured by exclusive charge on capital assets purchased through this loan.

(v) Working capital loans are secured by exclusive charge on current assets, movable fixed assets, property owned by step down subsidiary, Enertec Controls Limited at Electronic City, Bangalore, fixed deposits of ₹ 700 lakhs and corporate guarantee from step down subsidiary company, Enertec Controls Limited. Additionally, 10% cash margin in the form of fixed deposits lien to be maintained and First Pari Passu charge on fixed deposit of ₹1,200 lakhs. Further, shortfall undertaking and letter of responsibility is backed by board resolution.

(vi) During the year ended March 31, 2024, the Company had issued 3,323,262 equity shares of ₹ 5 each in Qualified Institutional Placement at an issue price of ₹ 662 per share (including securities premium of ₹ 657 per share) aggregating ₹ 21,999.99 lakhs to be utilised towards repayment or prepayment of certain outstanding borrowings availed by the Company and for general corporate purpose. The Company had utilised the proceeds from QIP for prepayment of 12.75% Unrated Unlisted Redeemable Non-Convertible Debentures of ₹ 5,250 lakhs during the year ended March 31, 2025.

(vii) During the year ended March 31, 2024, the Company had availed a term loan from bank amounting to ₹500 lakhs repayable in 60 equal monthly installments of ₹ 8.90 lakhs starting from December 2025, carries an interest rate of repo rate + 3.6% per annum. It is secured by exclusive charge on current assets, movable fixed assets, property owned by step down subsidiary, Enertec Controls Limited at Electronic City, Bangalore and corporate guarantee from step down subsidiary company, Enertec Controls Limited. Additionally, 10% cash margin in the form of fixed deposits lien to be maintained. Further, shortfall undertaking and letter of responsibility is backed by board resolution from Jupiter Capital Private Limited, the Parent Company.

(viii) The Company has established a supplier finance arrangement that is offered to some of the Company's suppliers / vendors. Suppliers / vendors that participate in the supplier finance arrangement will receive payment on due date for invoices sent to the Company from the Company's external finance provider.

(ix) Quarterly returns/statements filed by the Company with banks are in agreement with the books of accounts of the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

b) Loan covenants

Secured loans from banks and financial institutions are subject to certain financial covenants such as debt service coverage ratio, total debt as a percentage of total net-worth etc. The Company has not defaulted on any loans payable and are fully compliant with all the material covenants.

c) Change in liabilities arising from financing activities

	Loan from banks and financial institutions	Inter-corporate deposit	Lease liabilities	Total
As at April 1, 2025	**16,432.11**	**4,000.00**	**1,908.65**	**22,340.76**
Net additions to lease liability	-	-	1,435.84	1,435.84
Cash flows	2,813.95	1,375.00	(1,140.68)	3,048.27
Other adjustments*	144.27	-	-	144.27
Balance as at March 31, 2026	**19,390.33**	**5,375.00**	**2,203.81**	**26,969.14**
As at April 1, 2024	15,175.41	11,513.37	2,606.47	29,295.25
Net additions to lease liability	-	-	282.89	282.89
Cash flows	1,145.44	(7,513.37)	(980.71)	(7,348.64)
Other adjustments*	111.26	-	-	111.26
Balance as at March 31, 2025	**16,432.11**	**4,000.00**	**1,908.65**	**22,340.76**

d) Non cash financing and investing activities

	As at March 31, 2026	As at March 31, 2025
Acquisition of Right-of-use assets (refer note 30)	1,423.18	282.89

e) Details of utilisation of borrowings

During the year, the Company has utilised borrowings obtained for working capital/short-term purposes for long-term purposes, including the acquisition of property, plant and equipment, repayment of loans, and payment of capital advances to an extent of ₹ 3,875.85 lakhs. Except for the aforesaid utilisation, the Company has utilised all borrowings obtained from banks and financial institutions for the purposes for which they were obtained.

16 Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Non current		
(carried at amortised cost)		
Interest payable to subsidiary (refer note 29)*	10.49	616.20
(carried at FVTPL)		
Purchase consideration payable on acquisition of subsidiary (refer note a below)	-	419.40
	10.49	**1,035.60**
Current		
(carried at amortised cost)		
Creditors for capital goods	19.79	4.45
Dues to employees	690.68	330.67
Interest payable to subsidiary (refer note 29)*	945.61	-
Interest accrued but not due on borrowings*	30.99	34.99
Other payable to related parties (refer note 29)	530.63	158.05
(carried at FVTPL)		
Purchase consideration payable on acquisition of subsidiary (refer note a below)	233.33	233.00
(carried at FVTOCI)		
Hedge liability	1,366.51	263.26
	3,817.54	**1,024.42**

Financial liabilities at FVTOCI reflect the change in fair value of foreign exchange forward contracts and cross currency swaps, designated as cash flow hedges to hedge highly probable future sales in USD and EURO

* The details of interest rates, repayment and other terms are disclosed under note 15.

a Purchase consideration payable on acquisition of:

Epcogen Private Limited (refer note b below)	233.33	652.40
Mistral Solutions Private Limited (refer note c below)	-	-
Closing balance of purchase consideration payable	**233.33**	**652.40**

b During the year ended March 31, 2024, the Company acquired Epcogen Private Limited ("Epcogen") through a payment of fixed purchase consideration of ₹ 2,625.00 lakhs and a contingent purchase consideration payable over a period of three years, dependent upon earnings of Epcogen for the period April 1, 2023 to March 31, 2026, with a maximum amount of ₹ 700.00 lakhs. The purchase consideration payable for the acquisition of Epcogen Private Limited is as follows:

Opening balance of purchase consideration payable	652.40	599.00
Add: Changes in fair value of purchase consideration payable [refer note (i) below]	(462.88)	-
Add: Unwinding of discount (interest expense)	43.81	53.40
Closing balance of purchase consideration payable	**233.33**	**652.40**

(i) The Company has recognised a gain of ₹ 462.88 lakhs in the Statement of Profit and Loss as an exceptional item due to change in fair value of contingent consideration on remeasurement of the contingent purchase consideration payable based on actual financial performance of the Epcogen Private Limited. Refer note 27.

c The purchase consideration payable for the acquisition of Mistral Solutions Private Limited ('MSPL') is as follows:

	As at March 31, 2026	As at March 31, 2025
Opening balance of purchase consideration payable	-	59.46
Add: Unwinding of discount (interest expense)	-	0.51
Add: Additional purchase consideration paid to the shareholders of MSPL[refer note (i) below]	-	152.29
Less: Deferred purchase consideration settled	-	(212.26)
Closing balance of purchase consideration payable	**-**	**-**

(i) The entire purchase consideration payable for the acquisition of MSPL was discharged by the Company in the year ended March 31, 2025. During the year ended March 31, 2025, the Company had paid an additional purchase consideration of ₹ 152.29 lakhs to acquire 22,905 equity shares from certain individual shareholders of MSPL and disclosed as an exceptional item (refer note 27).

17 Provisions

	As at March 31, 2026	As at March 31, 2025
Non current		
Employee defined benefits liability		
- Provision for gratuity (refer note 36)	1,441.41	962.85
Asset retirement obligation	44.63	40.71
	1,486.04	**1,003.56**
Current		
Employee defined benefits liability		
- Provision for gratuity (refer note 36)	289.29	151.71
- Provision for compensated absences	594.53	580.83
	883.82	**732.54**

Asset retirement obligation

The Company has recognised a provision for asset retirement obligation associated with premises taken on lease. In determining the fair value of the provision, assumptions and estimates are made in relation to the discount rates, the expected cost to dismantle and remove furniture and fixtures from the leased premises and the expected timing of these costs. The carrying amount of the provision as at March 31, 2026 is ₹ 44.63 lakhs (March 31, 2025: 40.71 lakhs). The Company estimates the costs would be realised within 4 - 5 years time upon the expiration of the lease and calculates the provision using the DCF method based on the following assumptions:

1) Estimated range of cost : 15 days lease rental expense

2) Discount rate : 12.17 percent per annum (March 31, 2025: 12.17 percent per annum)

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

	Asset retirement obligation
As at April 1, 2024	55.08
Unwinding of discount/(reversals), net	(14.37)
As at March 31, 2025	40.71
Unwinding of discount	3.92
As at March 31, 2026	**44.63**

18 Trade payables

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (refer note 44)	560.34	121.79
Total outstanding dues of creditors other than micro enterprises and small enterprises#	2,272.03	2,317.90
	2,832.37	**2,439.69**

Includes ₹ 480.22 lakhs (March 31, 2025: ₹ 1,011.08 lakhs) from related parties (refer note 29)

Trade Payables ageing schedule as on March 31, 2026

	Unbilled	Not due	Outstanding for the following periods from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues of micro enterprises and small enterprises	-	502.30	56.62	1.42	-	-	560.34
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	1,843.79	314.20	92.45	0.24	-	0.16	2,250.84
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	21.19	21.19
Total	**1,843.79**	**816.50**	**149.07**	**1.66**	**-**	**21.35**	**2,832.37**

Trade payables ageing schedule as at March 31, 2025

	Unbilled	Not due	Outstanding for the following periods from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues of micro enterprises and small enterprises	-	110.47	11.32	-	-	-	121.79
(ii) Undisputed dues of creditors other than micro enterprises and small enterprises	1,797.18	491.45	4.74	3.08	0.08	0.06	2,296.59
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	21.31	21.31
Total	**1,797.18**	**601.92**	**16.06**	**3.08**	**0.08**	**21.37**	**2,439.69**

Trade payables are non-interest bearing and are normally settled on 30 to 70 day terms

For terms and conditions with related parties, refer note 29.

19 Current tax liabilities, net

	As at March 31, 2026	As at March 31, 2025
Provision for current tax (net of advance Income tax)	179.89	88.06
	179.89	**88.06**

20 Other liabilities

	As at March 31, 2026	As at March 31, 2025
Current		
Contract liabilities (refer note 21.2):		
- Advances received from customers	0.75	349.46
- Unearned revenue	1,434.06	-
Duties and taxes payable	644.01	674.45
	2,078.82	**1,023.91**
Breakup of financial liabilities carried at amortised cost		
Borrowings (refer note 15)	24,765.33	20,432.11
Other financial liabilities (refer note 16)	2,228.19	1,144.36
Trade payables (refer note 18)	2,832.37	2,439.69
Lease liabilities (refer note 30)	2,203.81	1,908.65
	32,029.70	**25,924.81**

21 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of services		
Technology Services and Solutions	45,466.91	39,712.02
Product sales		
Sale of products	50.03	86.03
	45,516.94	**39,798.05**

21.1 Disaggregated revenue information

The table below presents disaggregated revenue from operations by geography and timing of revenue recognition. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Set out below is the disaggregation of the Company's revenue from operations:

	Year ended March 31, 2026	Year ended March 31, 2025
India	8,206.43	9,948.12
Outside India	37,310.51	29,849.93
Total revenue from operations	**45,516.94**	**39,798.05**

Timing of revenue recognition

	Year ended March 31, 2026	Year ended March 31, 2025
Services transferred at a point in time	50.03	86.03
Services transferred over time	45,466.91	39,712.02
Total revenue from operations	**45,516.94**	**39,798.05**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

21.2 Contract balances

Trade receivables (refer note 10)	11,746.06	7,718.21
Contract assets- unbilled revenue (refer note 7)	4,132.07	3,258.36
Contract liabilities- unearned revenue (refer note 20)	1,434.06	-
Contract liabilities- advance from customers (refer note 20)	0.75	349.46

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days. In March 31, 2026, ₹ 56.84 lakhs (March 31, 2025: ₹ 100.33 lakhs) was recognised as provision for expected credit loss on trade receivables.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (unearned revenue).

Contract assets relates to revenue earned from engineering design services rendered within the financial year and for which invoicing happens subsequent to the year end. As such, the balances of this account vary and depend on the quantum of technology services and solutions at the end of the year, In March 31, 2026, ₹ 30.39 lakhs (March 31, 2025: ₹ 6.53 lakhs) was recognised as provision for expected credit loss on contract assets - unbilled revenue.

Contract liabilities include short-term advances received from customers for engineering design services as well as transaction price allocated to performance obligations not yet completed.

During the year, contract liabilities increased primarily on account of higher invoicing in excess of revenue recognised, amounting to ₹ 1,434.06 lakhs. Further, advances of ₹ 336.71 lakhs, determined to be no longer payable, were written back during the year and recognised under other income in the Statement of Profit and Loss.

21.3 Performance Obligation

The performance obligation is satisfied upon the providing of services as and when rendered. The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts, where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, and adjustments for currency fluctuations etc., Revenue to be recognised for performance obligations not satisfied or partially satisfied at the end of the current year, other than those meeting the exclusion criteria mentioned above, in respect of contracts with customer that are in place (i.e. signed agreements/POs/WOs,etc) at the year end:

	Year ended March 31, 2026	Year ended March 31, 2025
Within one year	2,181.37	-
More than one year	6,704.05	-

21.4 There is no difference in the contract price negotiated and the revenue recognised in the statement of profit and loss. There is no significant revenue recognised in the current year from performance obligations satisfied in previous years.

21.5 Changes in unbilled revenue or contract assets are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	3,258.36	3,050.89
Additions during the year	43,580.81	39,636.93
Reclassification adjustments:		
- Billing from opening balance of contract assets to trade receivables	(3,258.36)	(3,027.50)
- Billing from contract assets transferred to trade receivables	(39,448.74)	(36,401.96)
Closing balance	**4,132.07**	**3,258.36**

21.6 Changes in deferred revenue or contract liabilities are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	349.46	354.56
Additions during the year	1,810.88	58.29
Contract liabilities written back (refer note 21.2 above)	(336.71)	-
Reclassification adjustments:		
- Transfer of opening contract liabilities to revenue	(12.75)	(22.79)
- Transfer of contract liabilities to revenue	(376.07)	(40.60)
Closing balance	**1,434.81**	**349.46**

22 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
- from fixed deposits	211.65	582.63
- from financial assets carried at amortised cost	50.82	51.77
- from Inter corporate deposits to related party (refer note 29)	32.78	28.31
- from income tax refund	60.69	44.14
Gain on net settlement on cross currency swap	134.22	32.04
Gain on sale of asset held for sale [refer note (i) below]	-	659.19
Provision/liabilities no longer required, written back	378.85	-
Fair value gain on financial instruments at fair value through profit or loss	0.54	8.17
Gain on foreign currency transactions and translation (net)	352.08	-
Miscellaneous income	4.59	6.69
	1,226.22	**1,412.94**

(i) During the year ended March 31, 2025, the Company has recognised a gain of ₹ 659.19 lakhs from sale of leasehold land and building for a consideration of ₹ 1,490.00 lakhs.

23 Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	23,747.05	21,976.03
Contribution to provident and other funds (refer note 36)	974.63	992.79
Contribution to overseas social security (refer note 36)	1,612.00	1,198.94
Provision for gratuity (refer note 36)	260.21	179.14
Provision for compensated absences	106.19	225.21
Staff welfare expense	701.81	521.35
Share based payments to employees (refer note 40)*	588.00	(1,316.27)
	27,989.89	**23,777.19**

* Due to non-fulfilment of certain vesting conditions, the company had reversed the share based payments to employees, net of ₹ 1,316.27 lakhs for the year ended March 31, 2025.

24 Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense		
- on loan from banks / financial institutions	453.07	377.44
- on debentures from financial institutions	1,314.59	1,334.64
- on Inter corporate deposit from related party (refer note 29)	487.83	856.05
Other borrowing cost	153.87	194.43
Interest on lease liability (refer note 30)	168.08	218.60
Net interest expense on defined benefit liability	81.88	99.30
	2,659.32	**3,080.46**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

25 Depreciation and amortization expense

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of PPE (refer note 3)	491.67	580.69
Amortization of intangible assets (refer note 4)	191.50	142.62
Depreciation of Right-of-use asset (refer note 30)	1,080.01	1,036.89
	1,763.18	**1,760.20**

26 Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Rent (refer note 30)		
- Immovable property	27.50	108.99
- Equipment hire charges	75.10	188.81
Power and fuel	268.30	303.03
Travelling and conveyance	998.71	634.01
Legal and professional charges	1,238.49	662.09
Repairs and maintenance		
- Building	376.08	339.80
- Others	78.65	72.46
Auditor's remuneration (refer note 39)	104.94	118.53
Recruitment and training expenses	289.42	142.17
Marketing and advertising expenses	616.57	608.28
Communication expenses	136.11	151.12
Software subscription charges	2,196.82	1,570.80
Printing and stationery	17.74	21.21
Security charges	63.85	64.18
Rates and taxes	110.44	72.44
Project consultancy charges	5,062.66	3,732.36
Insurance expenses	115.08	118.67
Bank charges	33.27	24.74
Postage and courier charges	7.65	8.07
Advances written off	7.08	-
Provision for expected credit losses of trade receivables and contract assets	87.23	106.86
Directors sitting fees and commission (refer note 29)	101.30	161.79
Corporate social responsibility expenses (refer note 37)	12.18	-
Exchange loss, net	-	7.05
Loss on sale of PPE	-	25.05
Miscellaneous expenses	16.40	8.82
	12,041.57	**9,251.33**

27 Exceptional items

	Year ended March 31, 2026	Year ended March 31, 2025
Impairment in value of investment in subsidiary [refer note 5(a)]	(479.00)	-
Additional purchase consideration paid [refer note 16(c)(i)]	-	(152.29)
Fair value adjustment of a contingent purchase consideration [refer note 16(b)(i)]	462.88	-
Past service costs of Gratuity and Leave encashment [refer note (i) below]	(494.45)	-
	(510.57)	**(152.29)**

(i) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Past service costs of Gratuity and Leave encashment" under "Exceptional Items" in the Standalone Statement of Profit and Loss for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

28 Profit per share (EPS) (basic and diluted)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (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.

		Year ended March 31, 2026	Year ended March 31, 2025
a)	Profit after tax attributable to equity shareholders (₹)	1,117.55	4,059.41
b)	Number of shares outstanding at the year end (in lakhs)	425.17	424.97
c)	Weighted average number of shares outstanding (in lakhs)	425.06	421.92
d)	Nominal value of shares (₹)	5.00	5.00
e)	Basic earning per share (₹) [(a)/(c)]	2.63	9.62
f)	Number of equity shares used to compute diluted earnings per share (in lakhs)	427.41	435.09
g)	Diluted earnings per share (₹) [(a)/(f)]	2.61	9.33

29 Related party disclosures

	Nature of relationship	Name of party
I	**Parties where control exists:**	
	Holding Company	Jupiter Capital Private Limited ('JCPL')
	Subsidiary companies	AXISCADES Inc.
		AXISCADES UK Limited (a step down subsidiary)
		Cades Studec Technologies (India) Private Limited
		AXISCADES Technology Canada Inc.
		Axis Mechanical Engineering Design (Wuxi) Co., Ltd,
		AXISCADES GmbH
		AXISCADES Aerospace & Technologies Private Limited
		Enertec Controls Limited (a step down subsidiary)
		AXISCADES Aerospace Infrastructure Private Limited (a step down subsidiary)
		Mistral Solutions Private Limited
		Mistral Solutions Inc. (a step down subsidiary)
		Mistral Technologies Private Limited (a step down subsidiary)
		Explosoft Tech Solutions Private Limited
		Add Solution GmbH (a step down subsidiary)
		Epcogen Private Limited
	Associate company of a subsidiary	Aero Electronics Private Limited
	Entities in which director or their relative has significant influence	Booma Manufacturing Private Limited
		Microcon Machine Tech Private Limited

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

II Name of other related parties as per Ind AS 24 with whom transactions have taken place during the year:

Key Management Personnel (KMP):	
Founder chairman and Managing Director	Dr. Sampath Ravinarayanan (appointed as a Non-Executive Director w.e.f. October 12, 2024; designated as Chairman w.e.f. January 28, 2025; and appointed as Managing Director w.e.f. August 23, 2025)
Chief Executive Officer & Managing Director	Mr. Alfonso Martinez Fernandez (from January 20, 2025 to August 22, 2025)
Chief Executive Officer & Managing Director	Mr. Arun Krishnamurthi (stepped down w.e.f. January 19, 2025)
Chairman and Non-Executive Director	Mr. Abidali Zainuddin Neemuchwala (from October 4, 2023 to January 25, 2025)
Independent Director	Mrs. Mariam Mathew
Independent Director	Mr. Desh Raj Dogra (stepped down w.e.f September 18, 2024)
Independent Director	Mr. Dhiraj Mathur (stepped down w.e.f September 18, 2024)
Independent Director	Mr. Tanmoy Chakrabarty (appointed w.e.f. July 13, 2024)
Independent Director	Lt Gen Codanda Poovaiah Cariappa (appointed w.e.f. September 19, 2024)
Independent Director	Mr. Rajendra Chandrakant Rao Moholkar (from September 19, 2024 to January 27, 2025)
Independent Director	Mr. Giridhar Aramane (appointed w.e.f. March 26, 2026)
Non - Executive Director	Mr. David Abikzir (stepped down w.e.f July17, 2025)
Non - Executive Director	Mr. Venkatraman Venkitachalam
Non - Executive Director	Dr. S. Christopher (from June 30, 2023 to December 5, 2024)

III Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year:

Chief Financial Officer (CFO)	Mr. Shashidhar SK
Company Secretary	Mrs. Sonal Dudani

IV Transactions with related parties:

Nature of transactions	Relationship	Year ended	
		March 31, 2026	March 31, 2025
Revenue from operations			
AXISCADES Inc.	Subsidiary	2,439.74	2,457.24
AXISCADES UK Limited	Step down subsidiary	493.25	480.11
AXISCADES Technology Canada Inc.	Subsidiary	2,194.25	1,848.45
AXISCADES GmbH	Subsidiary	601.82	361.74
Add Solution GmbH	Step down subsidiary	-	9.25
Remuneration [refer note (IV) (a) and (b) below]*			
Key Management Personnel		455.10	8 97.14
Sitting fees and commission to directors			
Key Management Personnel		101.30	1 61.79
Expenses incurred by the Company on behalf of			
AXISCADES Inc.	Subsidiary	242.74	255.49
AXISCADES UK Limited.	Step down subsidiary	20.11	54.20
AXISCADES Technology Canada Inc.	Subsidiary	76.93	91.75
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	-	182.40
Mistral Solutions Private Limited	Subsidiary	-	44.12
Epcogen Private Limited	Subsidiary	-	65.01
Add Solution GmbH	Step down subsidiary	141.12	-
Expenses incurred on behalf of the Company by			
AXISCADES Inc.	Subsidiary	58.58	47.64
AXISCADES GmbH	Subsidiary	-	60.54
Services received from			
Axis Mechanical Engineering Design (Wuxi) Co., Ltd.	Subsidiary	-	97.83
Cades Studec Technologies (India) Private Limited	Subsidiary	179.02	84.93
Epcogen Private Limited	Subsidiary	-	24.14
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	-	1.56
AXISCADES UK Limited	Step down subsidiary	2,004.48	2,126.02
Jupiter Capital Private Limited	Holding Company	92.93	-
Add Solution GmbH	Step down subsidiary	4.32	-
Booma Manufacturing Private Limited	Entity in which director or their relative has significant influence	5.16	-
Interest Income on intercorporate deposit			
Explosoft Tech Solutions Private Limited	Subsidiary	3.74	2.95
Epcogen Private Limited	Subsidiary	29.04	25.36
Interest expense on intercorporate deposit			
Cades Studec Technologies (India) Private Limited	Subsidiary	55.00	100.25
Mistral Technologies Private Limited	Step down subsidiary	41.97	34.50
Mistral Solutions Private Limited	Subsidiary	390.86	368.00
Explosoft Tech Solutions Private Limited	Subsidiary	-	342.82
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	-	10.48

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Nature of transactions	Relationship	Year ended	
		March 31, 2026	March 31, 2025
Corporate guarantee provided to			
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	950.00	1,800.00
Epcogen Private Limited	Subsidiary	-	500.00
Add Solution GmbH	Step down subsidiary	-	933.40
Corporate guarantee received from			
Subsidiaries (refer note c below)	Subsidiary	-	7,500.00
Advances given			
Microcon Machine Tech Private Limited	Entity in which director or their relative has significant influence	30.53	-

(a) As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

(b) Total employee benefit expense includes employee stock compensation expense of ₹ 588.00 lakhs (March 31, 2025 - Expense reversal of ₹ 1,227.24 lakhs included in the employee stock option scheme expense in the Consolidated Statement of Profit and Loss account.

(c) Refer note 15 for details of security provided for borrowings.

V Balances as at the year end:

Nature of transactions	Relationship	As at March 31, 2026	As at March 31, 2025
Trade receivables			
AXISCADES Inc.	Subsidiary	960.36	882.94
AXISCADES UK Limited.	Step down subsidiary	175.39	163.62
AXISCADES Technology Canada Inc.	Subsidiary	576.32	404.53
AXISCADES GmbH	Subsidiary	168.28	205.56
Axis Mechanical Engineering Design (Wuxi) Co., Ltd.(allowance for bad and doubtful debts of ₹ 185.48 lakhs (March 31, 2025 - ₹ 160.67 lakhs)	Subsidiary	185.48	160.67
Add Solution GmbH	Step down subsidiary	-	9.21
Unbilled revenue			
AXISCADES Technology Canada Inc.	Subsidiary	233.95	168.89
AXISCADES Inc.	Subsidiary	235.19	227.86
AXISCADES UK Limited.	Step down subsidiary	36.73	47.43
AXISCADES GmbH	Subsidiary	145.75	45.25

V Balances as at the year end:

Nature of transactions	Relationship	As at March 31, 2026	As at March 31, 2025
Investments			
AXISCADES Inc.	Subsidiary	1,489.06	1,489.06
Cades Studec Technologies (India) Private Limited	Subsidiary	719.66	719.66
AXISCADES Technology Canada Inc.	Subsidiary	0.05	0.05
AXISCADES GmbH	Subsidiary	18.87	18.87
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	11,962.04	11,962.04
Mistral Solutions Private Limited	Subsidiary	17,000.97	17,000.97
Explosoft Tech Solutions Private Limited	Subsidiary	7,213.00	7,213.00
Epcogen Private Limited [refer note 5(a)]	Subsidiary	2,735.00	3,214.00
Receivables from related parties			
Expenses recoverable:			
AXISCADES Inc.	Subsidiary	125.70	108.48
AXISCADES UK Limited	Step down subsidiary	17.12	6.55
AXISCADES Technology Canada Inc.	Subsidiary	15.95	19.68
Mistral Solutions Private Limited	Subsidiary	51.18	52.06
Epcogen Private Limited	Subsidiary	65.01	65.01
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	201.67	201.67
Add Solution GmbH	Step down subsidiary	145.91	-
Trade payables			
AXISCADES Inc.	Subsidiary	12.73	15.27
AXISCADES UK Limited	Step down subsidiary	336.84	904.19
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	-	60.54
Cades Studec Technologies (India) Private Limited	Subsidiary	130.65	31.08
Advances to Suppliers			
Microcon Machine Tech Private Limited	Entity in which director or their relative has significant influence	30.53	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

V Balances as at the year end:

Nature of transactions	Relationship	As at March 31, 2026	As at March 31, 2025
Other financial liabilities			
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	156.36	158.05
Add Solution GmbH (refer note 7)	Step down subsidiary	374.27	-
Commission payable to directors	Key Management personnel	35.17	45.79
Remuneration payable (Refer note (IV) (a) and (b) above)*	Key Management Personnel	81.00	133.60
Corporate guarantee provided to - outstanding			
AXISCADES Aerospace & Technologies Private Limited	Subsidiary	6,250.00	5,300.00
Epcogen Private Limited	Subsidiary	500.00	500.00
Add Solution GmbH	Step down subsidiary	-	933.40
Securities provided to - outstanding			
Add Solution GmbH	Step down subsidiary	-	294.00
Corporate guarantee received from - outstanding			
Subsidiaries (refer note IV(c) above)	Subsidiary	9,550.00	13,250.00

* Remuneration payable does not include amount payable on employee stock option scheme.

Loans to related parties

Particulars	Opening balance	Loans given	Received	Loan outstanding	Interest receivable
Explosoft Tech Solutions Private Limited (Subsidiary)					
March 31, 2026	33.00	46.00	33.00	46.00	0.12
March 31, 2025	26.50	6.50	-	33.00	4.27
Epcogen Private Limited (Subsidiary)					
March 31, 2026	250.00	160.00	200.00	210.00	10.52
March 31, 2025	150.00	200.00	100.00	250.00	27.01

Loans from related parties

Particulars	Opening balance	Loans taken	Interest	Repayment	Loan outstanding	Interest payable
Cades Studec Technologies (India) Private Limited (Subsidiary)						
March 31, 2026	500.00	-	55.00	-	500.00	12.20
March 31, 2025	1,150.00	-	-	650.00	500.00	61.84
AXISCADES Aerospace & Technologies Private Limited (Subsidiary)						
March 31, 2026	-	-	-	-	-	-
March 31, 2025	500.00	-	-	500.00	-	-
Explosoft Tech Solutions Private Limited (Subsidiary)						
March 31, 2026	-	-	-	-	-	-
March 31, 2025	6,363.37	-	-	6,363.37	-	-
Mistral Solutions Private Limited (Subsidiary)						
March 31, 2026	3,200.00	1,225.00	390.86	-	4,425.00	864.96
March 31, 2025	-	3,200.00	-	-	3,200.00	513.19
Mistral Technologies Private Limited (Step down subsidiary)						
March 31, 2026	300.00	150.00	41.97	-	450.00	78.94
March 31, 2025	-	300.00	-	-	300.00	41.17

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

30 Right-of-use assets and lease liabilities

Company as a lessee

The Company has lease contracts for immovable properties and computers. These leases are for a period ranging from three years to nine years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. These lease contracts include extension and termination options.

The Company also has certain leases of computers and mobile phones with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	As at March 31, 2026		As at March 31, 2025		Total	
	Immovable Property	Computers	Immovable Property	Computers	As at March 31, 2026	As at March 31, 2025
Opening balance as on April 1	1,659.23	22.31	2,369.50	66.04	1,681.54	2,435.54
Additions	1,423.18	-	282.89	-	1,423.18	282.89
Deletions	-	-	-	-	-	-
Depreciation expense	(1,057.70)	(22.31)	(993.16)	(43.73)	(1,080.01)	(1,036.89)
Carrying amount as on March 31	**2,024.71**	**-**	**1,659.23**	**22.31**	**2,024.71**	**1,681.54**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at March 31, 2026	As at March 31, 2025
Opening balance as on April 1	1,908.65	2,606.47
Additions	1,435.84	282.89
Deletion	-	-
Accretion of interest (refer note 24)	168.08	218.60
Payment of principal portion of lease liabilities	(1,140.68)	(980.71)
Payment of Interest portion of lease liabilities	(168.08)	(218.60)
Carrying amount as on March 31	**2,203.81**	**1,908.65**
Current	771.44	1,028.44
Non-current	1,432.37	880.21
	2,203.81	**1,908.65**

The effective interest rate for lease liabilities is between 5.81% to 10.72% per annum (March 31, 2025 is between 8.00% to 10.72% per annum), with maturity between 2026 to 2031.

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis:

	As at March 31, 2026	As at March 31, 2025
Less than three months	256.56	308.09
three to twelve months	664.88	849.75
Between 1 and 2 years	623.94	611.49
Between 2 and 3 years	344.84	304.87
Between 3 and 4 years	358.33	12.93
Between 4 and 5 years	266.34	12.93
more than five years	30.01	9.70

The following are the amounts recognised in statement of profit or loss:

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation expense of right-of-use assets	1,080.01	1,036.89
Interest expense on lease liabilities	168.08	218.60
Expense relating to short-term leases (included in other expenses)	102.60	297.80
Total amount recognised in profit or loss	**1,350.69**	**1,553.29**

The Company had total cash outflows for leases of ₹ 1,411.36 lakhs for the year ended March 31, 2026 (March 31, 2025: ₹ 1,497.11 lakhs). The Company has made non-cash additions of ₹ 1,423.18 lakhs (March 31, 2025: ₹ 282.89 lakhs) and ₹ 1,435.84 lakhs (March 31, 2025: ₹ 282.89 lakhs) to right-of-use assets and lease liabilities, respectively. There are no future cash outflows relating to leases that have not yet commenced.

31 Capital and other commitments

As at March 31, 2026, the Company had a capital commitment of ₹ 377.65 lakhs towards the completion of the engineering facility (March 31, 2025: Nil). Further, as at March 31, 2025, the Company had a commitment of ₹ 81.29 lakhs for the development of software.

32 Capital management

For the purpose of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank/ financial institution to immediately call loans and borrowings.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt interest bearing loans and borrowings, lease liabilities, less Cash and cash equivalent.

	As at March 31, 2026	As at March 31, 2025
Borrowings(Current and Non-current) (refer note 15)	24,765.33	20,432.11
Lease liabilities (Current and Non-current) (refer note 30)	2,203.81	1,908.65
Less: Cash and cash equivalent (refer note 11)	(543.35)	(1,120.08)
Net debt	**26,425.79**	**21,220.68**
Equity (refer note 13)	2,127.40	2,126.41
Other equity (refer note 14)	38,053.71	37,118.38
Capital and net debt	**66,606.90**	**60,465.47**
Gearing ratio	40%	35%

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

33 Income Tax

The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:

	Year ended March 31, 2026	Year ended March 31, 2025
Current income tax:		
Current income tax charge	255.13	85.71
Adjustments in respect of current income tax relating to earlier years	(116.21)	(123.74)
Deferred tax:		
Relating to the origination and reversal of temporary differences	479.37	(903.86)
Income tax expense reported in statement of profit and loss	**618.29**	**(941.89)**
OCI section		
Deferred tax related to items recognised in OCI during the year:		
Re-measurement gains/ (losses) on defined benefit plans	12.93	(31.52)
Losses on cash flow hedges	(275.05)	(51.28)
	(262.12)	**(82.80)**
Bifurcation of the deferred tax recognized in OCI		
Items that will not be reclassified to Statement of Profit and Loss	12.93	(31.52)
Items that will be reclassified to Statement of Profit and Loss	(275.05)	(51.28)
	(262.12)	**(82.80)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025:

	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax	**1,735.84**	**3,117.52**
At India's statutory income tax rate of 25.17% (March 31, 2025 - 25.17%) [refer note (i) below)]	436.88	784.62
Adjustments in respect of current income tax relating to earlier years	(116.21)	123.74
Foreign tax expensed during the year	255.13	85.71
Non-deductible items for tax purposes	22.53	3.67
One-time additional deferred tax charge including reversal of MAT credit [refer note (i) below]	-	(131.56)
Utilisation of prior year losses on which tax credit not recognised in earlier years	19.96	(954.33)
Tax credit recognised on prior year losses [refer note (ii) below]	-	(855.44)
Others	-	1.70
At the effective income tax rate of 35.62% [March 31, 2025: 30.21%]	**618.29**	**(941.89)**
Income tax expense reported in the Statement of Profit and Loss	618.29	(941.89)

Notes

(i) During the year ended March 31, 2025, the Company had exercised the option of availing the lower tax rate available under Section 115BAA of Income Tax Act, 1961, thereby lowering the tax rate from 28.72 % to 25.168%. Accordingly, the Company had provided for income taxes for the year ended March 31, 2025 and re-measured the accumulated balance of deferred tax assets as at March 31, 2025, based on the rate prescribed under the aforesaid section. The resultant Impact had been taken through the statement of profit and loss. The re-measurement of accumulated deferred tax assets had resulted in a one-time additional deferred tax charge (including reversal of MAT credit) of ₹ 131.56 lakhs for the year ended March 31, 2025.

(ii) Pursuant to the final assessment order for AY 2023-24 received on March 23, 2025 thereby concluding the assessment of Income for the aforesaid assessment year, the Company had set-off unutilised business losses of AY 2023-24 against the taxable profits of current year and unutilised unabsorbed depreciation of AY 2023-24 against the capital gains on sale of Asset held for sale during the year ended March 31, 2025 and based on the projections for future taxable profits the Company had recognized deferred tax assets (net) of ₹ 855.44 lakhs on remaining unutilized losses as at March 31, 2025.

The movement in deferred tax asset from the opening balance pertains to deferred tax credit recognized in Statement of Profit and Loss and other comprehensive income for the year.

Deferred tax

Deferred tax relates to the following:

	Standalone Balance Sheet		Standalone statement of profit and loss (including OCI)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Impact of difference between depreciation charged for financial reporting and expenses allowed for tax purposes	(101.87)	(42.73)	(59.14)	(149.84)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	585.21	276.47	308.74	(110.18)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent year	175.10	426.70	(251.60)	206.42
Right-of-use assets	(509.58)	(423.21)	(86.37)	254.36
Lease liabilities	554.65	480.37	74.28	(244.75)
Minimum Alternate Tax Credit	-	-	-	(60.57)
Losses available for offsetting against future taxable income	527.60	1,125.96	(598.36)	1,125.96
Hedge items	343.92	(51.28)	395.20	(34.74)
	1,575.03	**1,792.28**	**(217.25)**	**986.66**

Reflected in the balance sheet as follows:	As at March 31, 2026	As at March 31, 2025
Deferred tax assets	1,575.03	1,792.28
Deferred tax liabilities	-	-
Deferred tax assets, net	**1,575.03**	**1,792.28**

Reconciliation of deferred tax assets (net)

	As at March 31, 2026	As at March 31, 2025
Opening balance as of April 1	1,792.28	805.62
Tax (benefit)/ expense during the period recognised in profit or loss	(479.37)	903.86
Tax expense during the period recognised in OCI	262.12	82.80
Closing balance as at March 31	**1,575.03**	**1,792.28**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

34 Fair value measurements

(i) Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2026, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	FVTOCI	Other financial assets -amortised cost	Other financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets not measured at fair value									
Other Investments	5	-	-	0.05	-	0.05	-	-	-
Other financial assets	7	-	-	6,919.32	-	6,919.32	-	-	-
Loans	6	-	-	256.00	-	256.00	-	-	-
Trade receivables	10	-	-	11,746.06	-	11,746.06	-	-	-
Cash and cash equivalent	11	-	-	543.35	-	543.35	-	-	-
Bank balances other than cash and cash equivalent	12	-	-	1,888.89	-	1,888.89	-	-	-
		-	**-**	**21,353.67**	**-**	**21,353.67**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Other financial liabilities (Purchase consideration payable)	16	233.33	-	-	-	233.33	-	-	233.33
Other financial liabilities (Hedge Liability)	16	-	1,366.51	-	-	1,366.51	-	1,366.51	
		233.33	**1,366.51**	**-**	**-**	**1,599.84**	**-**	**1,366.51**	**233.33**
Financial liabilities not measured at fair value									
Borrowings	15	-	-	-	24,765.33	24,765.33	-	-	-
Trade payables	18	-	-	-	2,832.37	2,832.37	-	-	-
Other financial liabilities	16	-	-	-	2,228.19	2,228.19	-	-	-
Lease liabilities	30	-	-	-	2,203.81	2,203.81	-	-	-
		-	**-**	**-**	**32,029.70**	**32,029.70**	**-**	**-**	**-**

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2026.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at March 31, 2025, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	FVTOCI	Other financial assets -amortised cost	Other financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets not measured at fair value									
Other Investments	5	-	-	0.05	-	0.05	-	-	-
Other financial assets	7	-	-	5,920.49	-	5,920.49	-	-	-
Loans	6	-	-	283.00	-	283.00	-	-	-
Trade receivables	10	-	-	7,718.21	-	7,718.21	-	-	-
Cash and cash equivalent	11	-	-	1,120.08	-	1,120.08	-	-	-
Bank balances other than cash and cash equivalent	12	-	-	2,874.77	-	2,874.77	-	-	-
		-	**-**	**17,916.59**	**-**	**17,916.59**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Other financial liabilities (Purchase consideration payable)	16	652.40	-	-	-	652.40	-	-	652.40
Other financial liabilities (Hedge Liability)	16	-	263.26	-	-	263.26		263.26	-
		652.40	**263.26**	**-**	**-**	**915.66**	**-**	**263.26**	**652.40**
Financial liabilities not measured at fair value									
Borrowings	15	-	-	-	20,432.11	20,432.11	-	-	-
Trade payables	18	-	-	-	2,439.69	2,439.69	-	-	-
Other financial liabilities	16	-	-	-	1,144.36	1,144.36	-	-	-
Lease liabilities	30	-	-	-	1,908.65	1,908.65	-	-	-
		-	**-**	**-**	**25,924.81**	**25,924.81**	**-**	**-**	**-**

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended March 31, 2025

The Management assess the fair value of cash and cash equivalents, bank balances other than cash and cash equivalent, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amount since the Company does not anticipates that the carrying amount would be significantly different from the value that would be significantly different from the value that would eventually be received or settled. The fair value of the financial assets and liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a force liquidation sale.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2026 and March 31, 2025 are as shown below:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Type	Valuation technique	Significant unobservable inputs	Valuation process	Sensitivity of the input to fair value
Purchase consideration payable	DCF method	Expected cash outflow Discount rate	Estimate of cash outflows are based on forecasted sales and entity's knowledge of the business and how the current economic environment is likely to impact. Discount rate is the current average borrowing cost that a market participant would expect to pay to obtain its debt financing based on the assumed capital structure	Any increase in expected cash flows would increase the fair value. Any increase in the discount rate would result in decrease in fair value.

Valuation technique used to determine fair value of derivative contracts

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts and Currency options are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and yield curves of the respective currencies. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

Valuation processes

The Corporate finance team has requisite knowledge and skills. The team headed by the Company CFO directly reports to the audit committee to arrive at the fair value of financial instruments.

35 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on it's financial performance. The primary market risk to the Company is foreign exchange exposure risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Financial assets that are not credit impaired

The Company has financial assets which are in the nature of cash and cash equivalent, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal assessment. Outstanding customer receivables are regularly monitored including the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 34. The Company does not hold collateral as security. The Company is considerate of the fact the majority of the collection is receivable from export customers with high credit worthiness where there is no significant risk of bad debts. The customers of the Company have a defined period for payment of receivables, hence the Company evaluates the concentration of risk with respect to trade receivables as low. The Company considers receivables from group company separately and creates provision for doubtful debts on case to case basis.

Movement in the allowance for impairment in trade receivables and contract assets	March 31, 2026	March 31, 2025
Opening balance	368.58	261.72
Amount provided for	87.23	106.86
Amount reversal for	-	-
Net remeasurement of loss allowance	**455.81**	**368.58**

(B) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalent and the cash flow that is generated from operations. As of March 31, 2026, the Company has the negative working capital of ₹ 3,710.41 lakhs (March 31, 2025: ₹ 7,557.51 lakhs) including purchase consideration payable on acquisition of Epcogen private limited of ₹ 233.33 lakhs (March 31, 2025: ₹ 652.40 lakhs) and cash and cash equivalent of ₹ 543.35 lakhs (March 31, 2025: ₹ 1,120.08 lakhs).

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturities of financial liabilities

As at March 31, 2026	On demand	Less than 3 months	3 to 12 months	1 year to 5 years	More than 5 years	Total
Borrowings	1,535.76	3,198.13	13,767.11	6,272.55	-	24,773.55
Trade payables	-	2,832.37	-	-	-	2,832.37
Other financial liabilities	-	2,261.95	1,555.59	10.49	-	3,828.03
Lease liabilities	-	256.56	664.88	1,593.45	30.01	2,544.90
Total	**1,535.76**	**8,549.01**	**15,987.58**	**7,876.49**	**30.01**	**33,978.85**

As at March 31, 2025	On demand	Less than 3 months	3 to 12 months	1 year to 5 years	More than 5 years	Total
Borrowings	598.17	2,311.11	2,602.26	15,030.85	-	20,542.39
Trade payables	-	2,439.69	-	-	-	2,439.69
Other financial liabilities	-	528.16	496.26	1,035.60	-	2,060.02
Lease liabilities	-	308.09	849.75	951.92	-	2,109.76
Total	**598.17**	**5,587.05**	**3,948.27**	**17,018.37**	**-**	**27,151.86**

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

(C) Market risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating, financing and investing activities.

Foreign currency sensitivity

The Company operates internationally and a significant portion of the business is transacted in USD and EURO currencies and consequently the Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contracts and cross currency swaps to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

Foreign currency denominated financial assets and liabilities which expose the Company to currency risk are disclosed below.

Particulars	Currency	As at March 31, 2026		As at March 31, 2025	
		Amount in foreign currency in lakhs	Amount in ₹	Amount in foreign currency in lakhs	Amount in ₹
Financial assets					
Trade receivables	USD	82.30	7,722.00	62.29	5,322.33
	EURO	20.06	2,163.42	6.33	584.19
	GBP	1.41	175.38	1.48	163.62
	CAD	-	-	0.13	7.56
	CNY	13.65	185.48	13.65	160.67
	SGD	0.21	15.21	0.21	13.30
Unbilled revenue	USD	32.91	3,087.75	26.03	2,224.00
	EURO	3.13	337.68	2.36	218.37
	GBP	0.29	35.45	0.43	47.43
Security Deposit	EURO	0.26	28.29	-	-
	AED	1.02	26.03	-	-
Other receivables from related parties	USD	1.34	125.70	1.27	108.48
	EURO	1.35	145.75	-	-
	GBP	0.14	17.12	0.06	6.55
	CAD	0.24	15.95	0.33	19.65
Cash and bank balances	USD	1.98	185.57	9.63	822.83
	EURO	2.92	314.55	0.51	46.72
	DKK	1.57	22.85	0.44	5.45
Financial liabilities					
Trade payables	USD	1.05	98.69	1.00	85.75
	EURO	7.52	811.41	2.76	255.02
	GBP	3.03	376.28	8.18	901.87
	DKK	0.27	4.00	1.32	16.41
Unearned Revenue	EURO	11.56	1246.50	-	-
Lease liability	EURO	3.32	357.79	0.88	81.46
Interest accrued but not due on borrowings	USD	0.06	5.54	0.09	7.36
Borrowings	USD	30.00	2,814.9	41.55	3,550.0

Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant and refer below for impact of change in foreign exchange rates on loss before tax of the Company.

Particulars	March 31, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Sensitivity				
INR/USD	82.02	(82.02)	48.35	(48.35)
INR/EURO	5.74	(5.74)	5.13	(5.13)
INR/GBP	(1.48)	1.48	(6.84)	6.84
INR/CAD	0.16	(0.16)	0.27	(0.27)
INR/DKK	0.19	(0.19)	(0.11)	0.11
INR/CNY	1.85	(1.85)	1.61	(1.61)
INR/SGD	0.15	(0.15)	0.13	(0.13)

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on similar assets and liabilities in active markets or inputs that are directly or in directly observable in the marketplace.

The Company has entered into cross currency swap contracts with RBL bank on net settlement basis to hedge foreign currency risks. These contracts are designated as cash flow hedges.

The effective portion of changes in fair value of these derivatives, amounting to ₹ 1,092.87 lakhs (March 31, 2025: ₹ 203.75 lakhs), has been recognized in other comprehensive income under cash flow hedging reserve.

The following table gives details in respect of outstanding foreign exchange forward contracts and cross currency swap contract:

Particulars	As at March 31, 2026	As at March 31, 2025
Forward Contracts		
In USD (March 31, 2026 - 17.00 lakhs, March 31, 2025 - 48.00 lakhs)	1,521.45	4,126.77
Cross currency swaps		
In EURO (March 31, 2026 - 58.95 lakhs, March 31, 2025 : 58.95 lakhs)	5,250.00	5,250.00

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

Foreign exchange forward contracts (highly probable forecast sales)	As at March 31, 2026		As at March 31, 2025	
	Notional amount (in ₹ lakhs)	Average forward rate	Notional amount (in ₹ lakhs)	Average forward rate
Not later than one month				
- In USD	-	-	423.60	84.72
Later than one month and not later than three months				
- In USD	444.38	88.88	851.15	85.12
Later than three months and not later a year				
- In USD	1,077.08	89.76	2,852.02	86.38

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for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Cross currency swap contracts	As at March 31, 2026 Notional amount (in ₹ lakhs)	As at March 31, 2026 Average forward rate	As at March 31, 2025 Notional amount (in ₹ lakhs)	As at March 31, 2025 Average forward rate
Not later than June 2026 - in Euro	840.00	89.06	840.00	89.06
Not later than September 2026 - in Euro	1,050.00	89.06	1,050.00	89.06
Not later than December 2026 - in Euro	1,050.00	89.06	1,050.00	89.06
Not later than March 2027 - in Euro	1,050.00	89.06	1,050.00	89.06
Not later than June 2027 - in Euro	1,260.00	89.06	1,260.00	89.06

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at the beginning of the year	(126.32)	26.15
Changes in fair value of effective portion of derivatives	(1,092.87)	(203.75)
Balance as at the end of the year	**(1,219.19)**	**(177.60)**
Deferred tax thereon	275.05	51.28
Balance as at the end of the year, net of deferred tax	**(944.14)**	**(126.32)**

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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
March 31, 2026		
INR	+50	(8.67)
INR	-50	7.92
March 31, 2025		
INR	+50	(9.14)
INR	-50	8.37

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Price risk

The Company invests in mutual funds schemes of leading fund houses. Such investments are susceptible to market price risks. However, given the short tenure of the underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

36 Defined benefit obligations

A Defined benefit contributions

India

The Company makes contribution to statutory provident fund as per Employees Provident Fund and Miscellaneous Provision Act, 1952 for its employees. This is a defined contribution plan as per Ind AS 19, Employee benefits. Contribution made during the year ended March 31, 2026 : ₹ 974.63 lakhs (March 31, 2025 : ₹ 992.79 lakhs)

Overseas social security

The Company makes a contribution towards social security charges for its employees located at the respective branch offices in respective foreign geographies, that are defined contribution plans. The contributions paid or payable is recognised as an expense in the period in which the employee renders services in respective geographies. Contribution made during the year ended March 31, 2026 : ₹ 1,612.00 lakhs (March 31, 2025 : ₹ 1,198.94 lakhs)

B Defined benefit plans

The Company has a defined benefit gratuity plan (unfunded). The Company has provided for gratuity, for its employees as per actuarial valuation carried out by an independent actuary on the Balance Sheet date. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the present value of Defined Benefit Obligations and the related current service cost. This is a defined benefit plan as per Ind AS 19.

The gratuity plan is governed by the provisions of the Code on Social Security, 2020 and Payment of Gratuity Act, 1972 (as amended from time to time). Employees are entitled to all the benefits enlisted under this Act.

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

a Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

b Liquidity risk

This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

c Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of employees in future. Deviation in the rate of interest in future for employees from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

d Demographic risk

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

e Regulatory risk

Gratuity benefits are paid in accordance with the requirements of the Code on Social Security, 2020 and Payment of Gratuity Act,1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

(i) Changes in the present value of the defined benefit obligation are as follows

	Gratuity	
	As at March 31, 2026	**As at March 31, 2025**
Defined benefit obligation at the beginning of the year	1,114.56	886.66
Current service cost	260.21	179.14
Interest cost	81.88	63.35
Benefits paid	(130.99)	(139.81)
Past service cost	456.41	-
Actuarial (gain)/ loss arising from change in financial assumptions	(35.34)	39.92
Actuarial loss arising from change in demographic assumptions	-	-
Actuarial (gain)/ loss arising from experience adjustments	(16.03)	85.30
Defined benefit obligation at the end of the year	**1,730.70**	**1,114.56**
Non-Current Provision	1,441.41	962.85
Current Provision	289.29	151.71

(ii) Components of expense recognised in the Statement of Profit and Loss

	Gratuity	
	As at March 31, 2026	**As at March 31, 2025**
Employee benefits expense		
-Current service cost	260.21	179.14
Finance costs		
-Interest expense on defined benefit obligation	81.88	63.35
Expenses recognised in the Statement of Profit and Loss for the year	**342.09**	**242.49**

(iii) Components of defined benefit costs recognised in other comprehensive income

	Gratuity	
	As at March 31, 2026	**As at March 31, 2025**
Re-measurement on the net defined benefit liability :		
Recognised net actuarial (gain)/ loss arising from change in financial assumptions	(35.34)	39.92
Recognised net actuarial loss arising from change in demographic assumptions	-	-
Recognised net actuarial (gain)/ loss arising from experience variance	(16.03)	85.30
Re-measurement (gain)/ loss in other comprehensive income	**(51.37)**	**125.22**

(iv) The principal assumptions used in determining gratuity obligations for the Company's plans disclosed below

	As at March 31, 2026	**As at March 31, 2025**
Discount rate	6.80%	6.50%
Salary escalation rate		
- onsite	2.50%	2.50%
- offshore	6.00%	6.00%
Attrition rate		
- up to 5 years	24.00%	24.00%
- more than 5 years	15.00%	15.00%
Retirement age	60 Years	60 Years
Mortality rate [as a percentage of Indian assured lives mortality (2012-2014)]	100%	100%

The assumptions were developed by Management with the assistance of independent actuaries. Discount factors are determined close to each year-end by reference to market yields of Government bonds that have terms to maturity approximating to the terms of the gratuity obligation. Other assumptions are based on current actuarial benchmarks and Management's historical experience.

A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is as shown below:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, attrition rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The following table summarizes the impact of change in the defined benefit obligation resulting from the specified percentage change in the aforementioned assumptions.

Particulars	Gratuity	
	Increase	**Decrease**
Discount rate (Increase or decrease by 1%)	(87.43)	96.48
Salary growth rate (Increase or decrease by 1%)	97.16	(89.62)

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

Particulars	Gratuity	
	Increase	**Decrease**
Discount rate (Increase or decrease by 1%)	(60.39)	66.84
Salary growth rate (Increase or decrease by 1%)	67.08	(61.71)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method and assumptions used in preparing the sensitivity analysis from previous years.

(v) Effect of plan on entity's future cash flows

The scheme is managed on an unfunded basis and hence, no funding arrangements or future contributions are applicable. The weighted average duration of the defined benefit obligation is estimated to be 5 years for the year ended March 31, 2026 and 6 years for the year ended March 31, 2025 respectively. Following is a maturity profile of the defined benefit obligation as at March 31, 2026 and March 31, 2025.

Expected cash flows over the next: (valued on undiscounted basis)

	As at March 31, 2026	**As at March 31, 2025**
Within the next 12 months	289.29	151.71
Between 2 - 5 years	939.06	608.18
Between 6 - 10 years	768.37	502.28
More than 10 years	658.50	459.22

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

37 Details of CSR expenditure

		As at March 31, 2026	As at March 31, 2025
Gross amount required to be spent by the Company during the year		12.18	-
Amount approved by the Board to be spent during the year		12.18	-
Amount spent during the year ending on March 31, 2026:	**In Cash**	**Yet to be paid in cash**	**Total**
(i) Construction or acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	8.14	4.04	12.18
Amount spent during the year ending on March 31,2025:	**In Cash**	**Yet to be paid in cash**	**Total**
(i) Construction or acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	-	-	-
Details of related party transactions		-	-
Details related to spent / unspent obligations:			
(i) Contribution to Charitable Trust		8.14	-
(ii) Contribution to other		-	-
(iii) Unspent amount in relation to:			
Ongoing project		-	-
Other than ongoing project		4.04	-

CSR expenditure has been incurred for promoting education, including special education and employment enhancing vocation skills

Details of ongoing project and other than ongoing project for the year ended March 31 2026

In case of S. 135(6) (Ongoing Project)						
Opening Balance as at April 1, 2025		Amount required to be spent during the year	Amount spent during the year		"Closing Balance as at March 31, 2026"	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)						
Opening Balance as at April 1, 2025	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year		"Closing Balance as at March 31, 2026"	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	12.18	8.14	-	4.04	-

Note: The Board of Directors has approved the transfer of the remaining unspent CSR amount relating to projects other than ongoing projects to a Fund specified in Schedule VII of the Companies Act, 2013.

Details of ongoing project and other than ongoing project for the year ended March 31, 2025

In case of S. 135(6) (Ongoing Project)						
Opening Balance as at April 1, 2024		Amount required to be spent during the year	Amount spent during the year		Closing Balance as at March 31, 2025	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)						
Opening Balance as at April 1, 2024	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year		Closing Balance as at March 31, 2025	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

38 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 32
- Financial risk management objectives and policies Note 35
- Sensitivity analyses disclosures Notes 35 and 36

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Standalone financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and carried forward tax loss can be utilised. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Evaluation of indicators for impairment of non-financial assets (including investments in subsidiaries)

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next four to five years and do not include restructuring activities that the Company is not yet committed to or significant future

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to assessing the carrying value of investment and other intangibles with indefinite useful lives recognised by the Company.

Recoverability of trade receivables and other financial assets

At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit loss on outstanding receivables and other financial assets.

Provision for expected credit losses of trade receivables and financial assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. 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. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 35.

Estimating the fair value of share-based payments

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses Black Sholes model valuation for executives and senior management employees. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 40.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits 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.

"The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.
The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates."

Further details about gratuity obligations are given in Note 36.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 34 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

As part of the accounting for the acquisition of engineering design and solution for energy sector business of Epcogen Private Limited, contingent consideration with an estimated fair value of ₹ 589.00 lakhs was recognised at the acquisition date and remeasured to ₹ 233.34 lakhs as at March 31, 2026 (March 31, 2025: ₹ 652.40 lakhs). The maximum consideration to be paid is ₹ 700 lakhs. The contingent consideration is classified as other financial liability. Refer note 16(b).

Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At March 31, 2026, the carrying amount of capitalised intangible asset under development was Nil (March 31, 2025: ₹ 84.27 lakhs).

Useful lives and residual values of property, plant and equipment and intangible assets

The Company reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, the Company determines whether climate-related legislation and regulations might impact either the useful life or residual values.

Leases - Estimating the incremental borrowing rate

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.

Decommissioning liability

The estimated valuation of decommissioning liability are based on management's historical experience and best estimate of restoring the premises on lease in its original condition. Assumptions and judgments made by management when assessing an decommissioning liability include i) the existence of a legal obligation; ii) estimated probabilities, amounts, and timing of settlements; iii) the credit-adjusted risk-free rate to be used.

39 Auditor's remuneration *

	Year ended March 31, 2026	Year ended March 31, 2025
Statutory audit fees	98.34	98.34
Other fees	3.90	10.75
Out of pocket expenses	2.70	9.44
	104.94	**118.53**

* excluding goods and service tax

40 Share based payments to employees

Employee stock option scheme

The Company has two ESOP schemes titled "AXISCADES Employee Stock Option Plan- Series 1" and "AXISCADES Employee Stock Option Plan- Series 2" ("ESOP Scheme") under which option to subscribe for the Company's shares can be granted to certain executive and senior employees.

The fair value of the options granted is estimated using Black-Scholes model of pricing, taking into account the terms and conditions upon which the share options were granted.

The share options can be exercised up to eight years from the grant date. There are no cash settlement alternatives. The Company accounts for the Scheme as an equity-settled plan.

	Year ended March 31, 2026	Year ended March 31, 2025
Total expense/ (reversal), net arising from share-based payment transactions*	588.00	(1,316.27)

* After considering the reversal of cross charges amounting to ₹ 156.29 lakhs for the year ended March 31, 2025.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Movements during the year

The following table summarises the number and weighted average exercise prices ('WAEP') of, and movements in, share options during the year

	March 31, 2026		March 31, 2025	
	Number*	WAEP (₹)	Number*	WAEP (₹)
Outstanding at 1 April	144,836	68.39	3,870,381	73.30
Granted during the year	510,000	555.00	-	-
Forfeited during the year	-	-	(3,176,096)	75.54
Exercised during the year	(19,736)	51.30	(549,449)	61.65
Expired during the year	-	-	-	-
Outstanding at March 31	**635,100**	**459.68**	**144,836**	**68.39**
Exercisable at March 31	50,099	52.42	69,835	52.13

* full figures

The weighted average remaining contractual life for the share options outstanding as at March 31, 2026 was 8.24 years (March 31, 2025: 3.88 years).

During the year, the Board of Directors approved to grant 1,590,000 stock options to Key Management Personnel under the ESOP Scheme to be granted in tranches in three years.. Pursuant to the approval, the Company has granted 510,000 options during the year ended March 31, 2026.

The range of exercise prices for options outstanding at the end of the year was ₹ 51.20 to ₹ 555.00 (March 31, 2025: ₹ 51.20 to ₹ 83.52).

Details of share options exercised during the year ended March 31, 2026 and March 31, 2025

Number of options exercised	Year	Exercise date	Share price (₹) at exercise date
800	2025-26	November 20, 2025	1,508.85
18,936	2025-26	November 5, 2025	1,552
2,100	2024-25	March 7, 2025	815.65
50,692	2024-25	February 21, 2025	751.35
89,511	2024-25	November 29, 2024	443.7
116,205	2024-25	November 7, 2024	517.15
104,000	2024-25	September 17, 2024	550.6
186,941	2024-25	September 6, 2024	569.55

41 Transfer pricing

Transfer Pricing regulations for computing the taxable income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within due date of filing the Return of Income. The Company is in the process of updating the Transfer Pricing documentation for the financial year ended March 31, 2026 following a detailed transfer pricing study conducted for the financial year ended March 31, 2025. In the opinion of the Management, the same would not have an impact on these financial statements. Accordingly, these financial statements do not include the effect of the transfer pricing implications, if any.

42 Events after the reporting period

Pursuant to approval of the Board of Directors of the Company on May 26, 2026, the Company has entered into a Master Framework Agreement and Business Transfer Agreement with Akkodis Group on May 26, 2026, to sell certain businesses engaged in rendering engineering services to customers in Heavy Engineering, Automotive and Energy industries of the Company on a slump sale, for a fixed consideration of USD 6.48 million (including USD 1.62 million payable after 12 months) and an additional contingent consideration dependent upon earnings during the earn-out period. The sale of transaction is subject to completion of conditions precedent, including obtaining any statutory and regulatory approvals.

43 Disclosure as per Part A of Schedule V of securities (Listing Obligations and Disclosures Requirements) Regulations, 2015 as regards the inter-corporate deposits, loans and advances granted to subsidiaries and holding companies and other companies in which the directors are interested:

Name of the entity	Amount outstanding as at		Maximum amount outstanding during the year ended		Investment by loanee in shares of the parent Company
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	
Explosoft Tech Solutions Private Limited	46.00	33.00	84.00	33.00	Nil
Epcogen Private Limited	210.00	250.00	350.00	300.00	Nil

1. The above loans have been given for their working capital requirements.
2. There are no outstanding debts due from the directors or other officers of the Company.

44 Disclosure required under section 22 of Micro, Small and Medium Enterprise Development Act, 2006

The Company has amounts due to Micro and Small Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2026 and March 31, 2025. The details in respect of such dues are as follows:

	As at March 31, 2026	As at March 31, 2025
Principal amount remaining unpaid to any supplier as at the end of the accounting year	560.34	121.79
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.57	4.79
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	8.97	4.79
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	11.54	4.79
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 Micro, Small and Medium Enterprises Development Act, 2006.	50.47	38.93

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 regarding Micro and Small enterprises determined to the extent such parties have been identified on the basis of the information available with the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

45 Ratio analysis and its elements

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Reason for variance
(a) Current ratio	Current assets	Current liabilities	0.88	1.64	-46.41%	Current ratio is decreased mainly due to increase in short-term borrowings.
(b) Debt-equity ratio	Total debt (including lease liabilities)	Shareholder's equity	0.67	0.57	17.90%	-
(c) Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease payments + Principal repayments	1.28	0.77	66.23%	Debt service coverage ratio is increased on account of prepayment of certain borrowings in the previous year.
(d) Return on equity ratio	Net profit after taxes	Average Shareholder's Equity	0.03	0.11	-73.71%	Return on equity ratio is decreased due to decrease in the profits of the current year
(e) Trade receivables turnover ratio	Net sales = Total sales - sales return	Average trade receivable	4.68	5.33	-12.22%	-
(f) Trade payables turnover ratio	Other expenses	Average trade payable	4.49	4.51	-0.36%	-
(g) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = current assets – current liabilities	(12.89)	5.27	-344.82%	Net capital turnover ratio is decreased due to increase in short-term borrowings.
(h) Net profit ratio	Net profit after taxes	Net sales = Total sales - sales return	0.02	0.10	-75.93%	Net profit ratio is decreased due to decrease in the profits of the current year
(i) Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred tax liabilities	0.07	0.10	-34.42%	Return on capital employed is decreased due to decrease in the profits of the current year
(j) Return on investment	Interest (Finance income)	Investment	0.06	0.08	-31.92%	Return on investment is decreased due to decrease in interest income in the current year.

Explanations are provided in cases where change in the ratio is more than 25% as compared to the preceding year

46 Contingent liability

	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debts		
Indirect tax matters for demands pending before various appellate authorities [refer note (i) below]	2,361.73	2,392.33
Direct tax matters under dispute/ pending before Income Tax Authorities [refer note (ii) below]	194.43	358.00
Financial guarantees		
Corporate guarantee and securities provided for a facility granted to subsidiaries (refer note 29)	6,750.00	7,027.40
Bank Guarantees	90.67	60.63
	9,396.83	**9,838.36**

(i) The Company had received demand notices from the authorities under the Finance Act,1994 for non-payment of Service tax on reverse charge mechanism for the period April 2006 to September 2010 and also received demand notices from GST authorities under Goods and Service Tax Act, 2017 for non-payment of GST on reverse charge mechanism, excess ITC availed and ITC of input service distributor not appearing in GSTR 2A, etc for the period FY 2018-2019 to FY 2020-2021.

(ii) The Company had received assessment orders in respect of certain financial years giving raise to additional income tax demand (including interest) on account of certain adjustments in relation to disallowances of expenses and certain tax benefits.

The Management, including its tax advisors, belives that it's position will likely to be upheld at various forums where the matters are pending. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

47 Issue of equity shares through QIP

During the year ended March 31, 2024, the Company allotted 3,323,262 Equity shares of ₹ 5 each at an issue price of ₹ 662 per equity share aggregating ₹ 21,999.99 lakhs through Qualified Institutional Placement (QIP) process to the Qualified Institutional Buyers. These equity shares were allotted on January 15, 2024 and rank pari-passu with existing equity shares.

	As at March 31, 2026	As at March 31, 2025
Unutilised QIP Proceeds as at April 1	2,000.00	8,345.58
Utilisation proceeds:		
Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the Company	-	3,845.58
General corporate purposes	2,000.00	2,500.00
	2,000.00	**6,345.58**
Unutilised QIP Proceeds at the end of reporting period	**-**	**2,000.00**

Unutilised QIP Proceeds as at March 31, 2026 and March 31, 2025 are available as

a) As at March 31, 2026 fixed deposits with bank amounting to Nil (March 31, 2025: ₹ 2,000.00 lakhs)

b) Maximum amount of idle/surplus funds invested during the year was ₹ 2,000.00 lakhs (March 31, 2025: ₹ 8,345.58 lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

48 Segment Information

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of engineering services.

The Company is predominantly engaged in the business of Technology Services and Solutions, which constitutes a single business segment and is governed by similar set of risks and returns. The operations of the Company primarily cater to the market outside India, which the Management views as a single segment. The Management monitors the operating results of its single segment for the purpose of making decisions about resource allocation and performance assessment.

Three customers individually accounted for ₹ 10,015.41 lakhs, ₹ 7,805.39 lakhs and ₹ 5,235 lakhs respectively, which is more than 10% of the total revenue of the Company for the year ended March 31, 2026 and three customers individually accounted for ₹ 7,160.19 lakhs, ₹ 5,816.69 lakhs and ₹ 5,361.90 lakhs respectively, which is more than 10% of the total revenue of the Company for the year ended March 31, 2025.

The Company is domiciled in India. The Company's revenue from operations from external customers primarily relate to operations outside India. Revenue from customers located in India for the year ended March 31, 2026 amounts to ₹ 8,206.43 lakhs (March 31, 2025: ₹ 9,948.12 lakhs) and from outside India for the year ended March 31, 2026 amounts to ₹ 37,310.51 lakhs (March 31, 2025: ₹ 29,849.93 lakhs). Majority of the non-current assets of the Company are located in India.

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The Company has used accounting softwares 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, except that audit trail feature is not enabled at the database level for an accounting software. Further no instance of audit trail feature being tampered with was noted in respect of accounting software(s) where the audit trail has been enabled. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

50 Other Statutory Information

(i) No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company do not have any transactions with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.

(iii) There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction in number of Layers) Rules, 2017.

(v) The Company have not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025.

(vi) The Company have not advanced or loaned or invested funds to 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 company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Company have 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

(viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(ix) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of **AXISCADES Technologies Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of AXISCADES Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance Sheet as at March 31 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity 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 Standards 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 '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 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 audit opinion on the consolidated financial statements.

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 for the financial year ended March 31, 2026. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
The application of the revenue recognition standard, Ind AS 115 – "Revenue from contracts with customers" involves certain key judgements and principles for evaluating various distinctive terms/ matters. The scope and pricing arrangement vary depending upon the nature of the contract viz. time and material or fixed price contract. Revenue from time and material contracts related to engineering services are recognised over time as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Billing is done basis customer acceptances. Revenue from the end of last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed price contract, where the performance obligation is satisfied over time, is recognised based on percentage of completion method. • Identification of performance obligations involves high degree of judgement and assessment of contractual terms.	Our audit procedures included the following: • We tested the design and operating effectiveness of management's key internal controls over revenue recognition; • Tested sample revenue contracts and performed the following procedures to assess whether revenue is appropriately recognised as per principles of Ind AS 115; • Evaluated management's assessment with respect to identification of performance obligation; • Agreed the transaction price to the underlying contracts; • In case of time and material, on a sample basis tested the invoice, acceptance of customer for revenue recognized in the current year; • Performed sample test of revenue transactions of unbilled revenue at the year-end and assessed those to underlying terms agreed with customers, internal approvals. Also, tested, on a sample basis, invoices raised, customer acceptance subsequent to year end;
Key audit matters	**How our audit addressed the key audit matter**
• Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred which involves significant judgement throughout the period of the contract and is subject to revision as the contract progresses is based on the latest available information. Considering the significant estimate and judgement involved in determining the percentage of completion method (including cost incurred and cost to complete) for fixed price contracts and inherent risk related to the occurrence of unbilled revenue at the year-end date for time and material, we have considered this as a key audit matter.	• Assessed aging of unbilled revenue as on the balance sheet date and in case of aged items obtained reasons for delays and expected timelines for invoicing of the same; • In respect to fixed price contracts, on sample basis verified actual cost relative to estimated cost from management analysis and systems or external evidence of progress. Also, reviewed cost incurred with estimated cost to identify significant variations and reasons and to verify whether those variations have been considered in estimating the remaining cost to complete the contract; and • We have assessed the disclosure in the consolidated financial statement as per the relevant accounting standards.
Assessment of Impairment of Goodwill (as described in note 2(i)(c) and note 4 of the consolidated financial statements)	
The Group's balance sheet includes ₹ 15,052.84 lakhs of goodwill, net of impairment. Goodwill must be tested for impairment at least on an annual basis. The determination of recoverable amounts requires judgement on the part of the Management in both identifying and then valuing the relevant Cash Generating Units (CGUs). Recoverable amounts are based on Management's assumptions of variables and market conditions such as volume growth rates, future operating expenditure, discount rates and long term growth rates. The annual impairment testing is considered a significant accounting estimate as the assumptions on which such estimates are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain. Accordingly, we have determined this area to be key audit matters in our audit of the consolidated financial statements.	Our audit procedures included the following: • We understood, evaluated and tested Holding Company's Management key controls over the impairment assessment process; • We assessed the Group's methodology applied in determining the CGUs recoverable value. In making this assessment, we also evaluated the objectivity and independence of Holding Company's experts involved in the process; • We engaged experts to assess the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and long-term growth rates and methodologies used by the Holding Company's Management to determine the recoverable amount; • We tested the arithmetical accuracy of the impairment testing models; and • We have assessed the disclosure in the consolidated financial statement as per the relevant accounting standards.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do 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 and, in doing so, consider whether such 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, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the applicable laws and regulations.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and

INDEPENDENT AUDITOR'S REPORT *(continued)*

of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the 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 their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

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

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

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

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

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

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

- Conclude on the appropriateness of management'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 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 of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of eleven subsidiaries, whose financial statements include total assets of ₹ 42,195.30 lakhs as at March 31, 2026, and total revenues of ₹ 22,622.29 lakhs and net cash outflows of ₹ 1,223.29 lakhs for the year ended on that date. Those financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 17.95 lakhs for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the instances discussed in note 47(a) to the consolidated financial statements and for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g)

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (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 who are appointed under Section 139 of the Act, of its subsidiary companies and associate, none of the directors of the Group's companies and its associate incorporated in India, is 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 consolidated financial statements of the Holding Company and its subsidiary companies and associate company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies and associate company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) The modification relating to the maintenance of books of account and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).

   (i) 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,

INDEPENDENT AUDITOR'S REPORT *(continued)*

as amended, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer note 36 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 18 to the consolidated financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2026.

iv. (a) The respective managements of the Holding Company and its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief as disclosed in the note 49(vi) 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 subsidiaries and associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries 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 subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief as disclosed in the note 49(vii) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, 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; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and associate company, incorporated in India.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 47(b) of the consolidated financial statements, the Holding Company, subsidiaries and associate have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and the above referred subsidiaries and associate as per the statutory requirements for record retention to the extent it was enabled and recorded in those respective years as stated in note 47(b) to the consolidated financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
per Pradip Agarwal
Partner
Membership Number: 065537
UDIN: 26065537SAYBJH6657
Place of Signature: Bengaluru
Date: May 27, 2026

ANNEXURE 1

referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: AXISCADES Technologies Limited ('the Company')

Based on our audit and on the consideration of reports of the other auditors on separate financial statements and other financial information of the subsidiary companies and its associate, which are companies incorporated in India, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sl No.	Name	CIN	Holding Company/ subsidiary/associate	Clause number of the CARO report which is qualified or is adverse
1	AXISCADES Aerospace & Technologies Private Limited	U72900KA2001PTC028394	Subsidiary Company	ii(a), iii(c) and ix(a)
2	AXISCADES Technologies Limited	L72200KA1990PLC084435	Holding Company	iii(e) and vii(a)
3	Mistral Technologies Private Limited	U72300KA2014PTC191228	Step-down Subsidiary Company	iii(c)
4	Axiscades Aerospace Infrastructure Private Limited	U85110KA2000PTC028009	Step-down Subsidiary Company	vii(a) and ix(a)

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
per Pradip Agarwal
Partner
Membership Number: 065537
UDIN: 26065537SAYBJH6657
Place of Signature: Bengaluru
Date: May 27, 2026

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AXISCADES TECHNOLOGIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of AXISCADES Technologies 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 its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 financial statements, whether due to fraud or error.

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 Matters 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.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated 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 consolidated 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, 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 control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our 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 of the Holding Company, in so far as it relates to these 5 subsidiaries and one associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and associate incorporated in India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
per Pradip Agarwal
Partner
Membership Number: 065537
UDIN: 26065537SAYBJH6657
Place of Signature: Bengaluru
Date: May 27, 2026

CONSOLIDATED BALANCE SHEET

As at March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	9,153.47	8,155.85
Capital work in progress	3	4,422.04	17.64
Goodwill	4	15,052.84	15,357.58
Other intangible assets	5	3,916.65	2,421.53
Intangible assets under development	5	910.74	821.43
Right-of-use assets	35	17,815.83	13,828.89
Investment in an associate	6	1,182.59	625.08
Financial assets			
Investments	7	89.15	101.37
Other financial assets	8	1,232.56	1,638.62
Deferred tax assets, net	38	2,891.22	3,239.74
Non-current tax asset, net	9	2,014.08	2,089.67
Other non-current assets	10	4,840.97	97.27
Total non-current assets		**63,522.14**	**48,394.67**
Current assets			
Inventories	11	7,896.72	6,086.95
Financial assets			
Investments	7	431.63	5,232.20
Trade receivables	12	41,134.16	30,180.49
Cash and cash equivalent	13	1,782.92	5,235.06
Bank balances other than cash and cash equivalent	14	2,763.28	3,691.16
Other financial assets	8	9,276.17	7,639.78
Other current assets	10	19,814.10	6,250.97
Total current assets		**83,098.98**	**64,316.61**
Total assets		**146,621.12**	**112,711.28**
Equity and liabilities			
Equity			
Equity share capital	15	2,127.40	2,126.41
Other equity	16	70,627.04	62,779.30
Non-controlling interests		689.38	673.23
Total equity		**73,443.82**	**65,578.94**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	7,524.24	10,938.81
Lease liabilities	35	9,300.85	5,000.13
Other financial liabilities	20	-	516.31
Provisions	18	1,820.88	1,279.02
Deferred tax liabilities, net	38	273.46	366.48
Total non-current liabilities		**18,919.43**	**18,100.75**
Current liabilities			
Financial liabilities			
Borrowings	17	20,120.09	8,009.54
Lease liabilities	35	1,858.37	1,841.70
Trade payables	19		
(a) Total outstanding dues of micro enterprises and small enterprises		881.79	367.78
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		13,459.27	5,453.06
Other financial liabilities	20	4,163.89	2,439.40
Provisions	18	3,710.05	3,107.19
Current tax liabilities, net	21	1,190.70	1,078.33
Other current liabilities	22	8,873.71	6,734.59
Total current liabilities		**54,257.87**	**29,031.59**
Total liabilities		**73,177.30**	**47,132.34**
Total equity and liabilities		**146,621.12**	**112,711.28**

The accompanying notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	23	115,895.24	103,072.37
Other income	24	2,278.11	2,084.90
Total income		**118,173.35**	**105,157.27**
Expenses			
Cost of raw material and components consumed	25	25,335.92	18,805.66
Purchase of traded goods	26	1,368.72	1,718.10
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	27	(2,928.37)	816.86
Employee benefits expense	28	55,439.95	51,641.66
Finance costs	29	3,097.39	3,229.70
Depreciation and amortization expense	30	4,437.80	3,959.88
Other expenses	31	18,928.32	15,845.60
Total expense		**105,679.73**	**96,017.46**
Profit before share in loss of an associate, exceptional items and tax		**12,493.62**	**9,139.81**
Share in loss of an associate, net of tax	6	(17.95)	(2.37)
Profit before exceptional items and tax		**12,475.67**	**9,137.44**
Exceptional items, net	32	(1,116.84)	(385.87)
Profit before tax		**11,358.83**	**8,751.57**
Income tax expense:	38		
Current tax		3,542.81	2,352.07
Adjustment of tax relating to earlier years		(15.42)	(127.44)
Deferred tax charge/ (credit)		624.94	(1,001.46)
Total income tax expense		**4,152.33**	**1,223.17**
Profit after tax for the year		**7,206.50**	**7,528.40**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement of losses on defined benefit plans	41	(107.69)	(222.64)
Income tax effect		27.68	56.34
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		**(80.01)**	**(166.30)**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
a) Losses on cash flow hedges	40	(1,092.87)	(203.75)
Income tax effect		275.05	51.28
		(817.82)	**(152.47)**
b) Exchange differences on translation of foreign operations		958.06	(6.83)
Income tax effect		-	-
		958.06	**(6.83)**
Net other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods		**140.24**	**(159.30)**
Other comprehensive income/ (loss) for the year, net of tax		**60.23**	**(325.60)**
Total comprehensive income for the year, net of tax		**7,266.73**	**7,202.80**
Total profit attributable to:			
Owners of the Company		7,191.82	7,493.68
Non-controlling interests		14.68	34.72
Other comprehensive income/ (loss) attributable to:			
Owners of the Company		58.75	(324.04)
Non-controlling interests		1.48	(1.56)
Total comprehensive income attributable to:			
Owners of the Company		7,250.57	7,169.64
Non-controlling interests		16.16	33.16
Earnings per equity share ('EPS') in ₹ [nominal value of shares ₹ 5 (31 March 2025: ₹ 5)]	33		
Basic, computed on the basis of profit for the year attributable to equity holders of the parent		16.92	17.76
Diluted, computed on the basis of profit for the year attributable to equity holders of the parent		16.83	17.22

The accompanying notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
Operating activities			
Profit before tax		11,358.83	8,751.57
Adjustments to reconcile profit before tax to net cash flows:			
Exceptional items, net:			
Impairment loss on goodwill	32	797.58	951.19
Fair value adjustment of a contingent purchase consideration	32	(462.88)	(717.52)
Additional purchase consideration paid	32	-	152.20
Depreciation and amortisation expense	30	4,437.80	3,959.88
Interest income (including fair value gain on financial instruments at fair value through profit or loss)		(748.47)	(1,085.35)
Dividend income from mutual funds	24	(45.37)	(31.83)
Gain on sale of units of mutual funds		-	(8.17)
Finance costs	29	3,097.39	3,229.70
Provision/ liabilities no longer required written back	24	(566.03)	(71.05)
Share of loss of an associate	6	17.95	2.33
Provision for expected credit losses of trade receivables and contract assets	31	384.86	220.71
Provision for foreseeable losses on contracts	31	279.27	198.93
Share based payment expense	28	588.00	(1,504.82)
Gain on sale of assets held for sale	24	-	(659.19)
Loss on sale of property, plant and equipment, net	31	11.38	63.86
Net foreign exchange differences (unrealised)		(262.83)	124.44
Operating profit before working capital changes		**18,887.48**	**13,576.88**
Movements in working capital			
(Increase) in trade receivables		(11,075.70)	(6,774.38)
(Increase)/ decrease in inventories		(1,809.77)	862.06
(Increase)/ decrease in other assets including financial assets		(14,871.40)	4,351.61
Increase/ (decrease) in trade payables, other liabilities and financial liabilities		11,415.35	(823.19)
Increase in provisions		657.63	78.26
Cash generated from operating activities		**3,203.59**	**11,271.24**
Direct taxes paid, net		(3,339.45)	(2,437.02)
Net cash flows (used in)/ from operating activities (A)		**(135.86)**	**8,834.22**
Investing activities			
Purchase of property, plant and equipment, capital work-in-progress, intangible assets under development and intangible assets including capital advance		(13,444.31)	(3,789.51)
Proceeds from sale of asset held for sale		-	1,043.87
Proceeds from sale of property, plant and equipment		73.15	53.06
Interest received		498.52	1,139.94
Payment of deferred purchase consideration		-	(212.26)
Redemption of/ (investment in) mutual fund units		5,086.80	(2,026.13)
Redemption of fixed deposits, net		1,288.12	4,654.69
Investment in shares of an associate		(575.46)	-
Net cash flows (used in)/ from investment activities (B)		**(7,073.18)**	**863.66**
Financing activities			
Repayment of principal portion and interest portion of lease liabilities	35	(2,685.17)	(2,343.58)
Proceeds from long term borrowings		2,787.72	6,320.01
Repayment of long term borrowings		(998.83)	(11,891.46)
Proceeds from short term borrowings, net		6,829.64	551.63
Proceeds from exercise of share options		10.15	338.72
Interest paid		(2,178.25)	(2,928.14)
Net cash flows from/ (used) in financing activities (C)		**3,765.26**	**(9,952.82)**
Net decrease in cash and cash equivalent (A+B+C)		**(3,443.78)**	**(254.94)**
Effect of exchange rate changes, net		(8.36)	(70.98)
Cash and cash equivalent at the beginning of the year		5,235.06	5,560.98
Cash and cash equivalent at the end of the year	13	**1,782.92**	**5,235.06**

Refer note 17 for changes in liabilities arising from financing activities and for non-cash financing and investing activities.
The accompanying notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

For the year ended March 31, 2026

Equity shares of ₹ 5 each (March 31, 2025: ₹ 5 each) issued, subscribed and fully paid-up	Equity shares	
	Number (in lakhs)	Amount
As at April 1, 2025	424.97	2,126.41
Add: Issued and subscribed during the year [refer note(i) below)]	0.20	0.99
At March 31, 2026	**425.17**	**2,127.40**

For the year ended March 31, 2025

Equity shares of ₹ 5 each (March 31, 2024: ₹ 5 each) issued, subscribed and fully paid-up	Equity shares	
	Number (in lakhs)	Amount
At April 1, 2024	**419.48**	**2,098.94**
Add: Issued and subscribed during the year [refer note (i) below]	5.49	27.47
At March 31, 2025	**424.97**	**2,126.41**

(i) During the year, the Company allotted 19,736 equity shares (31 March 2025 - 549,449) of ₹ 5 each aggregating ₹ 0.99 lakhs (31 March 2025 - ₹ 27.47 lakhs), consequent to the exercise of stock options by employees of the Company under the "AXISCADES Employee Stock Option Plan 2018 – Series 1" and "AXISCADES Employee Stock Option Plan 2018 – Series 2".

B. Other equity (Note 16)

For the year ended March 31, 2026

	Reserves and Surplus							Items of OCI	Total other equity	Non-controlling interests ('NCI')	Total
	General reserve	Securities premium	Retained earnings	Capital contribution reserve	Share based payment reserve	Capital reserve	Foreign currency translation reserve	Hedge reserve			
Balance as at 1 April 2025	3.39	31,753.69	23,712.50	107.68	67.13	5,698.31	1,588.25	(151.65)	62,779.30	673.23	63,452.53
Profit for the year	-	-	7,191.82	-	-	-	-	-	7,191.82	14.68	7,206.50
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	-	-	-	-	(817.82)	(817.82)	-	(817.82)
Re-measurement losses on defined benefit plans, net of tax	-	-	(81.49)	-	-	-	-	-	(81.49)	1.48	(80.01)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	958.06	-	958.06	-	958.06
Total comprehensive income for the year	**-**	**-**	**7,110.33**	**-**	**-**	**-**	**958.06**	**(817.82)**	**7,250.58**	**16.15**	**7,266.73**
Exercise of share options	-	14.72	-	-	(5.56)	-	-	-	9.16	-	9.16
Share based payments to employees (refer note 43)	-	-	-	-	588.00	-	-	-	588.00	-	588.00
Balance as at 31 March 2026	**3.39**	**31,768.41**	**30,822.83**	**107.68**	**649.57**	**5,698.31**	**2,546.31**	**(969.47)**	**70,627.04**	**689.38**	**71,316.42**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026 *(contd.)*

(All amounts in ₹ lakhs, unless otherwise stated)

For the year ended March 31, 2025

	Reserves and Surplus					Items of OCI			Total other equity	Non-controlling interests ('NCI')	Total
	General reserve	Securities premium	Retained earnings	Capital contribution reserve	Share based payment reserve	Capital reserve	Foreign currency translation reserve	Hedge reserve			
Balance as at 1 April 2024	3.39	31,226.34	16,017.50	107.68	1,788.05	5,698.31	1,595.08	0.82	56,437.17	640.07	57,077.24
Profit for the year	-	-	7,493.68	-	-	-	-	-	7,493.68	34.72	7,528.40
Fair value changes on derivatives designated as cash flow hedge, net of tax	-	-	-	-	-	-	-	(152.47)	(152.47)	-	(152.47)
Re-measurement losses on defined benefit plans, net of tax	-	-	(164.74)	-	-	-	-	-	(164.74)	(1.56)	(166.30)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(6.83)	-	(6.83)	-	(6.83)
Total comprehensive income for the year	**-**	**-**	**7,328.94**	**-**	**-**	**-**	**(6.83)**	**(152.47)**	**7,169.64**	**33.16**	**7,202.80**
Change in fair value of Non-Controlling interest liability	-	-	366.06	-	-	-	-	-	366.06	-	366.06
Exercise of share options	-	527.35	-	-	(216.10)	-	-	-	311.25	-	311.25
Share based payments to employees (refer note 43)	-	-	-	-	(1,504.82)	-	-	-	(1,504.82)	-	(1,504.82)
Balance as at 31 March 2025	**3.39**	**31,753.69**	**23,712.50**	**107.68**	**67.13**	**5,698.31**	**1,588.25**	**(151.65)**	**62,779.30**	**673.23**	**63,452.53**

The accompanying notes form an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(All amounts in ₹ lakhs, unless otherwise stated)

1. Corporate information:

AXISCADES Technologies Limited ('the Company'/ 'the Holding Company'/ 'ACTL') is a public limited company and incorporated on 24 August 1990 under the provisions of the Companies Act applicable in India. The Group operates in the business of Technology Services and Solutions and Strategic Technology Solutions. The Company's shares are listed for trading on the National Stock Exchange of India Limited and BSE Limited in India.

The registered office of the Company is Block C, Second Floor, Kirloskar Business Park, Bengaluru - 560024, Karnataka, India.

The Consolidated Financial Statements were approved for issue in accordance with a resolution of the directors on 27 May 2026.

The Consolidated 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 Consolidated Financial Statements comprise financial statements of the Company and its subsidiaries (collectively, "the Group") and an associate listed below:

Information about subsidiaries:

Name of the subsidiaries	Country of incorporation	Ownership interest (%)	
		31 March 2026	31 March 2025
AXISCADES, Inc.	USA	100%	100%
AXISCADES UK Limited, Subsidiary of AXISCADES Inc. ('AXISCADES UK')	UK	100%	100%
AXISCADES Technology Canada Inc. ('AXISCADES Canada')	Canada	100%	100%
Axis Mechanical Engineering Design (Wuxi) Co., Ltd. ('Axis China')	China	100%	100%
AXISCADES GmbH	Germany	100%	100%
Cades Studec Technologies (India) Private Limited ('Studec')	India	76%	76%
AXISCADES Aerospace & Technologies Private Limited ('ACAT')	India	100%	100%
Enertec Controls Limited, subsidiary of ACAT ('Enertec')	India	100%	100%
AXISCADES Aerospace Infrastructure Private Limited, subsidiary of ACAT ('AAIPL')	India	100%	100%
Mistral Solutions Private Limited ('MSPL')	India	100%	100%
Mistral Technologies Private Limited, subsidiary of MSPL ('MTPL')	India	100%	100%
Mistral Solutions Inc., subsidiary of MSPL ('MSI')	USA	100%	100%
Explosoft Tech Solutions Private Limited ('Explosoft')	India	100%	100%
Add Solution GmbH ('Add Solution')	Germany	100%	100%
Epcogen Private Limited ('Epcogen')	India	100%	100%

Associate

Name of the subsidiaries	Country of incorporation	Ownership interest (%)	
		31 March 2026	31 March 2025
Aero Electronics Private Limited, subsidiary of MSPL ('AEPL') (refer note 6)	India	51%	51%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

2 (i) Material accounting policies

a) Statement of compliance and basis of preparation

The consolidated financial statements of the Group 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 of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or at revalued amount:

Derivative financial instruments,

Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Contingent consideration arising from business combination, and

Equity settled ESOP at grant date fair value

The accounting policies and related notes further described the specific measurements applied for each of the assets and liabilities.

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The financial statements are presented in ₹ and all values are rounded to the nearest lakh (₹ 00,000), except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and an associate as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2025. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so."

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income Taxes, applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

(d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the parent company."

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity shareholders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

c) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12, Income Tax, and Ind AS 19, Employee Benefits respectively.
- Liabilities or equity instruments related to share-based payment arrangement of the acquiree or share-based payments arrangement of the Group entered into to replace share-based arrangements of the acquiree are measured in accordance with Ind AS 102, Share-based Payments at the acquisition date
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms,

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economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.
If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in Statement of Profit and Loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109, Financial Instruments, is measured at fair value with changes in fair value recognised in Statement of Profit and Loss. If the contingent consideration is not within the scope of Ind AS 109 it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.
After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units."

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss.
Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.
If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date."

d) Investment in associate

The group holds an interest in an associate, Aero Electronics Private Limited. The financial statements of Aero Electronics Private Limited are prepared for the same reporting period as the Group. The accounting policies of AEPL are aligned with those of the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of the loss of the investee after the date AEPL becomes an associate.

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.

The considerations made in determining whether significant influence are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the AEPL becomes an associate.

The statement of profit and loss reflects the Group's share of the results of operations of the associate . Any change in OCI of that investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate ,the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate . If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate . At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

e) Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

f) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions (refer note 44) and provisions (note 18) for further information about the recorded decommissioning provision.

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'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

	Useful lives (in years)
Computers *	3 - 6
Furniture and fixtures *	7 - 10
Office equipment *	5 - 7
Plant and machinery *	7 - 15
Electrical installations *	7
Office buildings *	61
Vehicles *	5 - 6
Test equipments	6

* Based on an internal assessment, the management believes that the useful lives as given above represents the period over which management expects to use the assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The Group has evaluated the applicability of component accounting as prescribed under Ind AS 16, Property plant and equipment, and Schedule II of the Companies Act, 2013, the management has not identified any significant component having different useful lives. Schedule II requires the Group to identify and depreciate significant components with different useful lives separately.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold improvements are depreciated over its lease period including renewable period or estimated useful life, whichever is shorter, on a straight-line basis.

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

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the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment. Advances paid towards the acquisition of intangible assets outstanding at each Balance Sheet date are disclosed as other non-current assets. Internally generated intangibles, excluding capitalised development costs (refer below policy for R&D costs), are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Expenditure incurred towards development, if eligible for capitalisation, is carried as 'intangible assets under development' where such assets are not yet ready for their intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Process manuals are amortised over the remaining project term or the useful life of the process manual, whichever is shorter. Softwares are amortised over the period of 3 - 6 years / over the period of the respective project.. Non-compete fee and customer contract are amortised over a period 10 years. Order backlog is amortised over a period of 2 years.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

h) 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.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill and other intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

i) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods to a customer.

The Group derives its revenue primarily from sale of products and services.

Revenue from sale of products

Revenue from sale of products is recognised over time if one of the following criteria is met:

a) the customer simultaneously consumes the benefit of the Group's performance or

b) the customer controls the asset as it is being created/ enhanced by the Group's performance or

c) there is no alternative use of the asset and the Group has either explicit or implicit right of payment considering legal precedents.

In all other cases, revenue from sale of products is recognized at the point in time when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement, but generally occurs on delivery to the customer. The contracts that Group enters into relate to sales order containing single performance obligations for the delivery of goods as per Ind AS 115. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated."

Revenue from sale of services

Revenue from services includes time-and-material or fixed price contracts. Revenue from time-and-material contracts are recognised on output basis measured by time and efforts expended, units delivered etc. Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenue from maintenance services is recognised over time if they meet over the time criteria otherwise revenue is recognised at a point in time. Revenue from fixed price maintenance contracts is recognized ratably over the term of the underlying maintenance arrangement.

Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Other operating income includes export incentives and benefits arising out of transactions from the operations at the Group where payment is not done by the Group. Export incentives are accrued in the year when the right to receive credit is established in respect of exports made. Other operating income is recognised when there is reasonable certainty about its realisation.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

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

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uncertainty with the variable consideration is subsequently resolved.

Significant financing component :

In certain contracts, the Group receives short-term advances before the performance obligation is satisfied. There is no significant financing component for those contracts where the customer pay in advance as per the terms of the contract. Using the practical expedient in Ind AS 115, it does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Warranty obligations:

It provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in use of judgements, estimates & assumptions.

Finance income:

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividend Income:

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental Income:

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in revenue in the Statement of Profit and Loss due to its operating nature.

Contract balances

Contract assets:

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by providing services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Revenues in excess of invoicing are classified as contract assets (which we refer to as Unbilled Revenue). Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section 2 (s) Impairment of financial assets.

Trade receivables:

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2 (r) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities:

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

j) Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

Defined contribution plan

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 expenditure, when an employee renders the related service. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund."

Defined benefit plan

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (if any). The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Compensated absences

The Group provides benefit of compensated absences under which unavailed leave are allowed to be accumulated to be availed in future. The compensated absences comprises of vesting as well as non vesting benefit. The cost of short term compensated absences are provided for based on estimates. Long term compensated absence costs are provided for based on actuarial valuation using the project unit credit method. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

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

"Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Overseas social security

The Group contributes to social security charges of countries to which the Group deputes its employees on employment or has permanent employees. The plans are defined contribution plan and contributions paid or payable is recognised as an expense in these periods in which the employee renders services in those respective countries.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee."

k) 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, as follows:

Buildings	1.3 to 9 years
Plant and machinery	3 years

If ownership of the right of use asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(i)(h) - Impairment of non-financial assets"

(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 because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset."

(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

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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.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l) 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 (qualifying asset) 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.

m) Foreign currencies

Functional and presentation currency

The Group's consolidated financial statements are presented in Indian Rupees, which is also the Holding Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

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 profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in Statement of Profit and Loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2016), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., 1 April 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

n) 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.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

o) Inventories

Inventories comprising of project work in progress are valued at lower of cost and net realisable value. Cost includes direct material, direct labour and related production expenses. Cost is determined on First In First Out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

Inventories are 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: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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 first in, first out basis.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Goods in transit are valued at actual cost.

The Group periodically assesses the inventory for obsolescence and slow moving stocks

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.

p) Income 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 in the countries where the Group operates and generates taxable income.

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 shall reflect 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Deferred tax

Deferred tax is provided using the balance sheet approach 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 liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

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.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

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 alternate tax (MAT):

MAT payable for a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence 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 year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement' under Deferred Tax. The Group reviews the same at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

MAT payable for a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence 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 year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement' under Deferred Tax. The Group reviews the same at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

q) Provisions and contingencies

Provisions:

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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.

The Group provides warranties for general repairs of defects that existed at the time of sale, as required by the terms of contract. 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.

Contingent liabilities

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 entity or

(b) a present obligation that arises from past events but is not recognized 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 recognize a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised."

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities)

r) 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

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (j) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Financial assets at amortised cost (debt instruments)

ii. Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

iii. Financial assets at fair value through profit or loss (FVTPL); and

iv. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

i. Financial assets at amortised cost (debt instruments)

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
This category is the most relevant to the Group.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss.
The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables."

ii. Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

b) The asset's contractual cash flows represent SPPI.
Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Financial assets at fair value through profit or loss (FVTPL); and

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

All equity investments in scope of Ind AS 109 Financial Instruments, are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other 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-by- instrument 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 recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, 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 recognized in the Statement of Profit and Loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) 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 (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
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. Financial liabilities like non convertible debentures are measured at amortised cost using the effective interest method.
The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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 Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments.

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 recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss. 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 and loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss."

Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party 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 expected loss allowance determined as per impairment requirements of Ind AS 109 Financial Instruments and the amount recognised less cumulative amortisation.

Derecognition of financial liabilities

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 and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Derivative financial instruments and Hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency and cross currency swap contracts to hedge its foreign currency risks arising from highly probable future forecasted sales. This derivative financial instrument are designated in a cash flow hedge relationship. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss and is reclassified to underlying hedged item.

For the purpose of hedge accounting, hedges are classified as:

a. Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

b. Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; and

c. Hedges of a net investment in a foreign operation.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs

s) Impairment of financial assets

In accordance with Ind-AS 109 Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Group tracks credit risk and changes thereon for each customer. 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 the credit risk has increased significantly, life time ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:
"

a. Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

b. Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

c. Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

Trade receivables

The Group applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables."

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided."

t) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurements as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined the classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liabilities and the level of the fair value hierarchy as explained above.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case. At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents."

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Management present the valuation results to the Audit Committee and the Group's independent auditors This includes a discussion of the major assumptions used in the valuations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

u) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalent consists of cash at bank and on hand and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management."

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has two business segments, 'Technology Services and Solutions' and 'Strategic technology solutions'.

w) Earnings/ (loss) per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Group (after adjusting for interest on the convertible preference shares, if any) 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. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

x) Corporate Social Responsibility (CSR) expenditure

CSR expenditure as per provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is charged to the Statement of Profit and Loss as expense as and when incurred.

y) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

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. Further details are given in note 43.
That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves 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 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.

z) Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

aa) Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2 (ii) Changes in accounting policies and disclosures

There are no new accounting policies applied during the current year and accounting policies are consistent from previous year.

2 (iii) New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Group's financial statements."

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer

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for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments have resulted in additional disclosures in Note 17 but have not had an impact on the classification of Group's liabilities.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of 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.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement."

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.
The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules."

2 (iv) Standards notified but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group will adopt these new and amended standards, when they become effective.

(i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.
The Group is currently assessing the impact the amendments will have on its consolidated financial statements."

2 (v) Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

3 Property, plant and equipment (PPE)

	Freehold land	Computers	Furniture and fixtures	Test equipments	Office equipments	Electrical installations	Vehicles	Office building	Leasehold improvements	Plant and machinery	Sub-total	Capital work in progress	Total
Cost or valuation													
Balance as at 1 April 2024	3,435.18	2,734.75	274.54	415.81	389.78	2.09	726.96	1,143.27	712.05	1,862.33	11,696.76	-	11,696.76
Additions	233.47	1,730.46	24.53	376.82	108.99	-	6.04	48.13	2.70	7.95	2,539.09	17.64	2,556.73
Disposals	-	(23.81)	(9.57)	-	(7.31)	-	(236.67)	-	-	(1.08)	(278.44)	-	(278.44)
Other adjustments (refer note 1 below)	-	30.26	1.26	-	0.56	-	-	9.03	-	-	41.11	-	41.11
Balance as at 31 March 2025	**3,668.65**	**4,471.66**	**290.76**	**792.63**	**492.02**	**2.09**	**496.33**	**1,200.43**	**714.75**	**1,869.20**	**13,998.52**	**17.64**	**14,016.16**
Additions	-	654.11	24.25	462.70	228.33	3.64	81.43	12.95	530.78	5.42	2,003.61	4,404.40	6,408.01
Disposals	-	-	-	-	(3.06)	-	(143.77)	-	-	-	(146.83)	-	(146.83)
Other adjustments (refer note 1 below)	-	171.13	3.32	-	0.92	-	-	63.88	-	-	239.25	-	239.25
Balance as at 31 March 2026	**3,668.65**	**5,296.90**	**318.33**	**1,255.33**	**718.21**	**5.73**	**433.99**	**1,277.26**	**1,245.53**	**1,874.62**	**16,094.55**	**4,422.04**	**20,516.59**
Depreciation and Impairment													
Balance as at 1 April 2024	-	1,752.13	193.65	316.12	253.93	0.72	231.35	102.20	327.92	1,658.35	4,836.37	-	4,836.37
Charge for the year	-	719.94	20.26	33.33	51.34	0.11	83.48	69.25	134.28	29.87	1,141.86	-	1,141.86
Disposals	-	(22.62)	(9.57)	-	(6.44)	-	(126.18)	-	-	(0.46)	(165.27)	-	(165.27)
Other adjustments (refer note 1 below)	-	23.92	1.19	-	0.30	-	-	4.30	-	-	29.71	-	29.71
Balance as at 31 March 2025	-	2,473.37	205.53	349.45	299.13	0.83	188.65	175.75	462.20	1,687.76	5,842.67	-	5,842.67
Charge for the year	-	620.48	20.82	63.13	68.15	0.31	43.31	69.40	80.56	14.77	980.93	-	980.93
Disposals	-	-	-	-	(3.06)	-	(58.57)	-	-	(0.67)	(62.30)	-	(62.30)

	Freehold land	Comput-ers	Furni-ture and fixtures	Test equip-ments	Office equip-ments	Elec-trical installa-tions	Vehicles	Office building	Lease-hold improve-ments	Plant and ma-chinery	Sub-to-tal	Capital work in progress	Total
Other adjustments (refer note 1 below)	-	144.96	3.32	-	0.36	-	-	31.14	-	-	179.78	-	179.78
Balance as at 31 March 2026	**-**	**3,238.81**	**229.67**	**412.58**	**364.58**	**1.14**	**173.39**	**276.29**	**542.76**	**1,701.86**	**6,941.08**	**-**	**6,941.08**
Net book value													
As at 31 March 2026	**3,668.65**	**2,058.09**	**88.66**	**842.75**	**353.63**	**4.59**	**260.60**	**1,000.97**	**702.77**	**172.76**	**9,153.47**	**4,422.04**	**13,575.51**
As at 31 March 2025	**3,668.65**	**1,998.29**	**85.23**	**443.18**	**192.89**	**1.26**	**307.68**	**1,024.68**	**252.55**	**181.44**	**8,155.85**	**17.64**	**8,173.49**

1 Represents adjustments consequent to foreign exchange translation of property, plant and equipment in foreign geographies.

2 Contractual obligations

Refer note 36 for details on contractual commitments for the acquisition of property, plant and equipment.

2 Capitalised borrowing cost

No borrowing costs are capitalised during the year ended 31 March 2026 (31 March 2025: Nil)

3 Property, plant and equipment pledged as security

Details of properties pledged are as per note 17.

4 Decommissioning cost

A provision has been recognised for decommissioning costs associated with the premises taken on lease. The Group is committed to decommissioning the premises as a result of leasehold improvements made to the premises (refer note 18).

5 Change in accounting estimate

During the year ended 31 March 2025, the Group had reassessed the useful lives and residual values of its property, plant and equipment. The changes in useful life and residual value based on the expected pattern of consumption of the future economic benefits embodied in the asset and to align with the useful lives specified in Schedule II of the Companies Act. Effective from 1 January 2025, the Group had re-assessed useful lives of Servers & Networks and Workstations from 3 years to 6 years,Test Equipment from 7 years to 10 years, Vehical from 6 years to 8 years, Furniture and Fixtures from 7 years to 10 years and Office Equipment from 7 years to 5 years. The Group has reassessed the residual value of all its PPE to five percent of original cost. The effect of this change on depreciation expense for the year ended 31 March 2025 was ₹ 75.07 lakhs.

6 Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2026

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	4,404.40	17.64	-	-	4,422.04
	4,404.40	**17.64**	**-**	**-**	**4,422.04**

As at 31 March 2025

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	17.64	-	-	-	17.64
	17.64	**-**	**-**	**-**	**17.64**

* pertains to cost incurred towards development of freehold land and building, leasehold improvements, lab equipment and other standalone assets

There is no project whose completion is overdue or has exceeded its cost compared to its original plan during the year ended 31 March 2026 and 31 March 2025

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

4 Goodwill

(a)

	As at 31 March 2026	As at 31 March 2025
Carrying value at the beginning of the year (including foreign exchange translation differences)	22,439.92	21,947.08
Accumulated Impairment loss	(7,387.08)	(6,589.50)
Net carrying value at the end of the year	**15,052.84**	**15,357.58**

The net movement in Goodwill during the year ended 31 March 2026 is ₹ 304.74 lakhs which includes impairment loss of ₹ 797.58 lakhs and ₹ 492.84 lakhs is on account of forex exchange fluctuation. During the year ended 31 March 2025, the net movement of ₹ 853.31 lakhs is on account of impairment loss of ₹ 951.19 lakhs and ₹ 98.28 lakhs is on account of forex exchange fluctuation

Goodwill represents the excess of purchase consideration over net asset value of acquired subsidiaries on the date of such acquisition. Such goodwill is tested for impairment annually or more frequently, if there are indicators for impairment.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating units (CGU) or groups of CGU's, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the CGU level.

The carrying value of goodwill, net of impairment loss and foreign exchange translation differences, as at 31 March 2026 and 31 March 2025 is as below:

Entity	As at 31 March 2026	As at 31 March 2025
AXISCADES UK Limited	160.02	142.49
AXISCADES Inc.	2,234.06	2,026.50
Cades Studec Technologies India Private Limited	446.07	446.07
Add Solution GmbH	1,861.33	1,593.58
Epcogen Private Limited	1,986.64	2,784.22
AXISCADES Aerospace & Technologies Private Limited	1,419.98	1,419.98
Mistral Solutions Private Limited	6,944.74	6,944.74
	15,052.84	**15,357.58**

(b) The recoverable amount of the CGUs as at 31 March 2026, has been determined based on a value in use calculation using pre-tax cash flow projections from financial budgets approved by the management covering four to five-years period. The recoverable amount of a cash generating unit is the higher of its fair value less costs of disposal and its value in use. The Group has engaged an independent external valuer to carry out an assessment of any impairment on goodwill. It was concluded that the recoverable amount exceeded the carrying amount of all CGUs except for Epcogen Private Limited. Accordingly, the Group recognised an impairment loss on Goodwill amounting to ₹ 797.58 lakhs for Epcogen Private Limited and the same is disclosed as an exceptional item in the statement of profit or loss, refer note 32.

Key assumptions used for value in use calculations:

The calculation of value in use is most sensitive to the following assumptions:

(i) Revenue growth rates and operating margins

(ii) Discount rates

(iii) Terminal growth rates

Revenue growth - Revenue forecasts for the explicit forecast period is prepared by the management and uses in the valuation model. The management evaluates current offerings, future planned offerings, and technological and pricing competitiveness when determining the forecasts. Revenue forecasts are prepared based on order book covering one year period and for the remaining period management applies reasonable revenue growth rate.

Operating margins - Operating margins for the explicit forecast period is prepared by the management and uses in the valuation model. The cost-saving initiatives and operational efficiencies are factored into the operating margin forecasts.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. The Group has used discount rates in the range of 9.9% to 24.10% (31 March 2025: 12.40% to 24.80%) for computation of value in use of different CGUs. These estimates are likely to differ from future actual results of operations and cash flows.

Terminal growth rate estimates – The cash flow projections include specific estimates for four to five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of the long term sustainable annual EBITDA growth rate, consistent with the assumptions that a market participant would make. The group has assumed a growth rate ranging from 1% to 5% (31 March 2025: 1% to 5%) for computation of value in use.

A sensitivity analysis of the key assumptions (operating margin, discount rate, and growth rate) did not indicate any probable change that would result in the recoverable amount falling below the carrying amount of the CGU, other than to the extent impairment loss is recorded.

5 Other intangible assets

	Computer software	Non-com-pete fee	Customer contract	Order backlog	Product Develop-ment	Sub-total	Intangible assets under develop-ment*	Total
Cost								
Balance as at 1 April 2024	2,608.25	1,500.87	3,925.11	163.14	-	8,197.37	-	8,197.37
Additions	128.52	-	-	-	-	128.52	905.70	1,034.22
Disposals	(210.08)	-	-	-	-	(210.08)		(210.08)
Reclassification**	84.27	-	-	-	-	84.27	(84.27)	-
Other adjustments (refer note 1 below)	15.36	-	-	-	-	15.36	-	15.36
Balance as at 31 March 2025	**2,626.32**	**1,500.87**	**3,925.11**	**163.14**	**-**	**8,215.44**	**821.43**	**10,886.25**
Additions	924.83	-	-	-	-	924.83	1,683.52	2,608.35
Disposals	-	-	-	-	-	-	-	-
Reclassification**	-	-	-	-	1,669.06	1,669.06	(1,669.06)	-
Other adjustments (refer note 1 below)	111.84	-	-	-	17.49	129.33	74.85	204.18
Balance as at 31 March 2026	**3,662.99**	**1,500.87**	**3,925.11**	**163.14**	**1,686.55**	**10,938.66**	**910.74**	**13,698.78**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

	Computer software	Non-compete fee	Customer contract	Order backlog	Product Development	Sub-total	Intangible assets under development*	Total
Amortisation								
Balance as at 1 April 2024	2,094.79	950.51	2,033.98	55.15	-	5,134.43	-	5,134.43
Charge for the year	230.56	150.08	392.52	81.57	-	854.73	-	854.73
Disposals	(210.08)	-	-	-	-	(210.08)	-	(210.08)
Other adjustments (refer note 1 below)	14.83	-	-	-	-	14.83	-	14.83
Balance as at 31 March 2025	**2,130.10**	**1,100.59**	**2,426.50**	**136.72**	**-**	**5,793.91**	**-**	**5,793.91**
Charge for the year	265.41	150.08	392.52	26.42	288.13	1,122.56	-	1,122.56
Disposals	-	-	-	-	-	-	-	-
Other adjustments (refer note 1 below)	104.22	-	-	-	1.32	105.54	-	105.54
Balance as at 31 March 2026	**2,499.73**	**1,250.67**	**2,819.02**	**163.14**	**289.45**	**7,022.01**	**-**	**8,871.39**
Net book value								
As at 31 March 2026	**1,163.26**	**250.20**	**1,106.09**	**-**	**1,397.10**	**3,916.65**	**910.74**	**4,827.39**
As at 31 March 2025	**496.22**	**400.28**	**1,498.61**	**26.42**	**-**	**2,421.53**	**821.43**	**5,092.34**

* Intangible assets under development represents cost incurred towards software development and product development activity.

** Intangible assets under development has been transferred to computer software and product development upon completion of development and is ready for use.

^ As part of impairment assessment carried out by the Management, these intangible assets are expected to generate future economic benefits accordingly no impairment provision is required.

Notes:

1. Represents adjustments consequent to foreign exchange translation of other intangible assets in foreign geographies.
2. Refer note 17 for details of assets pledged as security for borrowings.
3. **Change in accounting estimate**

   During the year ended 31 March 2025, the Group had reassessed the useful lives and residual values of its Intangible assets. The changes in useful life and residual value based on the expected pattern of consumption of the future economic benefits embodied in the asset and to align with the useful lives specified in Schedule II of the Companies Act. Effective from 1 January 2025, the Group had re-assessed useful lives of Computer softwares from 3 years to 6 years. The Group had reassessed the residual value of all its PPE to five percent of original cost. This change in accounting estimate had been applied prospectively, affecting the depreciation expense recognized for the year ended March 31, 2025 was ₹ 41.56 lakhs.

4. Intangible asset under development (IAUD) Ageing Schedule

As at 31 March 2026

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	736.48	174.26	-	-	910.74
Product development	-	-	-	-	-
Projects temporarily suspended	**736.48**	**174.26**	**-**	**-**	**910.74**

As at 31 March 2025

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	821.43	-	-	-	821.43
Product development	-	-	-	-	-
Projects temporarily suspended	**821.43**	**-**	**-**	**-**	**821.43**

i. There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26 and 2024-25.

ii. The Group has capitalised the cost of material of ₹ 352.42 lakhs (31 March 2025: ₹ 176.55 lakhs), employee benefits expense of ₹ 897.70 lakhs (31 March 2025: ₹ 690.93 lakhs) and other expenses directly attributable to the development of IAUD of ₹ 433.40 lakhs (31 March 2025: ₹ 38.22 lakhs) lakhs to the cost of Intangible Assets Under Development. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

iii. As part of impairment assessment carried out by the Management, these intangible assets are expected to generate future economic benefits accordingly no impairment provision is required.

6 Investment in an associate

	As at 31 March 2026	As at 31 March 2025
Non-current		
Investment in equity shares of Aero Electronics Private Limited	1,182.59	625.08
83,707 (31 March 2025: 70,688) equity shares of ₹ 5 (31 March 2025: ₹ 5) each, fully paid up	**1,182.59**	**625.08**

(i) Aero Electronics Private Limited

Pursuant to the Shareholders' Agreement and Share Subscription Agreement ("Share Agreements") entered into among Mistral Solutions Private Limited ("MSPL"), a subsidiary of the Company, Aero Electronics Private Limited ("Aero Electronics"), and a third-party investor ("Investor") during the year ended 31 March 2024, the Group lost control over Aero Electronics as the Investor acquired the right to appoint and remove a majority of the directors on its Board. Consequently, the Group derecognised the assets and liabilities of Aero Electronics and recognised a loss of ₹ 317.34 lakhs on the loss of control of the subsidiary during the year ended 31 March 2024. The Group continues to exercise significant influence over Aero Electronics and accordingly accounts for its investment in Aero Electronics as an associate using the equity method.

	As at 31 March 2026	As at 31 March 2025
Current assets	267.36	1.49
Non-current assets	2,897.24	1,109.07
Current liabilities	1,058.52	120.39
Non-current liabilities	20.63	-
Equity	**2,085.45**	**990.17**
Add: ROU land de-recognised on loss of control on subsidiary	553.28	553.28
Less: Loss incurred on loss of control on subsidiary	(317.34)	(317.34)
	2,321.39	**1,226.11**
Proportion of the Group's ownership	51%	51%
Carrying amount of the investment	**1,182.59**	**625.08**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contracts with customers	149.16	-
Other Income	-	-
Depreciation and amortisation expense	36.91	-
Employee benefits expense	-	-
Other expenses	126.81	4.19
Loss before tax	**(14.56)**	**(4.19)**
(i) Current tax	-	-
(ii) Deferred tax	(20.63)	-
Loss for the year	**(35.19)**	**(4.19)**
Group's share of loss for the year	17.95	2.37

The associate had no contingent liabilities or capital commitments as at 31 March 2026 and 31 March 2025.

(ii) During the year ended 31 March 2026, the Group invested ₹ 575.46 lakhs in the equity shares of its associate, Aero Electronics.The shareholding of the Group has not changed due to additional investment made during the year by the holding company of Aero.

7 Investments

		As at March 31, 2026	As at March 31, 2025
i)	**Non-current**		
	Unquoted		
i)	**Investments (at amortised cost)**		
	National savings certificate	0.05	0.05
	Total investment carried at amortised cost	**0.05**	**0.05**
ii)	**Investment in equity shares of other companies (at FVTPL)**		
	Axis Cogent Global Limited	-	-
	946,822 (31 March 2025 946,822) equity shares of ₹ 10 (31 March 2025: ₹10) each, fully paid up		
	Datum Technology Limited	-	-
	50,000 (31 March 2025: 50,000) equity shares of ₹ 10 (31 March 2025: ₹10) each, fully paid up		
	Raaga Axis Avicom Private Limited	-	-
	1,000 (31 March 2025: 1,000) equity shares of ₹ 10 (31 March 2025: ₹10) each, fully paid up		
iii)	**Other Investment (at FVTPL)**		
	Investment in real estate fund	89.10	101.32
	Total investment carried at fair value through profit or loss	**89.10**	**101.32**
		89.15	**101.37**
	Current		
	Quoted		
i)	**Other investments (at FVTPL)**		
	Investment in mutual funds	431.63	5,232.20
	Total quoted investment carried at fair value through profit or loss	**431.63**	**5,232.20**
	Aggregate value of investments	**520.78**	**5,333.57**
	Aggregate book value of quoted investments	**431.63**	**5,232.20**
	Aggregate market value of quoted investments	**431.63**	**5,232.20**
	Aggregate book value of unquoted investments	**89.15**	**101.37**

8 Other financial assets

	As at March 31, 2026	As at March 31, 2025
Non-current		
(carried at amortised cost)		
(Unsecured, considered good)		
Margin money deposits with banks [refer note (i) and (ii) below]	382.94	691.67
Loans to employees	12.20	21.95
Security deposits	836.73	925.00
Interest accrued on fixed deposits	0.69	-
	1,232.56	**1,638.62**
Current		
(carried at amortised cost)		
(Unsecured, considered good)		
Margin money deposits with banks [refer note (ii) below]	2,601.50	2,642.57
Interest accrued on fixed deposits	38.45	59.26
Security deposits	437.88	71.32
Loans to employees	41.30	53.75
Earnest money deposit	1.78	2.78
Export incentives receivable	42.69	33.13
Contract assets - Unbilled revenue	5,698.85	4,626.67
Other receivables [refer note (iii) below]	413.72	150.30
	9,276.17	**7,639.78**
(Unsecured, considered doubtful)		
Contract assets - Unbilled revenue	111.60	6.53
Security deposits	58.34	58.34
	169.94	**64.87**
Less :		
Allowance for Contract assets - Unbilled revenue	(111.60)	(6.53)
Allowance for doubtful security deposit	(58.34)	(58.34)
	(169.94)	**(64.87)**
	9,276.17	**7,639.78**

Notes:

(i) Fixed deposits of a carrying amount have been deposited as margin money against debentures and the credit facilities availed from banks.

(ii) Fixed deposits of a carrying amount have been deposited as margin money against the credit facilities availed from banks

(iii) Other receivables mainly represent an approved insurance claim receivable from the insurance company in respect of severance payments made to employees of Add Solution GmbH, a step-down subsidiary, under the group insurance policy held by the Company.

Refer note 17 for details of assets pledged as security for borrowings.

9 Non-current tax asset, net

	As at March 31, 2026	As at March 31, 2025
Advance income tax (net of provision for tax)	2,014.08	2,089.67
	2,014.08	**2,089.67**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

10 Other assets

	As at March 31, 2026	As at March 31, 2025
Non-current		
(Unsecured, considered good)		
Duties and taxes recoverable	86.46	36.77
Prepaid expenses	117.71	17.43
Capital advances	4,636.80	43.07
	4,840.97	**97.27**
(Unsecured, considered doubtful)		
Capital advances	178.38	178.38
	178.38	178.38
Less : Allowance for capital advances	(178.38)	(178.38)
	(178.38)	**(178.38)**
	4,840.97	**97.27**
Current *		
(Unsecured, considered good)		
Advance to employees	71.60	79.28
Duties and taxes recoverable	4,804.54	2,332.48
Prepaid expenses	2,108.66	1,498.56
Advance to suppliers	2,666.63	932.26
Deferred rent	-	0.67
Contract assets - Unbilled revenue	10,162.67	1,407.72
	19,814.10	**6,250.97**
(Unsecured, considered doubtful)		
Duties and taxes recoverable	27.67	27.67
Export incentive receivable	72.79	72.79
Advance to suppliers	100.94	100.94
	201.40	**201.40**
Less : Allowance for duties and taxes recoverable	(27.67)	(27.67)
Less : Allowance Export incentive receivable	(72.79)	(72.79)
Less : Allowance Advance to suppliers	(100.94)	(100.94)
	(201.40)	**(201.40)**
	19,814.10	**6,250.97**

* Refer note 17 for details of assets pledged as security for borrowings.

Capital advances mainly include ₹3,984.71 lakhs paid to Telangana State Industrial Infrastructure Corporation Limited pursuant to a provisional allotment letter for allotment of land for setting up an engineering facility in Hyderabad. Allotment of land is subject to fulfilment of conditions specified in the provisional allotment letter.

11 Inventories * (lower of cost or net realisable value)

	As at March 31, 2026	As at March 31, 2025
Raw material/ components [In transit of ₹ 194.29 lakhs lakhs (31 March 2025: 283.96 lakhs)]	4,095.95	5,214.55
Work-in-progress	1,070.98	543.77
Finished goods	2,621.95	210.88
Stock-in-trade [including goods-in transit of ₹ 0.88 lakhs (31 March 2025: ₹1.3 lakhs)]	107.84	117.75
	7,896.72	**6,086.95**

Value of inventories above is stated net off of provisions for obsolescence/ slow moving of 2,166.92 lakhs (31 March 2025: ₹ 2,611.73 lakhs).

* Refer note 17 for details of assets pledged as security for borrowings.

12 Trade receivables

(carried at amortised cost)

	As at March 31, 2026	As at March 31, 2025
Current *		
Trade receivables	41,134.16	30,180.49
	41,134.16	**30,180.49**
Break-up for security details:		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	41,134.16	30,180.49
Trade receivables which have significant increase in credit risk	292.74	313.11
Trade receivables - credit impaired	488.35	195.41
	41,915.25	**30,689.01**
Impairment Allowance (allowance for bad and doubtful debts)		
Trade receivables which have significant increase in credit risk	(292.74)	(313.11)
Trade receivables - credit impaired	(488.35)	(195.41)
	(781.09)	**(508.52)**
Total trade receivables	**41,134.16**	**30,180.49**

Trade receivables ageing schedule as on March 31, 2026

	Unbilled (included in note 8)	Current but not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	5,698.85	26,735.81	9,358.80	3,936.52	954.08	127.64	-	41,112.85
(ii) Undisputed trade receivables - which has significant increase in credit risk	88.21	102.74	162.78	25.62	1.60	-	-	292.74
(iii) Undisputed trade receivables - credit impaired	23.39	-	-	-	248.81	91.70	104.77	445.28
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	21.31	21.31
(v) Disputed trade receivables - which has significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	43.07	-	-	43.07
Total	**5,810.45**	**26,838.55**	**9,521.58**	**3,962.14**	**1,247.56**	**219.34**	**126.08**	**41,915.25**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Trade receivables ageing schedule as on March 31, 2025

	Unbilled (included in note 8)	Current but not due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	4,626.67	21,907.57	7,144.22	979.75	127.64	-	-	30,159.18
(ii) Undisputed trade receivables - which has significant increase in credit risk	6.53	64.50	110.01	58.67	68.43	11.50	-	313.11
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	68.62	16.61	73.31	158.54
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	21.31	21.31
(v) Disputed trade receivables - which has significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	36.87	-	-	-	-	36.87
Total	**4,633.20**	**21,972.07**	**7,291.10**	**1,038.42**	**264.69**	**28.11**	**94.62**	**30,689.01**

Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days.

No trade or other receivables are due from directors or other officers of the Company either serverally or jointly with any other person.

For terms and conditions relating to related party receivables, refer note 34.

* Refer note 17 for details of assets pledged as security for borrowings.

13 Cash and cash equivalent

	As at March 31, 2026	As at March 31, 2025
Cash on hand	2.31	2.72
Balances with banks		
- On current accounts*	1,776.47	4,698.09
- On Escrow accounts#	4.14	4.14
- Bank deposits with original maturity of less than three months	-	530.11
	1,782.92	**5,235.06**

* Includes debit balance in cash credit account of ₹ 45.87 lakhs (31 March 2025: ₹ 1,158.32 lakhs)

Amount received by MSPL from proceeds of issuance of preference shares during the year ended 31 March 2024 which is to be utilised for the purpose for which it is received.

(i) Short-term deposits are made for varying periods for few days, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

(ii) As at 31 March 2026, the Group has ₹ 24,794.60 lakhs (31 March 2025: ₹ 9,891.09 lakhs) of undrawn committed borrowing/ overdraft facilities.

*Refer note 17 for details of assets pledged as security for borrowings.

Notes:

	As at March 31, 2026	As at March 31, 2025
a) For the purpose of statement of cash flows, cash and cash equivalent comprises the following:		
Cash on hand	2.31	2.72
Balances with banks		
- On current accounts	1,776.47	4,698.09
- On Escrow accounts	4.14	4.14
- Bank deposits with original maturity of less than three months	-	530.11
	1,782.92	**5,235.06**

14 Bank balances other than cash and cash equivalent

	As at March 31, 2026	As at March 31, 2025
Deposits with banks [refer note 46 & note (i) below]	-	2,000.00
Margin money deposits with banks [refer note (ii) below]	2,763.28	1,691.16
	2,763.28	**3,691.16**

i Deposits with banks for amount received under QIP (refer note 46)

ii Fixed deposits of carrying amount with banks is deposited as margin money against the bank guarantees and credit facilities availed from banks.

iii Refer note 17 for assets pledged as security for borrowings.

a) Breakup of financial assets carried at amortised cost

	As at March 31, 2026	As at March 31, 2025
Investments (Non-current) (refer note 7)	0.05	0.05
Trade receivables (Current) (refer note 12)	41,134.16	30,180.49
Other financial assets (Current and Non Current) (refer note 8)	10,508.73	9,278.40
Cash and cash equivalent (refer note 13)	1,782.92	5,235.06
Bank balances other than cash and cash equivalent (refer note 14)	2,763.28	3,691.16
	56,189.14	**48,385.16**

15 Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Authorized share capital				
Equity shares of ₹ 5 each	2,040.00	10,200.00	2,040.00	10,200.00
Preference shares of ₹ 100 each	1.00	100.00	1.00	100.00
	2,041.00	**10,300.00**	**2,041.00**	**10,300.00**
Issued share capital				
Equity shares of ₹ 5 each issued [refer note (i) below]	425.69	2,128.42	425.49	2,127.43
Subscribed and paid-up				
Equity shares of ₹ 5 each (31 March 2025: ₹ 5 each), issued, subscribed and fully paid-up	425.17	2,125.87	424.97	2,124.88
Add: Forfeited shares (amount originally paid ₹ 3 per share on 51,100 equity shares) ^	-	1.53	-	1.53
	425.17	**2,127.40**	**424.97**	**2,126.41**

^ Out of 51,100 equity shares of ₹ 5 each issued, ₹ 2 had not been subscribed amounting to ₹ 1.02 lakhs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

(a) Reconciliation of the equity shares

	As at March 31, 2026		As at March 31, 2025	
	Number (in lakhs)	Amount	Number (in lakhs)	Amount
Equity shares of ₹ 5 each, par value				
Balances as at the beginning of the year	424.97	2,126.41	419.48	2,098.94
Add: Issued and subscribed during the year [refer note (i) below]	0.20	0.99	5.49	27.47
Balance at the end of the year	**425.17**	**2,127.40**	**424.97**	**2,126.41**

(i) During the year, the Company allotted 19,736 equity shares (31 March 2025 - 549,449) equity shares of ₹ 5 each aggregating ₹ 0.99 lakhs (31 March 2025 - ₹ 27.47 lakhs), consequent to the exercise of stock options by employees of the Company under the "AXISCADES Employee Stock Option Plan 2018 – Series 1" and "AXISCADES Employee Stock Option Plan 2018 – Series 2

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each equity share is entitled to one vote per share. Dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting and shall be payable in Indian rupees. In the event of liquidation of the Company, the shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Amount	Number of shares (in lakhs)	Amount
Holding Company:				
Jupiter Capital Private Limited	246.82	1,234.10	252.82	1,264.10

(d) Details of shareholders holding more than 5% shares in the Company:

	As at March 31, 2026		As at March 31, 2025	
	Number of shares (in lakhs)	Percentage holding	Number of shares (in lakhs)	Percentage holding
Equity shares of ₹ 5 each, fully paid				
Jupiter Capital Private Limited	246.82	58.05%	252.82	59.49%

(e) In the period of five years immediately preceding the Balance Sheet date, the Company has not issued any bonus shares or has bought back any shares.

(f) In the period of five years immediately preceding the Balance Sheet date, the Company has not allotted any shares for consideration other than cash.

(g) Details of shares held by promoters

As at March 31, 2026

Promoter Name	No. of shares (in lakhs) at the beginning of the year	Change (in lakhs) during the year	No. of shares (in lakhs) at the end of the year	% of total Shares	% change during the year
Jupiter Capital Private Limited (Equity shares of ₹ 5 each fully paid-up)	252.82	(6.00)	246.82	58.05%	-2.37%

As at March 31, 2025

Promoter Name	No. of shares (in lakhs) at the beginning of the year	Change (in lakhs) during the year	No. of shares (in lakhs) at the end of the year	% of total Shares	% change during the year
Jupiter Capital Private Limited (Equity shares of ₹ 5 each fully paid-up)	252.82	-	252.82	59.49%	0%

(h) Shares reserved for issue under options

The ESOP scheme titled "AXISCADES Employee Stock Option Plan 2018 – Series 1" and "AXISCADES Employee Stock Option Plan 2018 – Series 2" ("ESOP Schemes") was approved by the Shareholders of the Company vide resolution passed at the Extra Ordinary General Meeting through postal ballot held on 31 March 2018 in respect of grant of options exercisable into equity shares of face value of ₹ 5 each fully paid-up, not exceeding 3,020,762 equity shares or 8% of the paid up equity shares of the Company from time to time. Further, the Company has got its shareholders approval in its 31st AGM dated 28 September 2021 for increase in the pool of ESOP additionally by 2,643,167 options under scheme "AXISCADES Employee Stock Option Plan- Series 2" ("ESOP Series 2") thereby the total pool under ESOP Schemes shall not exceed 5,663,929 shares or 15% of the paid-up equity shares of the Company from time to time. Also refer note 43 for details of shares reserved for issue under the Share based payment plan of the Company.

16 Other equity

	As at March 31, 2026	As at March 31, 2025
Securities premium	31,768.41	31,753.69
Capital reserve	5,698.31	5,698.31
Hedge reserve	(969.47)	(151.65)
Foreign currency translation reserve	2,546.31	1,588.25
Retained earnings	30,822.83	23,712.50
General reserve	3.39	3.39
Share based payment reserve	649.57	67.13
Capital contribution reserve	107.68	107.68
Total	**70,627.04**	**62,779.30**

Refer Consolidated Statement of Changes in Equity, for movement in other equity

Nature and purpose:

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Capital reserve

Capital reserve is created pursuant to common control business combination. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Hedge Reserve

The Group uses hedging instruments as part of its management of foreign currency risk. For hedging foreign currency, the Company uses foreign currency forward contracts and cross currency swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the hedging reserve. Amounts recognised in the hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss.

Foreign currency translation reserve

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

Retained earnings

It comprises of the accumulated profit of the Group. Retained earnings include re-measurement losses/ (gains) on defined benefit plans, net of taxes that will not be reclassified to the consolidated statement of profit and loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Group under Employee stock option plan. Refer note 43 for further details of these plans.

Capital contribution reserve

Reserve created pursuant to profit on settlement of loan under common control transaction.

17 Borrowings

	Effective interest rate	Maturity (Financial year ending)	As at March 31, 2026	As at March 31, 2025
Non current				
Debentures				
12.75% unrated unlisted redeemable non-convertible debentures (secured) [refer note (a) (i) and (a)(vi) below]	13.89% - 14.11%	2028	1,209.99	5,139.72
12% unrated unlisted redeemable non-convertible debentures (secured) [refer note (a) (ii) below]	12%	2028	3,150.00	4,300.00
Term loan				
Term loan from banks (secured) [refer note (a) (v) below]	Repo rate + 3.5%	2029	121.55	228.41
Term loan from banks (secured) [refer note (a) (iii) below]	Repo rate + 3.6%	2029	782.78	1,252.44
Term loan from banks (secured) (GBP loan)	2.50%	2027	7.63	18.24
Term loan from banks (secured) [refer note (c) (iii) below]	Repo rate + 2.15%	2033	582.78	-
Term loan from banks (secured) [refer note (h) (i) below]	7.65%	2031	1669.51	-
			7,524.24	**10,938.81**
Current				
Working capital loan				
Working capital loan from bank (secured) [refer note (a)(iv) and (e) below]	5.74% - 9.63%	2027 on demand	13,161.39	4,640.37
Cash credit (secured) [refer note (c) (i), (g) and (h) (ii) below]	Repo rate+ 3.5% to 4%	on demand	644.70	2,394.94
Supplier finance arrangements				
Trade credits from banks and financial institutions (unsecured) [refer note (a)(vii) below]	7.5% -7.80%	2027	58.86	-
Current maturities of long term borrowings				
12.75% unrated unlisted redeemable non-convertible debentures (secured) [refer note (a) (i) and (a)(vi) below]	14.11%	2027	1,150.00	-
12% unrated unlisted redeemable non-convertible debentures (secured) [refer note (a) (ii) below]	12.00%	2027	3,990.00	700.00
Term loan from banks (secured) [refer note (a) (v) below]	Repo rate + 3.5%	2027	106.86	106.86
Term loan from banks (secured) [refer note (a) (iii) below]	Repo rate + 3.6%	2027	469.66	156.55
Term loan from banks (secured) [refer note (h) (i) below]	7.65%	2027	435.53	-
Term loan from banks (secured) [refer note (c) (iii) below]	Repo rate + 2.15%	2027	99.91	-
Term loam from the bank (secured) (Euro loan)	5.78%	2027	3.19	10.82
			20,120.09	**8,009.54**
Aggregate secured loans			**27,585.47**	**18,948.35**
Aggregate unsecured loans			**58.86**	**-**

I AXISCADES Technologies Limited

a) Details of security for borrowings

(i) The 12.75% Unrated Unlisted Redeemable Non-Convertible Debentures is secured by first pari-passu charge over all assets (including PPE, intangible assets and intellectual rights, current assets and non-current assets) of the Company and subsidiary companies, AXISCADES Aerospace & Technologies Private Limited and Mistral Solutions Private Limited, property owned by step down subsidiary, Enertec Controls Limited, at Electronic City, Bangalore, pledge of 100% shares of Mistral Solutions Private Limited and first pari-passu charge over fixed deposit of ₹1,200 lakhs and Corporate guarantee from subsidiary companies, Mistral Solutions Private Limited, AXISCADES Aerospace & Technologies Private Limited and Enertec Controls Limited. Additionally, cash margin equivalent to interest payable on the immediately succeeding coupon payment date in the form of fixed deposits lien to be maintained. The Company has made prepayment of ₹ 5,250 lakhs during the year ended 31 March 2025 and the balance is repayable in 5 quarterly installments starting from June 2026.

(ii) The 12.00% Unrated Unlisted Redeemable Non-Convertible Debentures of ₹ 5,000 lakhs is secured by first pari-passu charge over all assets (including movable PPE, intangible assets and intellectual rights, current assets and non-current assets) of the Company and subsidiary companies, AXISCADES Aerospace & Technologies Private Limited and Mistral Solutions Private Limited, property owned by step down subsidiary, Enertec Controls Limited, at Electronic City, Bangalore, pledge of 51% shares of Mistral Solutions Private Limited and first pari-passu charge over fixed deposit of ₹1,200 lakhs and Corporate guarantee from subsidiary companies, Mistral Solutions Private Limited, AXISCADES Aerospace & Technologies Private Limited and Enertec Controls Limited. Additionally, cash maragin equivalent to interst payable on the immediately succeeding coupon payment date in the form of fixed deposits lien to be maintained. Repayable in 11 quarterly installments starting from June 2025.

(iii) During the year ended 31 March 2025, the Company had taken a term loan of ₹ 1,409.00 lakhs from bank and repayable in 36 equal montly installments of ₹ 39.14 lakhs starting from December 2025, carries an interest rate of repo rate + 3.6% per annum. The loan was secured by exclusive charge on capital assets purchased through this loan.

(iv) Working capital loans are secured by exclusive charge on current assets, movable fixed assets, property owned by step down subsidiary, Enertec Controls Limited at Electronic City, Bangalore, fixed deposits of ₹ 700 lakhs and corporate guarantee from step down subsidiary company, Enertec Controls Limited. Additionally, 10% cash margin in the form of fixed deposits lien to be maintained and First Pari Passu charge on fixed deposit of ₹1,200 lakhs. Further, shortfall undertaking and letter of responsibility is backed by board resolution.

(v) During the year ended 31 March 2024, the Company had availed a term loan from bank amounting to ₹500 lakhs repayable in 60 equal monthly installments of ₹ 8.90 lakhs starting from December 2025, carries an interest rate of repo rate + 3.6% per annum. It is secured by exclusive charge on current assets, movable fixed assets, property owned by step down subsidiary, Enertec Controls Limited at Electronic City, Bangalore and corporate guarantee from step down subsidiary company, Enertec Controls Limited. Additionally, 10% cash margin in the form of fixed deposits lien to be maintained. Further, shortfall undertaking and letter of responsibility is backed by board resolution from Jupiter Capital Private Limited, the Parent Company.

(vi) During the year ended 31 March 2024, the Company had issued 3,323,262 equity shares of ₹ 5 each in Qualified Institutional Placement at an issue price of ₹ 662 per share (including securities premium of ₹ 657 per share) aggregating ₹ 21,999.99 lakhs to be utilised towards repayment or prepayment of certain outstanding borrowings availed by the Company and for general corporate purpose. The Company had utilised the proceeds from QIP for prepayment of 12.75% Unrated Unlisted Redeemable Non-Convertible Debentures of ₹ 5,250 lakhs during the year ended 31 March 2025.

(vii) The Company has established a supplier finance arrangement that is offered to some of the Company's suppliers / vendors. Suppliers / vendors that participate in the supplier finance arrangement will receive payment on due date for invoices sent to the Company from the Company's external finance provider.

b) Loan covenants

Secured loans from banks and financial institutions are subject to certain financial covenants such as debt service coverage ratio, total debt as a percentage of total net-worth etc. The Company has not defaulted on any loans payable and are fully compliant with all the material covenants.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

II AXISCADES Aerospace & Technologies Private Limited

c) Details of security of borrowings

(i) Working capital facilities are secured by a first pari passu charge over the Company's current assets and movable fixed assets (excluding assets financed through the HDFC Bank term loan), together with a first pari passu charge over the immovable property located at Plot Nos. 14/15, Electronic City, Bengaluru, owned by its subsidiary, Enertec Controls Limited. These securities are cross-collateralised against the facilities availed by the Company's holding company, AXISCADES Technologies Limited, from RBL Bank, HSBC, and Investec Capital Services India Private Limited (for which Vistra ITCL India Limited acts as the Debenture Trustee). The facilities are further secured by corporate guarantees provided by Enertec Controls Limited and AXISCADES Technologies Limited. In addition, the facilities are secured by a first pari passu charge over fixed deposits amounting to ₹ 1,200 lakhs held by AXISCADES Technologies Limited and a lien over existing fixed deposits of ₹ 700 lakhs maintained towards bank guarantee margin requirements.

(ii) During the year ended 31 March 2026, AXISCADES Aerospace & Technologies Private Limited availed a term loan of ₹ 699.00 lakhs from a bank, repayable in 84 equal monthly instalments of ₹ 8.33 lakhs each. The loan carries interest at the Repo Rate plus 2.15% per annum. The term loan is secured by a first exclusive charge over the movable fixed assets financed through the loan, an equitable mortgage over the property owned by its subsidiary, Enertec Controls Limited, located at 14–15, Phase I, Electronic City, Bengaluru, and corporate guarantees provided by Enertec Controls Limited and the Company's holding company, AXISCADES Technologies Limited.

d) Loan covenants

Loan from banks contain certain financial covenants such as debt service coverage ratio, total liabilities divide by adjusted net-worth,interest coverage ratio. AXISCADES Aerospace & Technologies Private Limited has not defaulted on any loans payable and are fully compliant with all the material covenants.

III AXISCADES Inc

e) The working capital loan carries variable interest rate per annum of Wall Street Journal Prime Rate + 2.00% with a floor of 7.50% (31 March 2025: Wall Street Journal Prime Rate + 2.00% with a floor of 7.50%) per annum. Interest and Maintenance Fees shall be calculated on the higher of the actual average monthly loan balance from the prior month or a minimum average loan balance of USD 250,000. The loan is repayable on demand. The working capital loan is secured by a perfected security interest in all the assets including a first security interest in accounts receivable and contract rights.

IV Epcogen Private Limited

f) Epcogen Private Limited has availed a revolving Cash Credit facility of ₹ 500 lakhs from RBL Bank Limited for meeting its working capital requirements. The facility carries interest at Repo Rate plus 3.80% p.a., is repayable on demand, and has a tenor of 12 months subject to annual renewal. The facility is secured by way of an exclusive charge on the entire current assets and movable fixed assets of the Epcogen Private Limited (both present and future), and is further backed by an unconditional and irrevocable Corporate Guarantee issued by Axiscades Technologies Limited.

V Mistral Solutions Private Limited

g) Details of security of borrowings

(i) During the year ended 31 March 2026, Mistral Solutions Private Limited has taken a term loan of ₹ 2,141.22 lakhs from bank and repayable in 59 equal montly installments of ₹ 36.29 lakhs starting from February 2026, carries an interest rate of 7.65% per annum. The loan was secured by exclusive charge on capital assets purchased through this loan.

(ii) Cash credit from banks are secured by exclusive charge on current assets, fixed deposits of ₹ 936 lakhs . Additionally, 10% cash margin in the form of fixed deposits lien to be maintained and First Pari Passu charge on fixed deposit of ₹ 1,818.14 lakhs.

i) Loan covenants

Loan from banks contain certain financial covenants such as debt service coverage ratio, interest cover ratio, total outside liabilities and adjusted tangible networth. Mistral Solutions Private Limited has not defaulted on any loans payable and are fully compliant with all the material covenants.

h) Change in liabilities arising from financing activities

	Loan from banks and financial institutions	Inter-corporate deposit	Lease liabilities	Total
Balance as at 01 April 2025	**18,948.35**	**-**	**6,841.83**	**25,790.18**
Additions to lease liability	-	-	7,095.35	7,095.35
Cash flows	8,618.53	-	(2,685.17)	5,933.36
Other Adjustments*	77.45	-	(65.89)	11.56
Balance as at 31 March 2026	**27,644.33**	**-**	**11,186.12**	**38,830.45**
Balance as at 01 April 2024	23,846.21	-	8,046.01	31,892.22
Additions to lease liability	-	-	465.37	465.37
Cash flows	(5,019.81)	-	(2,343.58)	(7,363.39)
Other Adjustments*	121.95	-	674.03	795.98
Balance as at 31 March 2025	**18,948.35**	**-**	**6,841.83**	**25,790.18**

*Other adjustments includes the adjustment of processing charges, lease modification and unrealised foreign exchange differences.

i) Non cash financing and investing activities

	As at March 31, 2026	As at March 31, 2025
Acquisition of Right-of-use assets (refer note 35)	7,323.50	470.57
Changes in fair value of investment in mutual and other funds	228.10	243.76

j) Details of utilisation of borrowings

During the year, the Group has utilised borrowings obtained for working capital/short-term purposes for long-term purposes, including the acquisition of property, plant and equipment, repayment of loans, and payment of capital advances to an extent of ₹ 4,244.76 lakhs. Except for the aforesaid utilisation, the Group has utilised all borrowings obtained from banks and financial institutions for the purposes for which they were obtained.

18 Provisions

	As at March 31, 2026	As at March 31, 2025
Non-current		
Employee defined benefits liability		
- Provision for gratuity (refer note 41)	1,710.07	1,174.88
- Provision for compensated absences	21.18	22.71
Asset retirement obligation [refer note (a) below]	60.51	55.57
Provision for warranty [refer note (b) below]	29.12	25.86
	1,820.88	**1,279.02**
Current		
Employee defined benefits liability		
- Provision for gratuity (refer note 41)	724.07	400.53
- Provision for compensated absences	1,231.41	1,090.73
Provision for foreseeable losses on contract [refer note (b) below]	326.85	221.89
Provision for liquidated damages [refer note (b) below]	1,125.15	1,052.32
Provision for warranty [refer note (b) below]	302.57	341.72
	3,710.05	**3,107.19**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

(a) Asset retirement obligation

The Group has recognised a provision for asset retirement obligation associated with premises taken on lease. In determining the fair value of the provision, assumptions and estimates are made in relation to the discount rates, the expected cost to dismantle and remove furniture and fixtures from the leased premises and the expected timing of these costs. The carrying amount of the provision as at 31 March 2026 is ₹ 60.51 lakhs (31 March 2025: ₹ 55.57 lakhs). The Group estimates the costs would be incurred within 4 - 5 years time upon the expiration of the lease and calculates the provision using the DCF method based on the following assumptions:

1) Estimated range of cost : 15 days - 30 days lease rental expense

2) Discount rate: 12.17 - 14.00 percent per annum

	Asset retirement obligation
As at 1 April 2024	68.47
Reversed during the year	(14.37)
Unwinding of discount	1.47
As at 31 March 2025	**55.57**
Reversed during the year	-
Unwinding of discount	4.94
As at 31 March 2026	**60.51**

(b) The disclosure of provisions movement as required under the provisions of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is as follows:

Particulars	Provision for foreseeable losses on contracts *	Provision for warranty **	Provision for liquidated damages***
As at 1 April 2024	**22.96**	**186.61**	**748.07**
Provisions made during the year	215.81	320.00	1,506.77
Reversal made during the year	-	-	(901.90)
Utilizations during the year	(16.88)	(139.03)	(300.62)
As at 31 March 2025	**221.89**	**367.58**	**1,052.32**
Provisions made during the year	152.54	225.88	856.60
Reversal made during the year	-	-	(507.72)
Utilizations during the year	(47.58)	(261.77)	(276.05)
As at 31 March 2026	**326.85**	**331.69**	**1,125.15**

* The provision is created to provide for expected losses in the project based on the expected cost overruns. These provisions are expected to be utilized over a period of one year.

** Provision for warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods. These provisions are expected to be utilized over the period of warranty.

*** Provision for liquidated damages relates to estimated outflow in respect of products sold by the Group and estimated to be incurred due to delay in delivery of products to customers. These provisions are expected to be utilized over a period of one year.

19 Trade payables

	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	881.79	367.78
Total outstanding dues of creditors other than micro enterprises and small enterprises*	13,459.27	5,453.06
	14,341.06	**5,820.84**

* Includes ₹ NIL (31 March 2025: ₹ 4.90 lakhs) payable to related parties (refer note 34).

Trade Payables ageing schedule as on March 31, 2026

	Unbilled	Not due	Outstanding for the following periods from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	689.64	190.73	1.42	-	-	881.79
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7,196.18	4,773.68	1,321.47	108.21	14.15	24.27	13,437.96
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	21.31	21.31
Total	**7,196.18**	**5,463.32**	**1,512.20**	**109.63**	**14.15**	**45.58**	**14,341.06**

Trade payables ageing schedule as at March 31, 2025

	Unbilled	Not due	Outstanding for the following periods from the due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	317.39	50.39	-	-	-	367.78
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	756.57	3,816.81	690.25	22.54	136.82	8.76	5,431.75
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	21.31	21.31
Total	**756.57**	**4,134.20**	**740.64**	**22.54**	**136.82**	**30.07**	**5,820.84**

Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms.

For terms and conditions with related parties, refer note 34.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

20 Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Non-current		
(carried at FVTPL)		
Purchase consideration payable on acquisition of subsidiaries (refer note a below)	-	516.31
	-	**516.31**
Current		
(carried at amortised cost)		
Dues to employees	1,906.90	1,690.65
Creditors for capital goods	332.73	4.45
Interest accrued but not due on borrowings*	40.47	34.99
Other liabilities#	283.95	213.05
(carried at FVTPL)		
Purchase consideration payable on acquisition of subsidiaries (refer note a below)	233.33	233.00
(carried at FVTOCI) ^		
Hedge liability	1,366.51	263.26
	4,163.89	**2,439.40**

* For details of interest rates, repayment and others, refer note 17.

Other liabilities mainly includes interest payable on advances received from customers

^ Financial liabilities at FVTOCI reflect the change in fair value of foreign exchange forward contracts and cross currency swaps, designated as cash flow hedges to hedge highly probable future sales in USD and EUR.

Note:

The purchase consideration payable for the acquisition of MSPL, Add Solution and Epcogen is as follows:

	As at March 31, 2026	As at March 31, 2025
Opening balance of purchase consideration payable	749.31	1,760.49
Add: Unwinding of discount (interest expense)	43.81	132.46
Add: Additional purchase consideration paid to the shareholders of MSPL (refer note c below)	-	152.20
Less: Fair value gain on contingent consideration payable (refer note b and d below)	(462.88)	(717.52)
Less: Reversal of purchase consideration payable through retained earnings in equity in respect of non-controlling interests liability	-	(366.06)
Less: Deferred purchase consideration - settled	(96.91)	(212.26)
Closing balance of purchase consideration payable	**233.33**	**749.31**

a Purchase consideration payable on acquisition of:

Epcogen Private Limited (refer note b below)	233.33	652.40
Mistral Solutions Private Limited (refer note c below)	-	-
Add Solution Gmbh (refer d below)		96.91
Closing balance of purchase consideration payable	**233.33**	**749.31**

b During the year ended March 31, 2024, the Company acquired Epcogen Private Limited ("Epcogen") through a payment of fixed purchase consideration of ₹ 2,625.00 lakhs and a contingent purchase consideration payable over a period of three years, dependent upon earnings of Epcogen for the period April 1, 2023 to March 31, 2026, with a maximum amount of ₹ 700.00 lakhs. The purchase consideration payable for the acquisition of Epcogen Private Limited is as follows:

Opening balance of purchase consideration payable	652.40	599.00
Add: Changes in fair value of purchase consideration payable [refer note (i) below]	(462.88)	-
Add: Unwinding of discount (interest expense)	43.81	53.40
Closing balance of purchase consideration payable	**233.33**	**652.40**

(i) The Company has recognised a gain of ₹ 462.88 lakhs in the Statement of Profit and Loss as an exceptional item due to change in fair value of contingent consideration on remeasurement of the contingent purchase consideration payable based on actual financial performance of the Epcogen Private Limted.

c The purchase consideration payable for the acquisition of Mistral Solutions Private Limited ('MSPL') is as follows:

	As at March 31, 2026	As at March 31, 2025
Opening balance of purchase consideration payable	-	59.46
Add: Unwinding of discount (interest expense)	-	0.51
Add: Additional purchase consideration paid to the shareholders of MSPL[refer note (i) below]	-	152.29
Less: Deferred purchase consideration settled	-	(212.26)
Closing balance of purchase consideration payable	**-**	**-**

(i) The entire purchase consideration payable for the acquisition of MSPL was discharged by the Company in the year ended 31 March 2025. During the year ended 31 March 2025, the Company had paid an additional purchase consideration of ₹ 152.29 lakhs to acquire 22,905 equity shares from certain individual shareholders of MSPL and disclosed as an exceptional item (refer note 32).

d The purchase consideration payable for the acquisition of Add Solution Gmbh is as follows:

	As at March 31, 2026	As at March 31, 2025
Opening balance of purchase consideration payable	96.91	684.64
Add: Unwinding of discount (interest expense)	-	54.04
Add: Change in the value of Non- Controlling Interest liability recognised in equity	-	(366.06)
Add: Fair value loss on contingent consideration payable	-	(275.71)
Less: Paid during the year	(96.91)	-
Closing balance of purchase consideration payable	**-**	**96.91**

(i) "During the year ended 31 March 2025, the Group had fair valued the obligation and acquired the remaining 6% on 1 January 2025 from NCI holders as per the terms of the agreements and mutually agreed to settle the contingent consideration payable to the NCI holders for ₹ 96.91 lakhs (EUR 105,000). Accordingly, the Group had reversed the NCI liability of ₹ 366.06 lakhs through retained earnings in equity to the extent it is related to derecognition of NCI liability and ₹ 717.52 lakhs through statement of profit and loss for the changes in fair value.

21 Current tax liabilities, net

	As at March 31, 2026	As at March 31, 2025
Provision for tax, net of advance tax	1,190.70	1,078.33
	1,190.70	**1,078.33**

22 Other liabilities

	As at March 31, 2026	As at March 31, 2025
Current		
Duties and taxes payable	1623.92	2185.47
Contract liabilities:		
Unearned revenue	2,497.11	2,441.06
Advance received from customer	4,752.68	2,108.06
	8,873.71	**6,734.59**
Breakup of financial liabilities carried at amortised cost		
Borrowings (refer note 17)	27,644.33	18,948.35
Lease liabilities (refer note 35)	11,159.22	6,841.83
Trade payables (refer note 19)	14,341.06	5,820.84
Other financial liabilities (refer note 20)	2,564.05	1,943.14
	55,708.66	**33,554.16**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

23 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers	115,721.10	102,930.35
Other operating revenue	174.14	142.02
	115,895.24	**103,072.37**

23.1 Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by market, timing of revenue recognition and geography. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of services		
Technology Services and Solutions	72,901.34	66,523.50
Defence	3,403.35	4,154.93
Sale of goods		
Technology Services and Solutions	5,059.29	6,128.87
Defence	34,357.12	26,123.05
Other operating revenue		
Export incentives [refer note (i)]	9.56	12.55
Other operating income [refer note (ii)]	164.58	129.47
	115,895.24	**103,072.37**

(i) During the current year, the Group has recognised other operating income from export incentives under the provisions of Foreign Trade Policy (1 April 2015 - 31 March 2020), as amended from time to time, aggregating ₹ 9.56 lakhs (31 March 2025: ₹ 12.55 lakhs). The Management believes that it has satisfied all the conditions to receive the incentive and is in the process of filing the claim.

(ii) Amount mainly consists of input availed on import of FOC materials shipped by customers and duty paid by them.

Primary Geographical Markets

	Year ended March 31, 2026	Year ended March 31, 2025
Geography		
India	43,690.79	37,398.49
Outside India	72,030.31	65,531.86
	115,721.10	**102,930.35**

Timing of revenue recognition

	Year ended March 31, 2026	Year ended March 31, 2025
Goods or services transferred at point in time	34,300.67	30,127.51
Goods or services transferred over time	81,420.43	72,803.84
	115,721.10	**1,02,930.35**

Note : The amount of ₹ 174.14 lakhs (31 March 2025: ₹ 142.02 lakhs) pertaining to other operating revenue has not been considered in the above revenue disclosure.

23.2 Contract balances

	Year ended March 31, 2026	Year ended March 31, 2025
Trade receivables	41,134.16	30,180.49
Contract Assets - Unbilled revenue	15,861.52	6,034.40
Contract liability - Unearned revenue	2,497.11	2,441.06
Contract liability - Advance received from customer	4,752.68	2,108.06

Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days. In 31 March 2026, ₹ 272.57 lakhs [31 March 2025: ₹ 214.18 lakhs] was recognised as provision for expected credit losses on trade receivables.

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (unearned revenues).

Contract assets relates to revenue earned from technology services and solutions and strategic technology solutions rendered within the financial year and for which invoicing happens subsequent to the year end. As such, the balances of this account vary and depend on the quantum of technology services and solutions and strategic technology solutions at the end of the year. As at 31 March 2026, the Group has provision for expected credit losses on contract assets of ₹ 105.07 lakhs (31 March 2025: ₹ 6.53 lakhs).

Contract liabilities include short-term advances received for sale of products and to render engineering services in the future as well as transaction price allocated to performance obligations not yet completed.

During the year, contract liabilities increased primarily on account of advances received from customer. Further, advances of ₹ 501.62 lakhs, determined to be no longer payable, were written back during the year and recognised under other income in the Statement of Profit and Loss.

	Year ended March 31, 2026	Year ended March 31, 2025
Below is the revenue recognised from :		
Amount included in the contract liabilities at the beginning of the year	3,532.79	1,621.24
Performance obligation satisfied in previous years	-	-

23.3 Performance Obligation

Revenue to be recognised for performance obligations not satisfied or partially satisfied at the end of the current year in respect of contracts with customer that are in place (i.e. signed agreements/POs/WOs,etc) at the year end :

	Year ended March 31, 2026	Year ended March 31, 2025
Within one year	21,013.19	5,870.54
More than one year	9,775.81	1,700.91
	30,789.00	7,571.45

The Group has applied practical expedient and has not disclosed information about remaining performance obligations in contracts, where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

23.4 Reconciliation of contract with customers

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contract with customers as per contract price	116,175.54	103,846.31
Adjustment made to the contract price on account of :-		
a) Liquidated damages	(348.88)	(779.18)
b) Interest charged by customer on advances given	(105.56)	(136.78)
Revenue from contract with customer as per the Statement of Profit and Loss	**115,721.10**	**102,930.35**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

23.5 Changes in unbilled revenue or contract assets are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	6,034.40	10,972.54
Additions during the year	56,557.92	56,202.62
Reclassification adjustments:		
- Billing from opening balance of contract assets to trade receivables	(5,284.43)	(10,265.82)
- Billing from contract assets transferred to trade receivables	(41,446.37)	(50,874.94)
Closing balance	**15,861.52**	**6,034.40**

23.6 Changes in contract liabilities are as follows:

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	4,549.12	4,286.94
Net additions during the year	8,553.59	1,883.42
Contract liabilities written back	(501.62)	-
Reclassification Adjustments:	-	-
- Transfer of opening contract liabilities to revenue	(3,532.79)	(1,621.24)
- Transfer of contract liabilities to revenue	(1,818.51)	-
Closing balance	**7,249.79**	**4,549.12**

24 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income		
- from fixed deposits with banks	422.61	772.33
- from financial assets carried at amortised cost	77.47	69.26
- from income tax refund	65.12	44.14
- from others	17.67	16.26
Gain on sale of asset held for sale [refer note (i) below]]	-	659.19
Fair value gain on financial instruments at fair value through profit or loss	183.27	251.93
Net gain on foreign currency transaction and translation, net	692.43	35.70
Gain on net settlement on cross currency swap	134.22	32.04
Provision/ liabilities no longer required, written back	566.03	71.05
Rental income	20.90	18.52
Dividend income from mutual funds	45.37	31.83
Miscellaneous income	53.02	82.65
	2,278.11	**2,084.90**

Note:

(i) During the year ended 31 March 2025, the Company had recognised a gain of ₹ 659.19 lakhs from sale of leasehold land and building for a consideration of ₹ 1,490.00 lakhs.

25 Cost of raw material and components consumed

	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	5,214.55	5,244.18
Add: Purchases	24,217.32	18,776.03
	29,431.87	**24,020.21**
Less: Inventory at the end of the year	(4,095.95)	(5,214.55)
	25,335.92	**18,805.66**

26 Purchase of traded goods

	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of stock-in-trade	1,368.72	1,718.10
	1,368.72	**1,718.10**

27 Changes in inventories of finished goods, work-in-progress and traded goods

	Year ended March 31, 2026	Year ended March 31, 2025
Opening inventory		
Work-in-progress	543.77	1,080.88
Finished Goods	210.88	507.76
Stock-in-trade	117.75	100.62
	872.40	**1,689.26**
Closing inventory		
Work-in-progress	1,070.98	543.77
Finished Goods	2,621.95	210.88
Stock-in-trade	107.84	117.75
	3,800.77	**872.40**
(Increase)/ decrease in inventory		
Work-in-progress	(527.21)	537.11
Finished Goods	(2,411.07)	296.88
Traded goods	9.91	(17.13)
	(2,928.37)	**816.86**

28 Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	47,970.83	46,487.78
Contribution to provident and other funds	2,729.52	2,537.39
Contribution to overseas social security	2,224.36	2,137.06
Gratuity expense (refer note 41)	340.48	304.73
Compensated absences expense	234.45	493.98
Share based payments to employees (refer note 43)*	588.00	(1,504.82)
Staff welfare expense	1,352.31	1,185.54
	55,439.95	**51,641.66**

* Due to non-fulfilment of certain vesting conditions, the company had reversed the share based payments to employees, net of ₹ 1,504.82 lakhs for the year ended March 31, 2025.

29 Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense		
- on facilities from banks/ financial institutions	689.63	608.31
- on debentures	1,314.59	1,677.45
- on others	154.33	70.62
- on financial liabilities carried at amortised cost	0.30	2.65
Other borrowing cost	43.75	199.43
Net interest expense on net defined benefit obligation	96.20	110.88
Unwinding of discount on asset retirement obligation [refer note 18(a)]	4.94	1.47
Bank guarantee commission	12.55	19.37
Interest on lease liabilities (refer note 35)	681.31	531.75
Interest on income tax	99.79	7.77
	3,097.39	**3,229.70**

30 Depreciation and amortization expense

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of PPE (refer note 3)	980.93	1,141.86
Amortisation of intangible assets (refer note 5)	1,122.56	854.73
Depreciation of Right-of-use asset (refer note 35)	2,334.31	1,963.29
	4,437.80	**3,959.88**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

31 Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Rent (refer note 35)		
-Immovable property	110.81	240.10
-Equipment hire charges	107.13	289.55
Power and fuel	457.72	469.03
Travelling and conveyance	1,910.61	1,362.37
Legal and professional charges	3,250.25	1,978.72
Consultancy expense	307.03	365.27
Repairs and maintenance		
- Building	420.63	388.92
- Plant and machinery	35.54	24.54
- Others	518.47	392.27
Recruitment and training expenses	304.32	221.53
Office maintenance expense	119.16	152.11
Communication expenses	279.21	334.78
Auditor's remuneration	214.08	219.54
Printing and stationery	22.95	36.29
Security charges	68.79	69.16
Rates and taxes	401.45	200.18
Sub contracting charges	5,263.06	4,460.18
Software subscription charges	2,907.34	2,312.16
Directors sitting fees and commission (refer note 34)	106.86	161.79
Marketing and advertising expenses	937.55	1,072.08
Insurance expenses	264.72	265.43
Bank charges	97.15	120.49
Postage and courier charges	12.01	13.36
Corporate social responsibility expenses	115.23	97.82
Provision for foreseeable loss on contracts	104.96	198.93
Expected credit losses	377.64	220.71
Advances written off	7.22	-
Loss on sale of property, plant and equipment	11.38	63.86
Clearing & forwarding charges	64.83	46.38
Miscellaneous expenses	130.22	68.05
	18,928.32	**15,845.60**

32 Exceptional Items

	Year ended March 31, 2026	Year ended March 31, 2025
Past service costs of Gratuity and Leave encashment [refer note (i) below]	(782.14)	-
Impairment loss on goodwill (refer note 4)	(797.58)	(951.19)
Fair value adjustment of a contingent purchase consideration (refer note 20)	462.88	717.52
Additional purchase consideration paid (refer note 20)	-	(152.20)
	(1,116.84)	**(385.87)**

(i) On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has considered restructured compensation of its employees with effect from 1 April 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact as "Past service costs of Gratuity and Leave encashment" under "Exceptional Items" in the Consolidated Statement of Profit and Loss for the year ended 31 March 2026. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

33 Earnings per share (EPS) (basic and diluted)

		Year ended March 31, 2026	Year ended March 31, 2025
a)	Profit after tax attributable to equity shareholders (₹)	7,191.82	7,493.68
b)	Weighted average number of shares outstanding (in lakhs)	425.17	421.92
c)	Nominal value of shares (₹)	5.00	5.00
d)	Basic earning per share (₹) [(a)/(b)]	16.92	17.76
e)	Number of equity shares used to compute diluted earnings per share (in lakhs) (refer note below)	427.41	435.09
f)	Diluted earnings per share (₹)	16.83	17.22

Note:

	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average number of shares outstanding (in lakhs)	425.17	421.92
Effect of dilution:		
Share options	2.24	13.17
Weighted average number of equity shares adjusted for the effect of dilution	**427.41**	**435.09**

34 Related party disclosures

	Nature of relationship	Name of party
I	**Parties where control exists:**	
	Holding Company	Jupiter Capital Private Limited ('JCPL')
	Associate company	Aero Electronics Private Limited
	Entities in which director or their relative has significant influence	Booma Manufacturing Private Limited
		Microcon Machine Tech Private Limited
II	**Name of other related parties as per Ind AS 24 with whom transactions have taken place during the year:**	
	Key Management Personnel (KMP):	
	Founder chairman and Managing Director	Dr. Sampath Ravinarayanan (appointed as a Non-Executive Director w.e.f. 12 October 2024; designated as Chairman w.e.f. 28 January 2025; and appointed as Managing Director w.e.f. 23 August 2025)
	Chief Executive Officer & Managing Director	Mr. Alfonso Martinez Fernandez (from January 20, 2025 to August 22, 2025)
	Chief Executive Officer & Managing Director	Mr. Arun Krishnamurthi (stepped down w.e.f. January 19, 2025)
	Chairman and Non-Executive Director	Mr. Abidali Zainuddin Neemuchwala (from October 4, 2023 to January 25, 2025)
	Independent Director	Mrs. Mariam Mathew
	Independent Director	Mr. Desh Raj Dogra (stepped down w.e.f September 18, 2024)
	Independent Director	Mr. Dhiraj Mathur (stepped down w.e.f September 18, 2024)
	Independent Director	Mr. Tanmoy Chakrabarty (appointed w.e.f. July 13, 2024)
	Independent Director	Lt Gen Codanda Poovaiah Cariappa (appointed w.e.f. September 19, 2024)
	Independent Director	Mr. Rajendra Chandrakantrao Moholkar (from September 19, 2024 to January 27, 2025)
	Independent Director	Mr. Giridhar Aramane (appointed w.e.f. March 26, 2026)
	Non - Executive Director	Mr. David Abikzir (stepped down w.e.f July17, 2025)
	Non - Executive Director	Dr. S. Christopher (from June 30, 2023 to December 5, 2024)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

III Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year:

Fellow subsidiary	Indian Aero Infrastructure Private Limited
Key Management Personnel (KMP):	
Chief Financial Officer (CFO)	Mr. Shashidhar SK
Company Secretary	Ms. Sonal Dudani

IV Transactions with related parties:

Nature of transactions	Relationship	Year ended March 31, 2026	Year ended March 31, 2025
Remuneration (Refer note (IV) (a) and (b) below)	Key Management Personnel	455.10	897.14
	Relative of a Key Management Personnel	36.62	-
Sitting fees and commission paid to directors	Key Management Personnel	106.87	161.79
Legal and professional charges			
Dr. S. Christopher	Key Management Personnel	-	17.28
Aerospace resource needs LLP	Entity in which director or their relative has significant influence	600.00	-
Expenses incurred on behalf of the Company by			
Jupiter Capital Private Limited	Holding Company	92.93	-
Interest income on security deposits			
Aero Electonics Private Limited	Associate company	5.31	-
Finance cost on lease liability			
Aero Electonics Private Limited	Associate company	279.10	-
Security Deposit given			
Aero Electonics Private Limited	Associate company	282.14	-
Amortization on Right-of-use assets			
Aero Electonics Private Limited	Associate company	308.28	-
Payment of lease liabilities			
Aero Electonics Private Limited	Associate company	149.16	-
Services received from			
Booma Manufacturing Private Limited	Entity in which director or their relative has significant influence	5.16	-
Advances given			
Microcon Machine Tech Private Limited	Entity in which director or their relative has significant influence	30.53	-
BNC Motors Private Limited	Entity in which director or their relative has significant influence	49.35	-
Investment in an associate			
Aero Electronics Private Limited (refer note 6)	Associate Company	575.46	-

IV Transactions with related parties:

Nature of transactions	Relationship	Year ended March 31, 2026	Year ended March 31, 2025
Travelling and conveyance			
Dr. Sampath Ravinarayanan	Key Management Personnel	126.98	43.15
Marketing and advertising expenses			
Mr. Abidali Zainuddin Neemuchwala	Key Management Personnel	-	42.28

(a) As the future liability for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

(b) Total employee benefit expense includes employee stock compensation expense of ₹ 588.00 lakhs (31 March 2025 - Expense reversal of ₹ 1,145.17 lakhs included in the employee stock option scheme expense in the Consolidated Statement of Profit and Loss account.

(c) Refer note 17 for details of security provided for borrowings.

V Balances as at the year end:

Nature of transactions	Relationship	As at March 31, 2026	As at March 31, 2025
Commission Payable to directors	Key Management Personnel	35.30	45.79
Remuneration payable (refer note (IV) (a) and (b) above)*	Key Management Personnel	81.00	133.60
Trade payables			
Indian Aero Infrastructure Private Limited	Fellow subsidiary	-	4.90
Advances to suppliers			
Microcon Machine Tech Private Limited	Entity in which director or their relative has significant influence	30.53	-
BNC Motors Private Limited	Entity in which director or their relative has significant influence	49.35	-
Security Deposit given			
Aero Electonics Private Limited	Associate company	133.71	-
Right-of-use assets			
Aero Electonics Private Limited	Associate company	5,165.49	-
Lease Liability			
Aero Electonics Private Limited	Associate company	5,442.80	-
Investment in an associate			
Aero Electronics Private Limited (refer note 6)	Associate company	1,182.59	625.08

* Remuneration payable does not include amount payable on employee stock option scheme

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2026, the group has not recorded any impairment of receivables of amount owned by related parties (31 March 2025: Nil). The Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

35 Right of use asset and Lease liabilities

Group as a lessee

The Group has lease contracts for immovable properties, computers, product assembling space and vehicles used in its operations. These leases are for a period ranging from one year three months to ten years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. These lease contracts include extension and termination options.

The Group also has certain leases of computers, machinery and testing equipment with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	As at March 31, 2026			As at March 31, 2025			Total	
	Immovable property	Computers	Vehicles	Immovable property	Computers	Vehicles	As at 31 March 2026	As at 31 March 2025
As on 01 April	13,787.11	3.76	38.02	15,175.55	66.04	-	13,828.89	15,241.59
Additions	7,241.13	-	82.37	424.14	-	46.43	7,323.50	470.57
Deletions	-	-	-	-	-	-	-	-
Lease modification	(1,278.67)	-	-	-	-	-	(1,278.67)	-
Depreciation expense (refer note 30)	(2,287.27)	(3.76)	(43.28)	(1,892.60)	(62.28)	(8.41)	(2,334.31)	(1,963.29)
Exchange differences	273.67	-	2.75	80.02	-	-	276.42	80.02
Carrying amount as on 31 March	**17,735.97**	**-**	**79.86**	**13,787.11**	**3.76**	**38.02**	**17,815.83**	**13,828.89**

Below are the carrying amounts of lease liabilities and the movements during the year:

	As at March 31, 2026	As at March 31, 2025
As on 01 April	6,841.83	8,046.01
Additions	7,095.35	465.37
Deletions	-	-
Lease modification	(1,278.67)	-
Accretion of interest (refer note 29)	681.31	531.75
Repayment of principal portion of lease liabilities	(2,003.86)	(1,811.83)
Payment of Interest portion of lease liabilities	(681.31)	(531.75)
Exchange differences	504.57	142.28
Carrying amount as on 31 March	**11,159.22**	**6,841.83**
Current	1,858.37	1,841.70
Non-current	9,300.85	5,000.13
Total	**11,159.22**	**6,841.83**

The weighted average incremental borrowing rate for lease liabilities is between 5.81% to 10.72% per annum (31 March 2025 is between 7.50% to 12.17% per annum), with maturities between financial year 2026-2035 for leasehold properties.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	31 March 2026	31 March 2025
Less than three months	692.36	580.33
Three to twelve months	1,981.07	1,647.76
Between 1 and 2 years	2,136.02	1,507.14
Between 2 and 3 years	1,721.68	868.94
Between 3 and 4 years	1,715.38	483.21
Between 4 and 5 years	1,593.62	456.21
More than five years	5,199.48	2,736.49

The following are the amounts recognised in the statement of profit or loss:

	31 March 2026	31 March 2025
Depreciation expense of right-of-use assets	2,334.31	1,963.29
Interest expense on lease liabilities	681.31	531.75
Expense relating to short-term leases and low value leases (included in other expenses)	217.94	529.65
Total amount recognised in profit or loss	**3,233.56**	**3,024.69**

The Group had total cash outflows for leases of ₹ 2,903.11 lakhs for the year ended 31 March 2026 (31 March 2025: ₹ 2,873.33 lakhs). The Group has made non-cash additions of ₹ 7,184.07 lakhs (31 March 2025: ₹ 470.57 lakhs) and ₹ 7,068.45 lakhs (31 March 2025: ₹ 465.37 lakhs) to right-of-use assets and lease liabilities, respectively. There are no future cash outflows relating to leases that have not yet commenced.

36 Contingent liabilities and commitments

Capital and other commitments

	As at March 31, 2026	As at March 31, 2025
Capital commitment*	7,336.94	81.29

*Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for is ₹ 7,336.94 lakhs (31 March 2025: ₹ 81.29 lakhs).

Bank guarantees

	As at March 31, 2026	As at March 31, 2025
i) Bank guarantees to government authorities and others	7,343.54	4,750.80

Bank guarantees are issued in favour of government authorities and others towards financial and performance guarantees as part of bidding process.

Tax contingencies

	As at March 31, 2026	As at March 31, 2025
Direct tax matters under dispute/ pending before Income Tax Authorities [refer note (i) below]	956.03	4,247.17
Indirect tax matters for demands pending before various appellate authorities [refer note (ii) below]	2,504.12	2,534.72
	3,460.15	**6,781.89**

Others

	As at March 31, 2026	As at March 31, 2025
Other legal matters [refer note (iii) below]	93.17	79.81
	93.17	**79.81**

Notes:

i) **AXISCADES Technologies Limited**

The Company had received assessment orders in respect of certain financial years giving raise to additional income tax demand (including interest) of ₹ 194.43 lakhs (31 March 2025: ₹ 358.00 lakhs) on account of certain adjustments in relation to disallowances of expenses and certain tax benefits.

Mistral Solutions Private Limited

In respect of tax matters, MSPL is contesting the tax litigations amounting to ₹ 544.87 lakhs (31 March 2025: ₹ 337.62 lakhs) in respect of various years from FY 2008-09 to FY 2025-26 for disallowance of certain expenses made by the tax authorities.

AXISCADES Aerospace & Technologies Private Limited

For certain financial years, ACAT had received assessment order giving rise to additional income tax demand (including interest) aggregating to Nil (31 March 2025: ₹ 3,329.52 lakhs) on account of certain adjustments in relation to disallowances of certain expenses and certain tax benefits. During the current year, the Company received a favourable appellate order in respect of the aforesaid tax demands.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

AXISCADES Aerospace Infrastructure Private Limited
AAIPL has received demand notices (including interest) related to FY 2004-05 to 2009-10 aggregating to ₹ 149.40 lakhs (31 March 2025: ₹ 154.70 lakhs) on account of disallowance under section 14A and certain tax benefits.

Enertec Controls Limited
Enertec has received assessment order giving rise to additional income tax demand (including interest) aggregating to ₹ 67.33 lakhs (31 March 2025: ₹ 67.33 lakhs) on account of certain adjustments in relation to disallowances of certain expenses and certain tax benefits for FY 2016-17.

ii) **AXISCADES Technologies Limited**
The Company had received demand notices from the authorities under the Finance Act,1994 of ₹ 2,361.74 lakhs (31 March 2025: ₹ 2,392.33 lakhs) for non-payment of Service tax on reverse charge mechanism for the period April 2006 to september 2010 and also received demand notices from GST authorities under Goods and Service Tax Act, 2017 for non-payment of GST on reverse charge mechanism, excess ITC availed and ITC of input service distributor not appearing in GSTR 2A, etc for the period FY 2018-2019 to FY 2020-2021.

AXISCADES Aerospace & Technologies Private Limited
AAIPL has received demand notices from the authorities under Service Tax Act for FY 2008 to FY 2015 aggregating to ₹ 142.39 lakhs (31 March 2025: ₹ 142.39 lakhs) towards non payment of service tax and wrong availment of ineligible cenvat credit.

iii) **Mistral Solutions Private Limited**
MSPL had received a frivolous claim and based on the advise of its legal counsel, the Group is of the view that the outcome of these proceedings will not have a materially adverse effect on its financial position and accordingly, no provision is recognised in the financial statements.

The Management, including its tax advisors and legal counsel, belives that it's position will likely to be upheld at various forums where the matters are pending. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

37 Capital management

For the purpose of the Group's capital management, capital includes issued capital, and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, lease liabilities less cash and cash equivalent.

	As at March 31, 2026	As at March 31, 2025
Borrowings (Current and Non-current) (refer note 17)	27,644.33	18,948.35
Lease liabilities (Current and Non-current) (refer note 35)	11,159.22	6,841.83
Less: Cash and cash equivalent (refer note 13)	(1,782.92)	(5,235.06)
Net debt (a)	**37,020.63**	**20,555.12**
Equity share capital (refer note 15)	2,127.40	2,126.41
Other equity (refer note 16)	70,627.04	62,779.30
Capital and net debt (b)	**109,775.07**	**85,460.83**
Gearing ratio (a/b)	34%	24%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Group has not defaulted on any loans payable and are fully compliant with all the material covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025

38 Income Tax

The major components of income tax expense are:

	Year ended March 31, 2026	Year ended March 31, 2025
Current income tax:		
Current income tax charge	3,542.81	2,352.07
Adjustment of tax relating to earlier years	(15.42)	(127.44)
Deferred tax:		
Relating to the origination and reversal of temporary differences	624.94	(1,001.46)
Income tax expense reported in statement of profit and loss	**4,152.33**	**1,223.17**
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Re-measurement losses on defined benefit plans	27.68	56.34
Losses / (gains) on cash flow hedges	275.05	51.28
	302.73	**107.62**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025:

	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax	**11,358.83**	**8,751.57**
Income tax expense at applicable tax rates applicable to individual entities	3,754.89	2,689.91
Foreign tax expensed during the year	255.13	85.71
Impact of change in tax rate	55.40	9.96
Tax effect on permanent non-deductible expenses	33.50	9.22
Adjustment of tax related to earlier years	(15.42)	127.44
Expense disallowed under the provisions of Income tax Act, 1961	68.64	238.90
One-time additional deferred tax charge including reversal of MAT credit [refer note (i) below]	-	(131.56)
Utilisation of prior year losses on which tax credit was not recognised in earlier year	(8.74)	(954.33)
Tax credit recognised on prior years losses [refer note (ii) below]	-	(855.44)
Others	8.93	3.36
At the effective income tax rate of 36.56% [31 March 2025: 13.98%]	**4,152.33**	**1,223.17**
Income tax expense reported in the Statement of Profit and Loss	4,152.33	1,223.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

AXISCADES Technologies Limited

Note - (i)

(i) During the year ended March 31, 2025, the Company had exercised the option of availing the lower tax rate available under Section 115BAA of Income Tax Act, 1961, thereby lowering the tax rate from 28.72 % to 25.168%. Accordingly, the Company had provided for income taxes for the year ended March 31, 2025 and re-measured the accumulated balance of deferred tax assets as at March 31, 2025, based on the rate prescribed under the aforesaid section. The resultant Impact had been taken through the statement of profit and loss. The re-measurement of accumulated deferred tax assets had resulted in a one-time additional deferred tax charge (including reversal of MAT credit) of ₹ 131.56 lakhs for the year ended March 31, 2025.

Note - (i)

(ii) Pursuant to the final assessment order for AY 2023-24 received on March 23, 2025 thereby concluding the assessment of Income for the aforesaid assessment year, the Company had set-off unutilised business losses of AY 2023-24 against the taxable profits of current year and unutilised unabsorbed depreciation of AY 2023-24 against the capital gains on sale of Asset held for sale during the year ended March 31, 2025 and based on the projections for future taxable profits the Company had recognized deferred tax assets (net) of ₹ 855.44 lakhs on remaining unutilized losses as at March 31, 2025.

The movement in deferred tax asset from the opening balance pertains to deferred tax credit recognized in Statement of Profit and Loss and other comprehensive income for the year.

	Balance Sheet		Statement of profit and loss (including OCI)	
	31 March 2026	**31 March 2025**	**31 March 2026**	**31 March 2025**
Deferred tax asset				
Impact of difference between depreciation charged for financial reporting and expenses allowed for tax purposes	121.97	232.85	(110.88)	(173.34)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	833.05	470.41	362.64	(56.01)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent years	575.87	509.10	66.77	(2,541.86)
Right of use	(2,065.13)	(649.09)	(1,416.04)	4,988.77
Lease liabilities	2,255.27	852.36	1,402.91	(2,123.86)
Impairment of investment	-	-	-	(155.08)
Unutilised tax losses	-	-	-	(28.89)
Hedge items	343.92	(51.28)	395.20	(34.74)
Minimum alternate tax credit entitlement	236.68	576.02	(339.34)	(62.59)
Losses available for offsetting against future taxable income	630.96	1152.99	522.03	1124.10
Other adjustments	(41.37)	146.38	(161.44)	114.59
Deferred tax asset	**2,891.22**	**3,239.74**	**(322.21)**	**1,079.98**
Deferred tax liability				
Right of use assets	-	(1,021.81)	1,021.81	(4.25)
Lease liabilities	-	973.81	(973.81)	(43.75)
Impact of difference between depreciation charged for financial reporting and expenses allowed for tax purposes	(273.46)	(318.48)	45.02	61.12
Deferred tax liability, net	**(273.46)**	**(366.48)**	**93.02**	**13.12**

	As at March 31, 2026	As at March 31, 2025
Deferred tax asset, net	2,891.22	3,239.74
Deferred tax liabilities, net	273.46	366.48

Reflected in the balance sheet as follows:	**31 March 2026**	**31 March 2025**
Deferred tax assets	2,891.22	3,239.74
Deferred tax liabilities	-	-
Deferred tax asset, net	**2,891.22**	**3,239.74**

	31 March 2026	**31 March 2025**
Deferred tax assets	-	-
Deferred tax liabilities	273.46	366.48
Deferred tax liabilities, net	**273.46**	**366.48**

39 Fair value measurements

(i) Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2026, including their levels in the fair value hierarchy.

Particulars	**Note**	**FVTPL**	**FVTOCI**	**Other financial assets -amortised cost**	**Other financial liabilities -amortised cost**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value									
Investments (Investment in mutual funds and other funds)	7	520.73	-	-	-	520.73	431.63	89.10	-
		520.73	**-**	**-**	**-**	**520.73**	**431.63**	**89.10**	**-**
Financial assets not measured at fair value									
Other Investments	7	-	-	0.05	-	0.05	-	-	-
Other financial assets	8	-	-	10,508.73	-	10,508.73	-	-	-
Trade receivables	12	-	-	41,134.16	-	41,134.16	-	-	-
Cash and cash equivalent	13	-	-	1,782.92	-	1,782.92	-	-	-
Bank balances other than cash and cash equivalent	14	-	-	2,763.28	-	2,763.28	-	-	-
		-	**-**	**56,189.14**	**-**	**56,189.14**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Other financial liabilities (Purchase consideration payable)	20	233.33	-	-	-	233.33	-	-	233.33
Other financial liabilities (Hedge liability)	20	-	1,366.51	-	-	1,366.51	-	1,366.51	-
		233.33	**1,366.51**	**-**	**-**	**1,599.84**	**-**	**1,366.51**	**233.33**
Financial liabilities not measured at fair value									
Borrowings	17	-	-	-	27,644.33	27,644.33	-	-	-
Trade payables	19	-	-	-	14,341.06	14,341.06	-	-	-
Other financial liabilities	20	-	-	-	2,564.05	2,564.05	-	-	-
Lease liabilities	35	-	-	-	11,159.22	11,159.22	-	-	-
		-	**-**	**-**	**55,708.66**	**55,708.66**	**-**	**-**	**-**

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended 31 March 2026

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for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2025, including their levels in the fair value hierarchy.

Particulars	Note	FVTPL	FVTOCI	Other financial assets -amortised cost	Other financial liabilities -amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value									
Investments (Investment in mutual funds and other funds)	7	5,333.52	-	-	-	5,333.52	5,232.20	101.32	-
		5,333.52	**-**	**-**	**-**	**5,333.52**	**5,232.20**	**101.32**	**-**
Financial assets not measured at fair value									
Other Investments	7	-	-	0.05	-	0.05	-	-	-
Other financial assets	8	-	-	9,278.40	-	9,278.40	-	-	-
Trade receivables	12	-	-	30,180.49	-	30,180.49	-	-	-
Cash and cash equivalent	13	-	-	5,235.06	-	5,235.06	-	-	-
Bank balances other than cash and cash equivalent	14	-	-	3,691.16	-	3,691.16	-	-	-
		-	**-**	**48,385.16**	**-**	**48,385.16**	**-**	**-**	**-**
Financial liabilities measured at fair value									
Other financial liabilities (Purchase consideration payable)	20	749.31	-	-	-	749.31	-	-	749.31
Other financial liabilities (Hedge liability)	20	-	263.26	-	-	263.26	-	263.26	-
		749.31	**263.26**	**-**	**-**	**1,012.57**	**-**	**263.26**	**749.31**
Financial liabilities not measured at fair value									
Borrowings	17	-	-	-	18,948.35	18,948.35	-	-	-
Trade payables	19	-	-	-	5,820.84	5,820.84	-	-	-
Other financial liabilities	20	-	-	-	1,943.14	1,943.14	-	-	-
Lease liabilities	35	-	-	-	6,841.83	6,841.83	-	-	-
		-	**-**	**-**	**33,554.16**	**33,554.16**	**-**	**-**	**-**

There have been no transfers among Level 1, Level 2 and Level 3 during the year ended 31 March 2025.

Refer note 20 for the movement in balances of financial liabilities categorised within Level 3

The Management assess the fair value of cash and cash equivalent, bank balances other than cash and cash equivalent, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amount since the Group does not anticipates that the carrying amount would be significantly different from the value that would be significantly different from the value that would eventually be received or settled. The fair value of the financial assets and liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a force liquidation sale.
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2026 and 31 March 2025 are as shown below:

Type	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Purchase consideration payable	DCF method	Expected cash outflow Discount rate	Estimate of cash outflows are based on forecasted sales and entity's knowledge of the business and how the current economic environment is likely to impact. Discount rate is the current average borrowing cost that a market participant would expect to pay to obtain its debt financing based on the assumed capital structure	Any increase in expected cash flows would increase the fair value. Any increase in the discount rate would result in decrease in fair value.

Valuation technique used to determine fair value of derivative contracts

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts and cross currency swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and yield curves of the respective currencies. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

ii) Investments in liquid and short-term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Valuation processes

The Corporate finance team has requisite knowledge and skills. The team headed by the Group CFO directly reports to the audit committee to arrive at the fair value of financial instruments.

40 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on it's financial performance. The primary market risk to the Group is foreign exchange exposure risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

The Group's risk management activity focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group only deals with parties which has good credit rating/ worthiness given by Groups internal assessment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Financial assets that are not credit impaired

The Group has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Trade receivables

"Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an internal assessment. Outstanding customer receivables are continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region and customer type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 39. The Company does not hold collateral as security. The Group is considerate of the fact the majority of the collection is receivable from export and Government customers with high credit worthiness where there is no significant risk of bad debts. The customers of the Group have a defined period for payment of receivables, hence the Group evaluates the concentration of risk with respect to trade receivables as low.

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Movement in the allowance for impairment in trade receivables and contract assets	March 31, 2026	March 31, 2025
Opening balance	515.05	294.34
Amount provided for	393.79	256.92
Amount reversal for	-	-
Amount utilised for	(16.15)	(36.21)
Net remeasurement of loss allowance	**892.69**	**515.05**

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Group has also entered into supply chain finance arrangement to smoothen the payment process of the suppliers. Although the payment terms are not significantly extended beyond the normal credit terms agreed upon with other suppliers, the cashflows became more predictable.

The table below provides details regarding the contractual maturities of significant financial liabilities based on contractual undiscounted payment at year end:

Maturities of financial liabilities

As at March 31, 2026	On Demand	Less than 3 months	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	644.70	9678.50	9796.89	7341.08	183.16	27644.33
Lease liabilities	-	692.36	1981.07	7166.70	5,199.48	15039.61
Trade payables	-	14341.06	-	-	-	14,341.06
Other financial liabilities	-	3,800.59	363.30	-	-	4,163.89
Total	**644.70**	**28512.51**	**12141.26**	**14507.78**	**5382.64**	**61188.89**

As at March 31, 2025	On Demand	Less than 3 months	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	3,096.17	2,311.11	2,602.26	10,938.81	-	18,948.36
Lease liability	-	596.83	1,680.76	3,315.51	2,736.50	8,329.60
Trade payables	-	5,820.84	-	-	-	5,820.84
Other financial liabilities	-	1,730.09	709.31	516.31	-	2,955.71
Total	**3,096.17**	**10,458.87**	**4,992.33**	**14,770.63**	**2,736.50**	**36,054.50**

(C) Market risk

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating, financing and investing activities.

Foreign currency sensitivity

The Group operates internationally and a significant portion of the business is transacted in USD and EURO currencies and consequently the Group is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below.

Particulars	Currency	As at March 31, 2026		As at March 31, 2025	
		Amount in foreign currency	Amount in ₹ lakhs	Amount in foreign currency	Amount in ₹ lakhs
Financial assets					
Trade receivables	USD	109.78	10,300.13	108.73	9,289.47
	EURO	26.00	2,804.47	28.14	2,598.37
	GBP	-	-	6.62	731.68
	CAD	-	-	0.13	7.74
	CNY	0.00	0.00	13.65	160.69
	SGD	0.21	15.21	0.21	13.37
Unbilled revenue	USD	27.90	2,618.28	26.03	2,223.96
	EURO	1.99	214.83	2.36	217.92
	GBP	-	-	0.43	47.56
Security Deposit	EURO	0.26	28.04	-	-
	AED	1.02	26.03	-	-
Cash and bank balances	USD	2.00	187.88	11.32	967.53
	EURO	5.51	594.51	0.51	47.09
	DKK	1.57	22.85	0.44	5.48
Financial liabilities					
Trade payables	USD	11.11	1,042.80	1.00	85.44
	EURO	7.52	811.06	42.88	3,959.86
	DKK	0.27	-	1.32	16.43
	GBP	-	-	8.20	907.32
Unearned Revenue	EURO	11.56	1,246.49	-	-
Lease liability	EURO	3.32	357.79	0.88	81.26
Interest accrued but not due on borrowings	USD	0.06	5.54	0.09	7.69
Borrowings	USD	30.00	2,814.86	41.55	3,549.96

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for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Sensitivity

The following table details the Group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies net of forward contracts. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant and refer below for impact of change in foreign exchange rates on profit before tax of the Group.

	March 31, 2026		March 31, 2025	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Sensitivity				
INR/USD	92.43	(92.43)	88.38	(88.38)
INR/EURO	12.27	(12.27)	(11.78)	11.78
INR/SGD	0.15	(0.15)	0.13	(0.13)
INR/GBP	-	-	(1.28)	1.28
INR/DKK	0.35	(0.35)	0.01	(0.01)
INR/CAD	-	-	0.08	(0.08)
INR/CNY	0.00	(0.00)	1.61	(1.61)
INR/AED	0.26	(0.26)	-	-

Derivative financial instruments

The Group holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank or a financial institution. These derivative financial instruments are valued based on similar assets and liabilities in active markets or inputs that are directly or in directly observable in the marketplace.

The Group has entered into cross currency swap contracts with RBL bank on net settlement basis to hedge foreign currency risks. These contracts are designated as cash flow hedges.The effective portion of changes in fair value of these derivatives, amounting to ₹ 1,092.87 lakhs (31 March 2025: ₹ 203.75 lakhs), has been recognized in other comprehensive income under cash flow hedging reserve.

The following table gives details in respect of outstanding foreign exchange forward contracts

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Forward Contracts		
In USD (31 March 2026 - 17.00 lakhs, 31 March 2025 - 48.00 lakhs)	1,521.45	4,126.77
Cross currency swaps		
In EURO (March 31, 2026 - 58.95 lakhs, March 31, 2025 - 58.95 lakhs)	5,250.00	5,250.00

The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the Balance Sheet date:

	As at March 31, 2026		As at March 31, 2025	
Foreign exchange forward contracts (highly probable forecast sales)	**Notional amount (in ₹ lakhs)**	**Average forward rate**	**Notional amount (in ₹ lakhs)**	**Average forward rate**
Not later than one month				
- In USD	-	-	423.60	84.72
Later than one month and not later than three months				
- In USD	444.38	88.88	851.15	85.12
Later than three months and not later a year				
- In USD	1,077.08	89.76	2,852.02	86.38

	As at March 31, 2026		As at March 31, 2025	
Cross currency swap contracts	**Notional amount (in ₹ lakhs)**	**Average forward rate**	**Notional amount (in ₹ lakhs)**	**Average forward rate**
Not later than June 2026				
- in Euro	840.00	89.06	840.00	89.06
Not later than September 2026				
- in Euro	1,050.00	89.06	1,050.00	89.06
Not later than December 2026				
- in Euro	1,050.00	89.06	1,050.00	89.06
Not later than March 2027				
- in Euro	1,050.00	89.06	1,050.00	89.06
Not later than June 2027				
- in Euro	1,260.00	89.06	1,260.00	89.06

The following table summarizes activity in the cash flow hedging reserve within equity related to all derivative instruments classified as cash flow hedges:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Balance as at the beginning of the year	**(151.65)**	**0.82**
Changes in fair value of loss effective portion of derivatives	(1,092.87)	(203.75)
Balance as at the end of the year	**(1,244.52)**	**(202.93)**
Deferred tax liability thereon	275.05	51.28
Balance as at the end of the year, net of deferred tax	**(969.47)**	**(151.65)**

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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	**Effect on profit before tax**
March 31, 2026		
INR	+50	(12.86)
INR	-50	12.11
March 31, 2025		
INR	+50	(9.84)
INR	-50	9.07

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Price risk

The Group invests in mutual funds schemes of leading fund houses. Such investments are susceptible to market price risks. However, given the short tenure of the underlying portfolio of the mutual fund schemes in which the Group has invested, such price risk is not significant.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

41 Defined benefit obligations

A Defined benefit contributions

India

The Group makes contribution of statutory provident fund as per Employees Provident Fund and Miscellaneous Provision Act, 1952 for its Indian employees. This is a defined contribution plan as per Ind AS 19. Contribution made during the year ended 31 March 2026 is ₹ 2,729.52 lakhs (31 March 2025: ₹ 2,537.39 lakhs).

Overseas social security

The Group makes a contribution towards social security charges for its employees located at the respective branch offices in respective foreign geographies, that are defined contribution plans. The contributions paid or payable is recognised as an expense in the period in which the employee renders services in respective geographies. Contribution made during the year ended 31 March 2026 is ₹ 2,224.36 lakhs (31 March 2025: ₹ 2,137.06 lakhs).

B Defined benefit plans

The Group has a defined benefit gratuity plan (unfunded, except for MSPL which is funded), for its Indian employees as per actuarial valuation carried out by an independent actuary on the Balance Sheet date. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the present value of Defined Benefit Obligations and the related current service cost. This is a defined benefit plan as per Ind AS 19.

The plan is governed by the provisions of the Code on Social Security, 2020 and Payment of Gratuity Act, 1972 (as amended from time to time). Employees are entitled to all the benefits enlisted under this act.

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Group is exposed to various risks in providing the above benefit which are as follows:

a Interest rate risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

b Liquidity risk

This is the risk that the Group is not able to meet the short-term gratuity payouts.This may arise due to non availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

c Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of employees in future. Deviation in the rate of interest in future for employees from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

d Demographic risk

The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

e Regulatory risk

Gratuity benefits are paid in accordance with the requirements of the Code on Social Security, 2020 and Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

(i) Changes in the present value of the defined benefit obligation are as follows

	Gratuity	
	As at March 31, 2026	As at March 31, 2025
Changes in the present value of the defined benefit obligation are as follows:		
Defined benefit obligation at the beginning of the year	2,393.86	2,043.47
Current service cost	340.48	304.73
Interest cost	148.26	131.04
Benefits paid	(512.41)	(319.63)
Past service cost	697.39	-
Actuarial (gain)/ loss arising from change in financial assumptions	(90.68)	90.27
Actuarial loss arising from change in experience assumptions	169.67	58.68
Actuarial loss arising from change in demographic assumptions	-	85.30
Defined benefit obligation at the end of the year	**3,146.57**	**2,393.86**

(ii) Reconciliation of present value of plan asset:

	Gratuity	
	As at March 31, 2026	As at March 31, 2025
Plan assets as at 1 April	818.45	792.85
Interest on plan assets	52.06	56.67
Return on plan assets	(28.70)	11.61
Contributions	181.34	98.72
Benefits settled	(310.72)	(141.40)
Plan assets as at 31 March at fair value	**712.43**	**818.45**

(iii) Reconciliation of net defined benefit liability

	Gratuity	
	As at March 31, 2026	As at March 31, 2025
Present value of obligation as at 31 March	(3,146.57)	(2,393.86)
Plan assets at 31 March at fair value	712.43	818.45
Amount recognised in balance sheet liability	**(2,434.14)**	**(1,575.41)**
Non-current provision	1,710.07	1,174.88
Current provision	724.07	400.53

(iv) Components of costs are:

	Gratuity	
	As at March 31, 2026	As at March 31, 2025
Current service cost	340.48	304.73
Net interest expense	96.20	74.37
Expenses recognised in the statement of profit and loss for the year	**436.69**	**379.11**

(v) Components of defined benefit costs recognised in other comprehensive income

	Gratuity	
	As at March 31, 2026	As at March 31, 2025
Recognised net actuarial (gain)/ loss arising from change in financial assumptions	(90.68)	90.27
Recognised net actuarial loss arising from change in demographic assumptions	-	85.30
Recognised net actuarial loss arising from experience variance	169.67	58.68
Expected return on plan assets	28.70	(11.61)
Remeasurement losses in OCI	**107.69**	**222.64**

(vi) Investment details:

	Gratuity	
	As at March 31, 2026	As at March 31, 2025
	% Invested	% Invested
Insurer managed funds	100.00%	99.93%
Others	0.00%	0.07%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

(vii) The principal assumptions used in determining gratuity obligations for the Group's plans are disclosed below:

	Year ended 31 March 2026	Year ended 31 March 2025"
Discount rate	6.45%-7.55%	6.5%-6.86%
Salary escalation rate	2.50%-10.00%	2.50%-8.00%
Attrition rate	1.00% - 40.00%	1.00% - 40.00%
Retirement age	60 years	58 Years - 60 Years
Mortality rate [as a percentage of Indian assured lives mortality (2012-2014)]	100%	100%

The assumptions were developed by management with the assistance of independent actuaries. Discount factors are determined close to each year-end by reference to market yields of Government bonds that have terms to maturity approximating to the terms of the gratuity obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.

A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is as shown below:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, attrrition rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The following table summarizes the impact of change in the defined benefit obligation resulting from the specified percentage change in the aforementioned significant assumptions.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (Increase or decrease by 1%)	(180.25)	200.31	(204.66)	242.20
Salary growth rate (Increase or decrease by 1%)	149.37	(141.28)	186.82	(165.92)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method and assumptions used in preparing the sensitivity analysis from previous period.

(viii) Effect of plans on Group's future cash flows

The weighted average duration of the group's plan is estimated to be between 2.20 years to 12.76 years (31 March 2025: 2.25 years to 12.76 years). Following is a collective maturity profile of the defined benefit obligation of the plans as at 31 March 2026 and 31 March 2025.

Expected cash flows over the next: (valued on undiscounted basis)

	As at March 31, 2026	As at March 31, 2025
1 year	531.28	1,740.44
1 year	1,592.77	1,040.92
6 - 10 years	1,278.12	882.79
More than 10 years	1,682.79	2,028.24

42 Segment information

Management currently identifies the Group's two service lines as its operating segments based on its products and services. These operating segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of adjusted segment operating results.

The activities undertaken under Technology Services and Solutions is involved in providing product design, engineering, research and development services.

Under the Defence segment, integration services are provided for defence & offsets business. It includes partnering with major original equipment manufacturers (OEM's) in the areas of strategic electronics, avionics, radar data processing and electronic warfare etc.

The Group Chief Financial Officer is the Chief Operating Decision Maker (CODM) and monitor the results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Performance is internally assessed and evaluated based on the segment revenues and segment profits. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment information for the reporting period is as follows:

A Segment revenues and profits

	Year ended 31 March 2026		Year ended 31 March 2025	
	Technology Services and Solutions	Defence	Technology Services and Solutions	Defence
Revenue				
From external customers	78,130.45	37,770.03	72,781.84	30,290.53
Less: Inter-segment revenue	(5.24)	-	-	-
Segment revenues	**78,125.21**	**37,770.03**	**72,781.84**	**30,290.53**
Expenses				
Cost of raw material and components consumed	2,361.89	21,414.38	3,160.11	18,180.51
Employee benefits expense	50,328.86	5,111.09	46,386.00	5,255.66
Depreciation and amortisation	2,592.20	236.24	2,615.61	78.99
Segment profit	6,636.31	8,285.95	7,210.17	4,340.52

Reconciliations to amounts reflected in the financial statements

Reconciliation of profit

	Year ended 31 March 2026	Year ended 31 March 2025
Segment profit	**14,922.26**	**11,550.69**
Share in net loss of associate	(17.95)	(2.37)
Exceptional items, net (refer note 32)	(1,116.84)	(385.87)
Finance costs	(3,097.39)	(3,229.70)
Other unallocable expenditure	(1,609.36)	(1,266.08)
Other income	2,278.11	2,084.90
Profit before tax	**11,358.83**	**8,751.57**

B Segment assets and liabilities

	As at 31 March 2026		As at 31 March 2025	
	Technology Services and Solutions	Defence	Technology Services and Solutions	Defence
Segment assets	61,563.18	57,712.46	51,663.30	38,217.89
Segment liabilities	28,558.51	34,348.56	22,190.20	21,240.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

B1 Reconciliation of segment assets

	As at 31 March 2026	As at 31 March 2025
Total reportable segment assets	119,275.64	89,881.19
Unallocable assets	27,345.48	22,830.09
Total Assets	**146,621.12**	**112,711.28**

B2 Reconciliation of segment liabilities

	As at 31 March 2026	As at 31 March 2025
Total reportable segment liabilities	62,907.07	43,430.99
Unallocable liabilities	10,270.23	3,701.35
Total Liabilities	**73,177.30**	**47,132.34**

	As at 31 March 2026	As at 31 March 2025
Other disclosures		
Capital expenditure	9,016.36	3,590.95

C The Group's revenues from external customers are divided into the following geographical areas:

	As at 31 March 2026	As at 31 March 2025
India (country of domicile)	43,690.79	37,398.49
Outside India	72,030.31	65,531.86
	115,721.10	**102,930.35**

Revenues from external customers in the Group's domicile, India, as well as outside India have been identified on the basis of the customer's geographical location.

D The Group's non-current assets are divided into the following geographical areas:

	As at 31 March 2026	As at 31 March 2025
India (country of domicile)	49,195.03	36,547.94
Outside India	10,114.18	6,867.00
	59,309.21	**43,414.94**

Reportable assets for the purpose of this note constitute non-current assets other than financial assets and deferred tax assets.

43 Share-based payments

The Group has the following Employees stock option schemes outstanding as at 31 March 2026:

AXISCADES Employee Stock Option Plan- Series 1 & AXISCADES Employee Stock Option Plan- Series 2

The Company has two ESOP schemes titled "AXISCADES Employee Stock Option Plan- Series 1" and "AXISCADES Employee Stock Option Plan- Series 2" under which option to subscribe for the Company's shares can be granted to certain executive and senior employees.

The fair value of the options granted is estimated using Black-Scholes model of pricing, taking into account the terms and conditions upon which the share options were granted.

The share options can be exercised up to eight years from the grant date. There are no cash settlement alternatives. The Company accounts for the Scheme as an equity-settled plan.

	Year ended 31 March 2026	Year ended 31 March 2025
Total expense/ (reversal), net arising from share-based payment transactions*	588.00	(1,504.82)

* Due to non-fulfilment of certain vesting conditions, the Group had forfeited unvested stock options in the year ended 31 March 2025 and accordingly reversed the share based payments to employees, net of ₹ 1,504.82 lakhs.

Movements during the year

The following table summarises the number and weighted average exercise prices ('WAEP') of, and movements in, share options during the year

Particulars	31 March 2026		31 March 2025	
	Number*	WAEP (₹)	Number*	WAEP (₹)
Outstanding at 1 April	144,836	68.39	3,870,381	73.30
Granted during the year	510,000	555.00	-	-
Forfeited during the year	-	-	(3,176,096)	75.54
Exercised during the year	(19,736)	51.30	(549,449)	61.65
Expired during the year	-	-	-	-
Outstanding at 31 March	**635,100**	**459.68**	**144,836**	**68.39**
Exercisable at 31 March	50,099	52.42	69,835	52.13

* full figures

The weighted average remaining contractual life for the share options outstanding as at 31 March 2026 was 8.24 years (31 March 2025: 3.88 years)

During the year, the Board of Directors approved to grant 1,590,000 stock options to Key Management Personnel under the ESOP Scheme to be granted in tranches in three years. Pursuant to the approval, the Company has granted 510,000 options during the year ended March 31, 2026.

The range of exercise prices for options outstanding at the end of the year was ₹ 51.20 to ₹ 555.00 (March 31, 2025: ₹ 51.20 to ₹ 83.52).

Details of share options exercised during the year ended 31 March 2026 and 31 March 2025:

No of options exercised	Year	Exercise date	Share price (₹) at exercise date
800	2025-26	20 November 2025	1,508.85
18,936	2025-26	5 November 2025	1,552.00
2,100	2024-25	7 March 2025	815.65
50,692	2024-25	21 February 2025	751.35
89,511	2024-25	29 November 2024	443.70
116,205	2024-25	7 November 2024	517.15
104,000	2024-25	17 September 2024	550.60
186,941	2024-25	6 September 2024	569.55

44 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management - Note 37
- Financial risk management objectives and policies - Note 40
- Sensitivity analyses disclosures - Notes 40 and 41

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and carried forward tax loss can be utilised. In addition, significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Evaluation of indicators for impairment of non-financial assets (including investments in subsidiaries)

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next four to five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to assessing the carrying value of goodwill and other intangibles with indefinite useful lives recognised by the Group.

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit loss on outstanding receivables and other financial assets.

Provision for expected credit losses of trade receivables and financial assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. 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. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 40.

Estimating the fair vale of share-based payments

For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses Black Sholes model valuation for executives and senior management employees. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 43.

Defined benefit plans (gratuity benefits)

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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 41.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 39 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Intangible asset under development

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 March 2026, the carrying amount of capitalised intangible asset under development was ₹ 910.74 lakhs (31 March 2025 ₹ 821.43 lakhs).

Useful lives and residual values of property, plant and equipment and intangible assets

The Management reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values.

Leases - Estimating the incremental borrowing rate

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.

Decommissioning liability

The estimated valuation of decommissioning liability are based on management's historical experience and best estimate of restoring the premises on lease in its original condition. Assumptions and judgments made by management when assessing an decommissioning liability include i) the existence of a legal obligation; ii) estimated probabilities, amounts, and timing of settlements; iii) the credit-adjusted risk-free rate to be used.

(All amounts in ₹ lakhs, unless otherwise stated)

45 Statutory group information

The entities consolidated in the consolidated financial statements are listed below:

Sl. No	Name of the entity	Country of incorporation	Relationship as at 31 March 2026	Percentage of effective ownership interest held (directly and indirectly) as at		Net assets, i.e. total assets minus total liabilities			
						31 March 2026		31 March 2025	
				31 March 2026	31 March 2025	As a % of consolidated net assets	₹ in lakhs	As a % of consolidated net assets	₹ in lakhs
	A. Parent								
	AXISCADES Technologies Limited	India	Holding Company			54.71%	40,181.11	59.84%	39,244.79
	B. Subsidiaries								
1	AXISCADES, Inc.	USA	Subsidiary	100%	100%	5.78%	4,246.07	5.81%	3,810.53
2	AXISCADES UK Limited	United Kingdom	Step down subsidiary	100%	100%	3.39%	2,488.19	2.50%	1,641.51
3	AXISCADES Technology Canada Inc.	Canada	Subsidiary	100%	100%	6.64%	4,880.01	6.23%	4,083.55
4	AXISCADES GmbH	Germany	Subsidiary	100%	100%	-3.34%	(2,452.34)	-1.83%	(1,202.45)
5	Axis Mechanical Engineering Design Co. (Wuxi) Ltd.	China	Subsidiary	100%	100%	-0.25%	(182.21)	-0.22%	(142.97)
6	Cades Studec Technologies (India) Private Limited	India	Subsidiary	76%	76%	3.91%	2,871.02	4.28%	2,807.12
7	Epcogen Private Limited	India	Subsidiary	100%	100%	0.73%	538.75	1.11%	728.14
8	Add-solution GmbH	Germany	Step down subsidiary	100%	100%	-1.96%	(1,437.11)	0.36%	234.25
9	AXISCADES Aerospace & Technologies Private Limited	India	Subsidiary	100%	100%	23.15%	16,999.88	23.32%	15,292.61
10	AXISCADES Aerospace Infrastructure Private Limited	India	Step down subsidiary	100%	100%	10.08%	7,403.85	11.32%	7,426.33
11	Enertec Controls Limited	India	Step down subsidiary	100%	100%	4.98%	3,658.94	5.58%	3,656.05
12	Mistral Solutions Private Limited	India	Step down subsidiary	100%	100%	43.83%	32,192.01	39.70%	26,035.76
13	Mistral Technologies Private Limited	India	Step down subsidiary	100%	100%	1.41%	1,036.49	1.47%	964.57
14	Mistral Solutions Inc.	USA	Step down subsidiary	100%	100%	2.06%	1,514.83	1.94%	1,274.59
15	Explosoft Tech Solutions Private Limited	India	Subsidiary	100%	100%	3.14%	2,307.15	3.53%	2,314.94
16	Aero Electronics Private Limited (refer note 6)	India	Associate	51%	51%	0.00%	-	0.00%	-
	Translation adjustment					0.00%	-	0.00%	-
	Total					**158.28%**	**116,246.64**	**164.95%**	**108,169.32**
	C. Minority Interest								
	Cades Studec Technologies (India) Private Limited	India	Subsidiary	24%	24%	0.94%	689.38	1.03%	673.23
	Adjustment arising out of Consolidation					-59.22%	(43,492.20)	-65.97%	(43,263.61)
	Consolidated net assets/ Total comprehensive income					100.00%	73,443.82	100.00%	65,578.94

Sl. No	Name of the entity	Share in profit or loss				Share in other comprehensive income				Share in total comprehensive income			
		31 March 2026		31 March 2025		31 March 2026		31 March 2025		31 March 2026		31 March 2025	
		As a % of comprehensive income	₹ in lakhs	As a % of comprehensive income	₹ in lakhs	As a % of comprehensive income	₹ in lakhs	As a % of comprehensive income	₹ in lakhs	As a % of comprehensive income	₹ in lakhs	As a % of comprehensive income	₹ in lakhs
	A. Parent												
	AXISCADES Technologies Limited	15.51%	1,117.55	53.92%	4,059.41	-1294.00%	(779.38)	75.61%	(246.17)	4.65%	338.17	52.94%	3,813.24
	B. Subsidiaries												
1	AXISCADES, Inc.	0.80%	57.78	-2.98%	(224.06)	0.00%	-	0.00%	-	0.80%	57.78	-3.11%	(224.06)
2	AXISCADES UK Limited	8.48%	611.20	9.22%	694.20	0.00%	-	0.00%	-	8.41%	611.20	9.64%	694.20
3	AXISCADES Technology Canada Inc.	3.45%	248.50	5.77%	434.10	0.00%	-	0.00%	-	3.42%	248.50	6.03%	434.10
4	AXISCADES GmbH	-13.80%	(994.68)	-22.86%	(1,720.64)	0.00%	-	0.00%	-	-13.69%	(994.68)	-23.89%	(1,720.64)
5	Axis Mechanical Engineering Design Co. (Wuxi) Ltd.	-0.22%	(15.73)	-0.02%	(1.29)	0.00%	-	0.00%	-	-0.22%	(15.73)	-0.02%	(1.29)
6	Cades Studec Technologies (India) Private Limited	0.80%	57.73	1.47%	110.31	10.25%	6.17	1.51%	(4.93)	0.88%	63.90	1.46%	105.38
7	Epcogen Private Limited	-2.64%	(190.23)	-0.48%	(35.77)	1.41%	0.85	-0.25%	0.81	-2.61%	(189.38)	-0.49%	(34.96)
8	Add-solution GmbH	-22.53%	(1,623.89)	-15.33%	(1,153.89)	0.00%	-	0.00%	-	-22.35%	(1,623.89)	-16.02%	(1,153.89)
9	AXISCADES Aerospace & Technologies Private Limited	23.78%	1,713.86	1.63%	122.68	-10.95%	(6.60)	-0.12%	0.38	23.49%	1,707.26	1.71%	123.06
10	AXISCADES Aerospace Infrastructure Private Limited	-0.30%	(21.48)	-1.42%	(106.69)	0.00%	-	0.00%	-	-0.30%	(21.48)	-1.48%	(106.69)
11	Enertec Controls Limited	0.04%	2.88	0.46%	34.70	0.00%	-	0.00%	-	0.04%	2.88	0.48%	34.70
12	Mistral Solutions Private Limited	87.08%	6,275.11	66.96%	5,041.17	-197.34%	(118.86)	20.45%	(66.60)	84.72%	6,156.25	69.06%	4,974.57
13	Mistral Technologies Private Limited	1.00%	71.90	1.04%	78.65	0.00%	-	0.21%	(0.70)	0.99%	71.90	1.08%	77.95
14	Mistral Solutions Inc.	1.50%	108.41	0.71%	53.45	0.00%	-	0.00%	-	1.49%	108.41	0.74%	53.45
15	Explosoft Tech Solutions Private Limited	-0.11%	(7.78)	-0.12%	(8.90)	0.00%	-	0.00%	-	-0.11%	(7.78)	-0.12%	(8.90)
16	Aero Electronics Private Limited (refer note 6)	-0.25%	(17.95)	-0.03%	(2.37)	-	-	0.00%	-	-0.03%	(2.37)	-0.03%	(2.37)
	Translation adjustment	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Total	**102.59%**	**7,393.18**	**97.96%**	**7,375.06**	**-1490.64%**	**(897.81)**	**97.42%**	**(317.21)**	**89.60%**	**6,510.95**	**97.99%**	**7,057.85**
	C. Minority Interest												
	Cades Studec Technologies (India) Private Limited	0.20%	14.68	0.46%	34.72	2.46%	1.48	0.48%	(1.56)	0.46%	33.16	0.46%	33.16
	Adjustment arising out of Consolidation	-2.79%	(201.36)	1.58%	118.62	1588.18%	956.56	2.10%	(6.83)	9.94%	722.62	1.55%	111.79
	Consolidated net assets/ Total comprehensive income	100.00%	7,206.50	100.00%	7,528.40	100.00%	60.23	100.00%	(325.60)	100.00%	7,266.73	100.00%	7,202.80

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026 *(continued)*

(All amounts in ₹ lakhs, unless otherwise stated)

46 Issue of equity shares through QIP

During the year ended 31 March 2024, the Company allotted 3,323,262 Equity shares of ₹ 5 each at an issue price of ₹ 662 per equity share aggregating ₹ 21,999.99 lakhs through Qualified Institutional Placement (QIP) process to the Qualified Institutional Buyers. These equity shares were allotted on 15 January 2024 and rank pari-passu with existing equity shares.

	Year ended 31 March 2026	Year ended 31 March 2025
Unutilised QIP Proceeds as at April 1	2,000.00	8,345.58
Utilisation proceeds:		
Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the Company	-	3,845.58
General corporate purposes	2,000.00	2,500.00
	2,000.00	**6,345.58**
Unutilised QIP Proceeds	**-**	**2,000.00**

Unutilised QIP Proceeds as at 31 March 2026 and 31 March 2025 are available as

a) As at 31 March 2026 fixed deposits with bank amounting to Nil (31 March 2025: ₹ 2,000.00 lakhs)

b) Maximum amount of idle/surplus funds invested during the year was ₹ 2,000.00 lakhs (March 31, 2025: ₹ 8,345.58 lakhs)

47 (a) Maintenance of books of accounts

The Group maintains proper books of accounts electronically as required by law, except that:

(i) in case of one subsidiary where the back-up of books of account and other books and papers maintained in electronic mode was not kept in servers physically located in India on a daily basis from 1 April 2025 to 25 August 2025; and

(ii) in case of another subsidiary the backup of the books of account and other books and paper maintained in electronic mode has not been maintained on servers physically located in India on daily basis and management is further taking necessary steps to ensure maintaining evidence of such daily backup logs on daily basis.

(b) Reporting on audit trail

The Holding Company, subsidiaries and its associate which are companies incorporated in India and whose financial statements have been audited under the Companies Act, 2013 have complied with the requirements of audit trail except that:

(i) in case of holding company and one subsidiary, audit trail feature is not enabled at the database level insofar as it relates to the accounting software; and

(ii) in case of one subsidiary, audit trail (edit log) facility for inventory management system was not enabled for all relevant transactions recorded throughout the year and in case of another subsidiary audit trail (edit log) facility for inventory management system was not enabled at the database level.

Further, the Holding Company and above referred subsidiaries and associate did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and the above referred subsidiaries and associate as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior years.

48 Transfer pricing

Transfer Pricing regulations for computing the taxable income and expenditure from 'international transactions' between 'associated enterprises' on an 'arm's length' basis. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant within due date of filing the Return of Income. The Group is in the process of updating the Transfer Pricing documentation for the financial year ended 31 March 2026 following a detailed transfer pricing study conducted for the financial year ended 31 March 2025. In the opinion of the Management, the same would not have an impact on these financial statements. Accordingly, these financial statements do not include the effect of the transfer pricing implications, if any.

49 Other Statutory Information

(i) No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Group do not have any transactions with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.

(iii) There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction in number of Layers) Rules, 2017.

(v) The Company have not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025.

(vi) The Group has not advanced or loaned or invested funds to any other persons or entities, 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

(vii) The Group has not received any fund from any persons or entities, 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,

(viii) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(ix) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

50 Events after the reporting period

Pursuant to approval of the Board of Directors of the Company on May 26, 2026, the Group has entered into a Master Framework Agreement and Business Transfer Agreement with Akkodis Group on 26 May 2026, to sell certain businesses engaged in rendering engineering services to customers in Heavy Engineering, Automotive and Energy industries of the Company and its subsidiaries viz. Axiscades Inc, Epcogen India Private Limited and Axiscades UK on a slump sale, for a fixed consideration of USD 23.23 million (including USD 5.81 million payable after 12 months) and an additional contingent consideration dependent upon earnings during the earn-out period. The sale of transaction is subject to completion of conditions precedent, including obtaining any statutory and regulatory approvals, if any.

As per our report of even date attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration number : 101049W/E300004

per Pradip Agarwal
Partner
Membership Number : 065537

Place : Bengaluru
Date : May 27, 2026

For and on behalf of the Board of Directors of
AXISCADES Technologies Limited
CIN : L72200KA1990PLC084435

Dr. Sampath Ravinarayanan
Founder Chairman and Managing Director
DIN : 00208793

Place : Bengaluru
Date : May 27, 2026

Shashidhar SK
Group Chief Financial Officer

Place : Bengaluru
Date : May 27, 2026

Venkatraman Venkitachalam
Non - Executive Director
DIN : 05008694

Place : Bengaluru
Date : May 27, 2026

Sonal Dudani
Company Secretary
Membership No.: 40415

Place : Bengaluru
Date : May 27, 2026

AGM NOTICE

This section sets out the Notice of the Annual General Meeting for FY2026, along with the proposed resolutions, explanatory statements, and the information shareholders require on voting and dividends.

10.

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Sixth (36th) Annual General Meeting (AGM) of the members of AXISCADES Technologies Limited will be held on Monday, September 28, 2026 at 10.30 AM (IST) by way of Video Conference ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1 Adoption of Audited Financial Statements (Standalone & Consolidated)

To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2026, including the Audited Balance Sheet as on March 31, 2026, the Statement of Profit and Loss and Cash Flow Statement, for the year ended on that date (including the consolidated financial statements) together with the reports of the Board of Directors and Auditors thereon.

Item No. 2 Appointment of Mr. Venkatraman Venkitachalam (DIN: 05008694) as a Director, liable to retire by rotation

To appoint a Director in place of Mr. Venkatraman Venkitachalam (DIN: 05008694), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 3 Appointment of Mr. Abhay Maheshwari (DIN: 08004819) as Non-Executive, Non-Independent Director of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder, and in compliance with applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Abhay Maheshwari (DIN: 08004819), who was appointed as an Additional Director in the capacity of an Non-Executive, Non-Independent Director by the Board of Directors with effect from June 29, 2026, and who has provided his consent to act as Non-Executive, Non-Independent Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of a Director, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, who shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable to give effect to this resolution."

Item No. 4 Appointment of Ms. Ashmita Sethi (DIN: 08660491) as Non-Executive, Independent Director of 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 149, 150, 152 and 197 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder, and Regulations 16, 17, 25 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Ms. Ashmita Sethi (DIN: 08660491), who was appointed as an Additional Director in the capacity of a Non-Executive, Independent Director by the Board of Directors with effect from August 11, 2026, and who has provided her consent to act as Non-Executive, Independent Director of the Company, and has submitted a declaration confirming that she meets the criteria for independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing her candidature for the office of a Director, be and is hereby appointed as Non-Executive, Independent Director of the Company for a period of 3 consecutive years commencing from August 11, 2026 till August 10, 2029 (both days inclusive) and that she shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, expedient and desirable to give effect to this resolution."

Item No. 5 Payment of Commission to Non-Executive Directors

To consider and if thought fit, to pass the following resolution, as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149(9), 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors, the consent of the members of the Company be and is hereby accorded to pay remuneration, by way of commission or otherwise, to the Non-Executive Directors of the Company, up to an amount not exceeding 2% of the standalone net profits of the Company, in accordance with the audited standalone financial statements and computed in accordance with Section 198 of the Act, provided however, that in the event of loss or inadequacy of profits, the Non-Executive Directors shall be paid remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only) each per annum, for a period not exceeding 3 years, in accordance with the limits specified in Schedule V to the Act.

RESOLVED FURTHER THAT the aforesaid remuneration shall be in addition to sitting fees and reimbursement of expenses payable to Non-Executive Directors for attending the meetings of the Board, its Committees and/or any other meetings, and the quantum, proportion and manner of such payment and distribution thereof shall be determined by the Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits during the aforementioned period, the Commission as approved by the Board of Directors, subject to the limits specified above, be paid as minimum remuneration to the Non-Executive Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary and/or revise the remuneration payable to the Non-Executive Directors within limits permissible under the Act and do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

Item No. 6 Approval for Material Related Party Transactions - Corporate Guarantee and Security to be availed from Mistral Solutions Private Limited, Subsidiary of the Company

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into and/or continue to enter into all material related party transactions/ contracts/arrangements and/or agreements (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), with Mistral Solutions Private Limited ("Mistral"), Subsidiary Company and a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate amount not exceeding Rs. 4,77,00,00,000 (Rupees Four Hundred and Seventy Seven Crore only) during FY 2026-27 and on such terms and conditions as may be agreed between the Company and Mistral, and as more particularly set out in the explanatory statement annexed to this Notice, provided that such transactions are carried out at arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution."

Item No. 7 Approval for borrowing limits of the Company.

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of the special resolution passed by the shareholders at the 35th Annual General Meeting held on 24th September 2025 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and subject to the approval of such authority, as may be required, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) be and is hereby authorized and shall be deemed to have always been so authorized to raise and borrow for and on behalf of the Company, any sum or sums of money, from time to time, from such authorities or bodies corporate or banks or financial institutions or any other agency, either domestic or foreign, or the general public, by way of loans, overdraft facilities, lines of credit, commercial papers, debentures, external commercial borrowings (loans/ bonds), bridge loans, term loans or any other forms of borrowings, whether secured or unsecured, notwithstanding that the sum or sums so borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed and outstanding at any point of time, shall not exceed the limit of ₹ 750 crores (Rupees Seven Hundred and Fifty Crores Only)."

Item No 8 Approval for Creation of Charge on the Assets of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession of the special resolution passed by the shareholders at the 35th Annual General Meeting held on 24th September 2025 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the

NOTICE (contd.)

Companies Act, 2013, as amended from time to time, the consent of the members be and is hereby accorded for the creation by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) of such mortgages, charges and hypothecations, as may be necessary on such assets of the Company, both present and future, in such a manner as the Board may deem fit, in favor of such authorities or bodies corporate or banks or financial institutions or any other agency, either domestic or foreign, or the general public, to secure rupee term loans, foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding ₹ 750 crores (Rupees Seven Hundred and Fifty Crores only) with interest thereon at the agreed rates, additional interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Lending Agencies under their respective Agreements/Loan Agreements/ Debenture Trust Deeds, in any other form entered into or to be entered into by the Company in respect of the said borrowings.

RESOLVED FURTHER THAT the securities to be created by the Company for its borrowing as aforesaid may rank pari passu with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and the concerned lenders.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee or person(s) authorized by the Board, be and is hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other, considered to be in the best interests of the Company."

By Order of the Board of Directors
For **AXISCADES Technologies Limited**

Sd/-
Sonal Dudani
Company Secretary & Compliance Officer

Place: Bengaluru
Date: September 05, 2026

Registered office
Block C, 2nd Floor, Kirloskar Business Park,
Bengaluru-560024.
CIN: L72200KA1990PLC0084435,
e-mail: secretary@axiscades.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice and should be taken as forming part of the Notice.

Item no. 3:

Mr. Abhay Maheshwari (DIN: 08004819) was appointed as an Additional Director in the category of Non-Executive, Non-Independent Director, based on the recommendation of the Nomination and Remuneration Committee ('NRC'), and Board of Directors of the Company, with effect from June 29, 2026, subject to approval of the Members.

In terms of Regulation 17(1C) of the Listing Regulations, appointment of Mr. Abhay Maheshwari is subject to approval of shareholders of the Company within a period of three months from the date of his first appointment.

The Company has received recommendation from Nomination & Remuneration Committee and Board proposing the candidature of Mr. Abhay Maheshwari for his appointment to the office of Director.

Mr. Abhay Maheshwari is a seasoned finance executive and IIM Indore alumnus, Chartered Accountant with 18 years of strategic and operational experience across corporate finance, fundraising, IPOs, finance transformation, capital and liquidity management, and investing. Over the course of his career, he has contributed to strategic financial leadership, Business growth and partnering, supported growth-oriented capital decisions, and played a key role in structuring and executing high-impact transactions that strengthen long-term business value.

He is recognised for his sound professional judgment, analytical rigour, and commercial acumen. He collaborates effectively with founders, institutional investors, and C-suite leaders to align financial strategy with business priorities and risk appetite. His contributions span transaction structuring, capital allocation, investor and board engagement, and governance-focused financial oversight.

As a people leader, he has built and led high-performing, cross-cultural teams, fostering accountability and delivering measurable results in complex, fast-paced environments. He is respected for his integrity, pragmatic problem-solving, and a solution-oriented approach to complex business and financial challenges—qualities that drive sustained value creation and strong stakeholder confidence.

Accordingly, approval of the members is sought for the appointment of Mr. Abhay Maheshwari as Non-Executive, Non-Independent Director who is eligible for appointment as a Director liable to retire by rotation. The Company has received from Mr. Abhay Maheshwari:

i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules").

ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under Section 164 of the Act.

iii) affirmation that he has not been debarred or disqualified from being appointed or continuing as Director of a Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Mr. Abhay Maheshwari, being Non-Executive Director, shall be eligible to receive such remuneration within the overall limits as prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

The additional information required under Regulation 36 of the Listing Regulations and applicable Secretarial Standards is annexed as **Annexure-I**.

None of the Directors, Key Managerial Personnel of the Company and their relatives except to the extent of their shareholding in the Company and except Mr. Abhay Maheshwari to whom the resolution relates, is in any way concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3 of the Notice.

The Board recommends the ordinary resolution as set out at Item No. 3 of the Notice for the approval of members.

Item no. 4:

Ms. Ashmita Sethi (DIN: 08660491) was appointed as an Additional Director in the category of Non-Executive, Independent Director, based on the recommendation of the Nomination and Remuneration Committee ('NRC'), by the Board of Directors, with effect from August 11, 2026, for a period of 3 years, not liable to retire by rotation, subject to approval of the Members by way of a special resolution.

In terms of the Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), appointment of Ms. Ashmita Sethi is subject to approval of shareholders of the Company within a period of three months from the date of appointment. It is therefore, proposed to obtain the approval of shareholders.

The Company has received recommendation from Nomination & Remuneration Committee and Board proposing the candidature of Ms. Ashmita Sethi for her appointment to the office of Independent Director.

Ms. Ashmita Sethi is a globally recognized C-suite leader in the Aerospace & Defence industry, with more than 25 years of experience in advancing aviation, engineering, technology, and industrial growth.

She has held senior leadership positions with the world's largest aerospace and defence companies, most recently serving as President & Country Head of Pratt & Whitney (RTX) India & Managing Director of United Technologies India Pvt Ltd. Prior to this as a Senior Director at Boeing and Vice President at Rolls Royce.

NOTICE (contd.)

Beyond corporate leadership, Ms. Ashmita has chaired and cochaired several leading industry bodies, chambers of commerce, and policy forums, where she has played a pivotal role in shaping India's aerospace and defence ecosystem through strategic policy advocacy and industry-government collaboration.

Widely regarded as one of the industry's most respected leaders, she continues to advise global corporations, governments and Indian enterprises on unlocking growth opportunities, policy advocacy, capability building and strengthening organizational and institutional relationships.

Ms. Sethi played a leading role in her efforts to achieve policy reforms in reducing MRO taxation and recommend a synergistic convergence of Commercial and Defence industries to leverage potential of India's aerospace MRO sector in its entirety, working alongside Ministries of Defence and Civil Aviation.

Passionate about nation-building, she remains committed to helping organizations scale-up to strengthen India's aerospace ecosystem, and build long term industrial capability in India for the future of Aerospace & Defence.

Accordingly, approval of the members is sought for the appointment of Ms. Ashmita Sethi as Non-Executive, Independent Director who is eligible for appointment as a Director not liable to retire by rotation. The Company has received from Ms. Ashmita Sethi:

i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules").

ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under Section 164 of the Act.

iii) a confirmation that she holds a valid Independent Directors' Databank registration and a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 read with Rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations and

iv) affirmation that she has not been debarred or disqualified from being appointed or continuing as Director of a Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ms. Ashmita Sethi being the Non-Executive, Independent Director shall be eligible to receive such remuneration within the overall limits as prescribed under Section 197 read with Schedule V of the Companies Act, 2013.

The additional information required under Regulation 36 of the Listing Regulations and applicable Secretarial Standards is annexed as **Annexure-I**.

In the opinion of the Board, Ms. Ashmita Sethi fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder read with Listing Regulations for her appointment as an Independent Director of the Company and she is independent of the Management of the Company.

A copy of the draft letter for the appointment of Independent Director setting out the terms and conditions is available for electronic inspection without any fee by the members and is also available on the website of the Company at https://axiscadespdfs.b-cdn.net/CORPORATE%20GOVERNANCE/STATUTORY%20DISCLOSURES/7.pdf.

In compliance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, Regulation 17 of the Listing Regulations and other applicable regulations, the appointment of Ms. Ashmita Sethi as an Independent Director is now placed for the approval of the Members by a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives except to the extent of their shareholding in the Company and except Ms. Ashmita Sethi to whom the resolution relates, is in any way concerned or interested, financially or otherwise, in the resolutions set out at Item No. 4 of the Notice.

The Board recommends the special resolution as set out in this notice for the approval of members.

Item no. 5:

The Company's Non-Executive Directors are professionals with extensive experience and expertise in diverse functional areas in the industries in which the Company operates. With the enhanced complexity, scale and global operations of the AXISCADES Group, the roles and responsibilities of the Board, particularly those of the Non-Executive Directors, has become significantly more demanding, requiring greater time commitment, focused attention and enhanced oversight. The Non-Executive Directors play a pivotal role in shaping and steering the long-term strategy and making invaluable contributions towards implementation of Group level strategic objectives. They exercise oversight on corporate governance, risk management and regulatory compliances.

Pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 read with Schedule V, a Company having inadequate / no profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel or any other Non-Executive Director, including an Independent Director, any sum exclusive of any fees payable to Directors under subsection (5) of section 197 in accordance with the provisions of Schedule V as may be decided by the Board of Directors.

In accordance with the limits specified in Schedule V to the Companies Act, 2013, the Board on August 13, 2026 recommended payment of commission to Non-Executive Directors of the Company, up to an amount, not exceeding 2% of the net profits of the Company, in accordance with the audited standalone net profits of the Company for the financial year, computed in accordance with section 198 of the Companies Act, 2013 and in the case of loss or inadequate profits, payment of minimum remuneration of ₹ 5,00,000/- (Rupees Five Lakhs only) per annum, per Non-Executive Director, for a period of 3 years, in accordance with the limits specified in Schedule V to the Companies Act, 2013. The payment of such remuneration shall be in addition to the sitting fees for attending Board, its Committee and/or other meetings.

The Commission is proposed for all Non-Executive and Independent Directors 'excluding' Executive Directors of the AXISCADES Group.

Accordingly, the Board recommends the resolution set forth in Item No. 5 relating to payment of remuneration to Non-Executive Directors, by way of Special Resolution.

The Managing Director and other Key Managerial Personnels of the Company and their relatives are not concerned or interested financially or, otherwise, in the resolution set out at item No. 5 of the Notice. Non-Executive Directors and their relatives may be deemed to be concerned or interested in the resolution to the extent of remuneration or fees that may be received by them.

Item no. 6:

Pursuant to Section 188 of the Companies Act, 2013 and the applicable Rules framed thereunder read with Regulation 23 of Listing Regulations, as amended, material related party transactions require prior approval of the shareholders through ordinary resolution, even if such transactions are in the ordinary course of business of the Company and at an arm's length basis.

Pursuant to Regulation 23 of the Listing Regulations, where the annual consolidated turnover is upto ₹ 20,000 crores, a related party transaction is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover of the listed entity. Accordingly, based on the audited consolidated financial statements of the Company, the materiality threshold for seeking shareholders' approval for related party transactions of the Company is ₹ 115.89 crore. The said limits are applicable even if the transactions are in the ordinary course of business and at an arm's length basis.

Further, as per Regulation 2(1)(zc) of the Listing Regulations, the definition of Related Party Transaction ('RPT') includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

Accordingly, transaction(s) proposed to be entered into with Mistral Solutions Private Limited ("Mistral"), Subsidiary Company, for availing Corporate Guarantee and Security for securing the credit facilities aggregating up to ₹ 4,77,00,00,000/- (Rupees Four Hundred and Seventy Seven Crore only) availed/to be availed by the Company comes within the purview of Material Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. The Value of the proposed aggregate transactions exceeds the threshold limited.

Hence the approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by the Company.

The management has provided the Audit Committee with the relevant details of various proposed RPTs including material terms. All Independent Directors of the Audit Committee, after reviewing all necessary information, have approved the transactions to be entered into with Mistral for the financial year 2026-27, subject to the approval of the shareholders, while noting that the transactions shall be on arm's length basis and in the ordinary course of business. Moreover, the RPTs placed for Members' approval shall also be reviewed / monitored on quarterly basis by the Audit Committee as per Regulation 23 of the Listing Regulations.

The Audit Committee has reviewed the certificate provided by Chief Financial Officer of the Company, as required under the RPT Industry Standard. It has also reviewed the rationale, terms and material particulars of the proposed transaction and determined that the transaction is in the interest of the Company.

Details of the proposed RPTs between the Company and Mistral, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Master Circular dated January 30, 2026, read with SEBI circular dated June 26, 2025, are as follows:

NOTICE (contd.)

Part A: Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

Sl. No	Particulars of the Information	Information provided by the management
Part A: Minimum information of the proposed RPT		
A (1) Basic details of the related party		
1	Name of the related party	Mistral Solutions Private Ltd ("Mistral")
2	Country of incorporation of the related party	India
3	Nature of business of the related party	Mistral is primarily engaged in rendering end to end design and development services covering hardware and software, customizable product designs and IPs and other solutions in embedded space.
A(2) Relationship and ownership of the related party		
1	Relationship between the listed entity (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	Mistral is a subsidiary Company of AXISCADES Technologies Limited ("ACTL")
	Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	58.68% shares of Mistral are directly held by ACTL while 41.28% of shares are indirectly held by ACTL through its wholly owned subsidiary, Explosoft Tech Solutions Private Limited.
	Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Nil
A(3) Details of previous transactions with the related party		
1	Total amount of all the transactions (including Nature of Transaction) undertaken by the listed entity or subsidiary with the related party during each of the last financial year.	Details of the transactions by ACTL with Mistral during FY 26
2	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	139.77 Lakhs
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

Sl. No.	Nature of transaction for FY26	Amount (₹ Lakh)
1	Intercorporate deposits availed from	1,225
2	Interest expense on intercorporate deposit	390.86
3	Expenses recoverable	51.18
4	Interest Payable	864.96

Sl. No	Particulars of the Information	Information provided by the management
A(4) Amount of the proposed transactions (All types of transactions taken together)		
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Corporate guarantee and security from Mistral Solutions Private Limited, Subsidiary for the credit facility of Rs 477 Crores being availed by the Company.
2	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	41.16%
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	126.43%
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	122.67%
6	Financial performance of the related party for the immediately preceding financial year: a. Standalone Turnover b. Standalone Networth c. Standalone Net profit	
A(5) Basic details of the proposed transaction		
1	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/services, giving loan, borrowing etc.)	Corporate Guarantee and Security
2	Details of each type of the proposed transaction	The proposed transaction between the Company and Mistral, pertains to Corporate guarantee and security from Mistral Solutions Private Limited, Subsidiary for the credit facility of ₹ 477 Crores being availed by the Company.
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year
4	Whether omnibus approval is being sought?	Yes
5	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	₹ 4,77,00,00,000/-

For FY26	Amount (₹ Lakhs)
Turnover	37,729.66
Profit after tax	6,275.11
Networth	32,192.01

NOTICE (contd.)

Sl. No	Particulars of the Information	Information provided by the management
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The Company would undertake these transactions in furtherance of its business activities which will help in generating revenue and enhancing business operations of the Company. The objective of the transaction is to meet the funding requirements for: (i) acquisition of land situated at Plot Nos. 56-57, TSIIC Hardware Park, Phase-II, Rangareddy District, Hyderabad, Telangana, for setting up the Missile Atmanirbhar Complex (MAC), with an estimated project cost of ₹500.25 crore. The proposed project is expected to create additional business infrastructure and facilitate the expansion of business operations, thereby contributing to revenue growth and enhancing long-term shareholder value for ACTL; and (ii) acquisition of shares of Cloud Wave Technologies Private Limited, a Bengaluru-based company operating in the precision engineering and manufacturing industry, together with its associate entities, namely Protohubs System Solutions Private Limited, Aureate Polymet Private Limited and Cloudwave Surface Solutions. The proposed acquisition is expected to strengthen the capabilities of the ACTL group, expand its business footprint, create operational synergies and enhance long-term shareholder value.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Mr. Venkatraman Venkitachalam, Dr. Sampath Ravinarayanan, Lt. Gen. Codanda Poovaiah Cariappa and Mr. Tanmoy Chakrabarty are common directors on the Boards of the Company and Mistral. Further, Mr. Shashidhar Srirangapatna Krishnamurthy, Key Managerial Personnel of the Company, also serves as a Director on the Board of Mistral. Accordingly, the aforesaid persons may be deemed to be interested in the proposed transaction solely by virtue of their positions in the Company and Mistral.
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA
9	Other information relevant for decision making.	All relevant information forms a part of this disclosure setting out requisite facts.
Part B: Information to be provided only if a specific type of RPT is proposed to be undertaken and is in addition to Part A		
(B4) Guarantee/surety/indemnity or comfort letter made or given by listed entity/ subsidiary		
1	a. Rationale for giving guarantee, surety, indemnity or comfort letter	a) To support the funding requirements of ACTL for its business expansion, strategic investments and general corporate purposes.
	b. Whether it will create a legally binding obligation on listed entity?	b) Yes, the proposed guarantee will create a legally binding obligation to the extent of its commitments under the relevant transaction documents.
2	Material covenants of the proposed transaction including:	(i) Commission/fee, if any, shall be charged in accordance with applicable laws and prevailing market practices.
	(i) commission, if any to be received by the listed entity or its subsidiary;	(ii) Recoverable from ACTL in accordance with the terms of the transaction documents.
	(ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked	

Sl. No	Particulars of the Information	Information provided by the management
3	Value of obligations undertaken by listed entity/ subsidiary for guarantee provided; details or provision in books of account	₹ 477 Cr. It is treated as Contingent liability
PART C: Information to be provided only if a specific type of RPT proposed to be undertaken is a material RPT and is in addition to Part A and B		
C3 Any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary		
1	If guarantee, performance guarantee (in nature of security/ contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party	Credit Rating letter can be accessed using the following weblink: https://axiscadespdfs.b-cdn.net/Annual%20Report/ANNUAL%20REPORTS%202025-2026/Mistral-Solutions-Private-Limited-Credit-Rating-Letter.pdf
2	Details of solvency status and going concern status of the related party during the last three financial years:	Mistral was solvent and had a going concern status during the last three financial years.
3	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee) surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.	Mistral will give guarantee and security for Maximum ₹ 477 crores, if Corporate Guarantee provided for full amount. Currently, no provision is required to be made in the books of accounts of the Company. In future, if any Corporate Guarantee is issued, required disclosure shall be made in the notes to the financial statements.
4	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person.	Nil
	In addition, state the following:	
5	a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	No
	b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting;	No
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	No
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016	No

The Audit Committee and the Board of Directors of the Company recommend passing of an Ordinary Resolution as set out at Item No. 6 of this Notice for approval of the Members of the Company.

The transactions shall not, in any manner, be detrimental to the interest of shareholders and are in the best interest of the Company and its Members.

The Members may please note that in terms of provisions of the Listing Regulations, none of the related party(ies) (whether such related party(ies) are a party to the proposed transactions or not), shall vote to approve the Ordinary Resolution as set out in the Notice.

None of the Directors, except Mr. Venkatraman Venkitachalam, Dr. Sampath Ravinarayanan, Lt. Gen. Codanda Poovaiah Cariappa and Mr. Tanmoy Chakrabarty being common directors between the Company and Mistral and Mr. Shashidhar Srirangapatna Krishnamurthy being Key Managerial Personnel of AXISCADES Technologies Limited and a Director of Mistral, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out in this Notice.

NOTICE (contd.)

Item no. 7 & 8:

Pursuant to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case of an offer or invitation to subscribe to non-convertible debentures, where the proposed amount to be raised through such offer or invitation exceeds the borrowing limits as specified in clause (c) of sub-section (1) of section 180, it shall be sufficient if the Company obtains shareholders approval by way of a special resolution only once in a year for all such offers or invitations during the year.

The members of the Company, at the 35th Annual General Meeting held on 24th September 2025, had passed Special Resolution (in accordance with the provisions of Companies Act, 2013) authorizing the Board of Directors / Committee, of the Company, to borrow sums in excess of paid-up share capital, free reserves and securities premium of the Company, provided that the total amount so borrowed and outstanding at any point of time shall not exceed ₹ 500,00,00,000/- (Rupees Five Hundred Crores only). The members also authorized the Board to create such charge, mortgage, or hypothecation on the assets of the Company, as may be necessary, in favor of the lenders for securing such borrowings. Considering the Company's present and future business requirements, the Board of Directors at its meeting held on 13th August 2026 has approved and recommended for the approval of members, the proposal to increase the existing borrowing limit from ₹ 500,00,00,000/- (Rupees Five Hundred Crores only) to ₹ 750,00,00,000/- (Rupees Seven Hundred Fifty Crores only).

In view of the above and considering the requirement of shareholder's approval once in a year for all the offers or invitations for issuance of debentures during the year, as prescribed, the Board recommends the resolutions set out in Item no. 7 and 8 of the accompanying Notice for the approval of the members of the Company by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding.

By Order of the Board of Directors
For **AXISCADES Technologies Limited**

Sd/-
Sonal Dudani
Company Secretary & Compliance Officer

Place: Bengaluru
Date: September 05, 2026

Registered office
Block C, 2nd Floor, Kirloskar Business Park,
Bengaluru-560024.
CIN: L72200KA1990PLC084435
e-mail: secretary@axiscades.in

Annexure-I

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 36TH AGM OF THE COMPANY

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India]

Name of Director	Mr. Venkatraman Venkitachalam	Mr. Abhay Maheshwari	Ms. Ashmita Sethi
DIN	05008694	08004819	08660491
Date of Birth and Age	08/09/1977 48 years	07/11/1984 41 years	22/02/1959 67 years
Date of First Appointment on the Board	January 06, 2023	June 29, 2026	August 11, 2026
Qualifications	Chartered Financial Analyst, CFA Institute, USA Chartered Accountant, Institute of Chartered Accountants of India Cost & Management Accountant, Institute of Cost & Works Accountants of India Company Secretary, Institute of Company Secretaries of India Bachelor of Commerce, Mumbai University	Chartered Accountant (CA), Institute of Chartered Accountants of India Post-Graduate Diploma in Business Administration, Indian Institute of Management (IIM) Indore.	BA (Hons) English, Miranda House College, Delhi University Post-Graduate in Travel and Tourism, Sophia College, Mumbai
Relationship between Directors inter-se	Not related to any Directors of the Company	Not related to any Directors of the Company	Not related to any Directors of the Company
Experience & Expertise in specific functional areas/ brief resume	Holistic experience of more than 20 years - Over 16 years of experience in Business Strategy & Development, Project Financing, Mergers & Acquisitions and accounting and 4 years' experience in the Public sector. Worked on all stages of a Project Life Cycle: Opportunity identification, bid strategy, financial evaluation & Project Implementation.	Mr. Abhay Maheshwari is a seasoned finance executive and IIM Indore alumnus, Chartered Accountant with 18 years of strategic and operational experience across corporate finance, fundraising, IPO, finance transformation, Capital and liquidity management, and Investing. Over the course of his career, he has contributed to strategic financial leadership, business growth and partnering, supported growth-oriented capital decisions, and played a key role in structuring and executing high-impact transactions that strengthen long-term business value.	Ms. Ashmita Sethi is a globally recognized C-suite leader in the Aerospace & Defence industry, with more than 25 years of experience in advancing aviation, engineering, technology, and industrial growth. She has held senior leadership positions with the world's largest aerospace and defence companies, most recently serving as President & Country Head of Pratt & Whitney (RTX) India & Managing Director of United Technologies India Pvt Ltd. Prior to this as a Senior Director at Boeing and Vice President at Rolls Royce.

NOTICE (contd.)

Name of Director	Mr. Venkatraman Venkitachalam	Mr. Abhay Maheshwari	Ms. Ashmita Sethi
	Involved in financing of numerous projects in roads, thermal power, hydro power, wind energy, solar power and real estate sectors both as lender & Borrower. Experience in Contract negotiations – Project contracts, Financing contracts and Consulting contracts Experience in accounting, taxation and Corporate law compliances, and ERP initiatives.	Mr. Abhay is recognised for his sound professional judgment, analytical rigour, and commercial acumen. He collaborates effectively with founders, institutional investors, and C-suite leaders to align financial strategy with business priorities and risk appetite. His contributions span transaction structuring, capital allocation, investor and board engagement, and governance-focused financial oversight. As a people leader, Abhay has built and led high performing, cross-cultural teams, fostering accountability and delivering measurable results in complex, fast-paced environments. He is respected for his integrity, pragmatic problem-solving, and a solution-oriented approach to complex business and financial challenges—qualities that drive sustained value creation and strong stakeholder confidence.	Beyond corporate leadership, Ms. Ashmita has chaired and cochaired several leading industry bodies, chambers of commerce, and policy forums, where she has played a pivotal role in shaping India's aerospace and defence ecosystem through strategic policy advocacy and industry-government collaboration. Widely regarded as one of the industry's most respected leaders, she continues to advise global corporations, governments and Indian enterprises on unlocking growth opportunities, policy advocacy, capability building and strengthening organizational and institutional relationships. Ms. Sethi played a leading role in her efforts to achieve policy reforms in reducing MRO taxation and recommend a synergistic convergence of Commercial and Defence industries to leverage potential of India's aerospace MRO sector in its entirety, working alongside Ministries of Defence and Civil Aviation. Passionate about nation-building, she remains committed to helping organizations scale-up to strengthen India's aerospace ecosystem, and build long term industrial capability in India for the future of Aerospace & Defence.
Directorships held in other Companies (excluding Foreign Companies)	1. Jupiter Equity Private Limited 2. Asianxt Technologies Private Limited 3. Mistral Solutions Private Limited 4. Xponential Innovations Private Limited 5. Asianxt Digital Technologies Private Limited 6. Jupiter Global Infrastructure Private Limited	1. Niraamaya Life Private Limited 2. PRO FX Tech Limited 3. Xponential Innovations Private Limited 4. BPL Medical Technologies Private Limited 5. Anad Foods Private Limited 6. PanIndia Telecommunications Network Private Limited	1. Centrum Wealth Limited

Name of Director	Mr. Venkatraman Venkitachalam	Mr. Abhay Maheshwari	Ms. Ashmita Sethi
	7. Panindia Telecommunications Network Private Limited 8. Blue Mountain Coffee Private Limited 9. RC Stocks & Securities Private Limited 10. Jupiter Capital Private Limited 11. Elara Properties Private Limited 12. Tayana Mobility Technologies Private Limited. 13. Minsk Developers Private Limited 14. RC Advisors Private Limited 15. Himalia Prime Assets Private Limited 16. Callisto Properties Private Limited 17. Byld Capital Finance Limited 18. Asianet Media Limited	7. Byld Wealth Advisory Private Limited 8. Blue Mountain Coffee Private Limited	
Names of listed entities from which the director has resigned in the past three years	Nil	Nil	Nil
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	1	Nil	Nil
No. of equity shares held in the Company (self and as a beneficial owner)	Nil	Nil	Nil
No. of Board Meetings attended during FY 2025-26	8 (Eight)	NA	NA
Terms and conditions of appointment / reappointment	-	Mr. Abhay Maheshwari (DIN: 08004819) being appointed as an Additional Director (Non-Executive Non-Independent), is liable to retire by rotation.	As set out in the Explanatory Statement
Remuneration last drawn in financial year 2025-26	Except for sitting fees for attending the meeting of Board and Committee thereof and commission, no other remuneration was paid to Mr. Venkatraman Venkitachalam. Please refer to the "Corporate Governance Report", which is a part of this Annual Report.	NA	NA

NOTICE (contd.)

Name of Director	Mr. Venkatraman Venkitachalam	Mr. Abhay Maheshwari	Ms. Ashmita Sethi
Details of Remuneration sought to be paid	Sitting fees and commission as approved by the Board of Directors/shareholders in accordance with applicable provisions of law.	Sitting fees and commission as approved by the Board of Directors/shareholders in accordance with applicable provisions of law.	Sitting fees and commission as approved by the Board of Directors/shareholders in accordance with applicable provisions of law.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Not Applicable	Ms. Ashmita Sethi possesses the requisite skills, experience, and capabilities required of an Independent Director. Her professional background in the Aerospace & Defence sector would be of value to the Company and would contribute to maintaining an appropriate balance of skills, expertise, and diversity on the Board.

Annexure – II

STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information:

1. Nature of industry:

AXISCADES is a leading end to end engineering and technology solutions Company focusing on the engineering R&D segment. The Company brings expertise that caters to the digital, engineering, and smart manufacturing needs of leading global OEMs in aerospace, defence, heavy engineering, automotive, energy, semiconductor & medical equipment sectors. With decades of experience in enabling creation of innovative, sustainable, and safer products worldwide, AXISCADES delivers business value across the entire engineering lifecycle.

2. Date or expected date of commencement of commercial production:

The Company is in operation since 24 August 1990.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4. Financial performance based on given indicators:

Financial performance indicators of the Company for the year 2025-26 are as follows:

Particulars	Amount (₹ In Lakhs)
Total Income	46,743.16
Profit/(loss) before tax	1,735.84
Profit/(loss) after tax	1,117.55

5. Foreign investments or collaborations, if any:

There is no direct foreign investment in the Company except to the extent shares held by Foreign Institutional Investors (FII) acquired through the secondary market. There is no foreign collaboration in the Company.

II. Information about the appointee:

Sl. No	Particulars	Mr. Venkatraman Venkitachalam	Lt Gen. Codanda Poovaiah Cariappa
1	Background details	Mr. Venkatraman Venkitachalam possesses holistic experience of more than 20 years - Over 16 years of experience in business strategy & development, project financing, mergers & acquisitions and accounting and 4 years' experience in the Public sector.	A highly proficient and qualified professional with proven strategic leadership skills, Lt Gen Codanda Poovaiah Cariappa has nearly four decades of experience and has acquired multi domain expertise varying from concepts, doctrine, strategy and policy formulation at the apex level. He has accomplished in human resources development, conflict resolution and disaster management at the national and international levels. He has been Principal Staff Officer to the Chief of Army Staff, Headed the Sustenance Branch of the Indian Army as Master General Sustenance (MGS), responsible for revenue procurement and maintenance of nearly 12 lakhs troops of the Indian Army, Exercised Direct Control over the DG Ordnance Services (DG OS) & DG Electrical & Mechanical Engineering (DG EME). He has served as Military Secretary to the Hon'ble President of India (2018- 20). Envisioned and formulated multiple Military Concepts and pproach Papers on HRD, Leadership, Logistics, Maintenance, Procurement and Training for the Indian Army.
2	Past Remuneration	Sitting fees and commission as approved by the Board of Directors/ shareholders in accordance with applicable provisions of law.	Sitting fees and commission as approved by the Board of Directors/ shareholders in accordance with applicable provisions of law.
3	Recognition or awards	NA	He has won various awards including Karnataka Rajyotsava Award (2023), Param Vishisht Seva Medal, Ati Vishisht Seva Medal, Sena Medal, Vishisht Seva Medal, Appointed Honorary ADC to Hon'ble President of India (2021- 23), has won two Gallantry Awards - Army Commander Commendation Cards and UN Medals.
4	Job profile and his suitability	Mr. Venkataraman has experience in Contract negotiations – Project contracts, Financing contracts and Consulting contracts. Experience in accounting, taxation and Corporate law compliances, and ERP initiatives.	Lt Gen Codanda Poovaiah Cariappa has experience in Budget Management worth ₹ 15000 crores per annum in Defence Procurement of equipment, ammunition, vehicles, armament and critical stores from domestic as well as foreign markets with financial powers up to ₹ 350 crores per transaction.
5	Remuneration proposed	As stated in the Explanatory Statement at Item No. 5 of this Notice	
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the size of Company's operations and diverse nature of its business, the proposed remuneration is commensurate with general industry trends	
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Save and except, receipt of commission and sitting fees, there are no other pecuniary relationships or transactions of Non-Executive Independent Directors with the Company	

Sl. No	Particulars	Mr. Tanmoy Chakrabarty	Mr. Giridhar Aramane	Mr. Abhay Maheshwari	Ms. Ashmita Sethi
1	Background details	Mr. Tanmoy Chakrabarty was earlier the Group Government Affairs Officer at TATA SONS Private Limited (the parent company of the Tata Group) which he joined in 2018 until October, 2022. Thereafter, he established his own venture, “Chakrabarty Consulting Services Private Limited” (CCSPL) in Noida / New Delhi and draws upon his extensive work experience and networks developed over four decades. Mr. Chakrabarty has an impressive career spanning 42 years including 14 years with Tata Consultancy Services Ltd., spearheading numerous transformative initiatives within the companies he has represented. Some notable examples include projects for the Indian Central Government, such as MCA 21, Income Tax, Customs & Excise, Passport Seva Program and several major initiatives for the Indian Defence and Homeland Security Forces. Tanmoy is working actively in the Public Transport and Automotive sector and is currently in touch with the Ministry of Road Transport in the Central Government in Delhi as well as several State Governments and their Transport Departments. He is representing several disruptive and innovative technology solutions in the Automotive Sector which he is creating a market for in India. Furthermore, Tanmoy serves as the Head for Government Affairs for Optimax Aces, a boutique consultancy firm located in Gurugram	Mr. Giridhar Aramane, an Indian Administrative Service (IAS) officer of the 1988 batch (Andhra Pradesh cadre), was appointed as Non-Executive Director on the Board of IL&FS on May 23, 2025. He served as Defence Secretary to the Government of India from November 1, 2022, until his retirement on October 31, 2024. Prior to his tenure in the Ministry of Defence, Mr. Aramane was Secretary, Ministry of Road Transport & Highways (MoRTH) from April 2020. He also held the position of Additional Secretary in the Cabinet Secretariat, overseeing Cabinet Affairs. With over three decades of administrative experience, Mr. Aramane has held a range of key roles at both the central and state levels. His earlier responsibilities include overseeing the Exploration Division in the Ministry of Petroleum & Natural Gas and serving as Executive Director in charge of inspections at the Insurance Regulatory and Development Authority (IRDAI). In the Government of Andhra Pradesh, he has served as Principal Secretary (Urban Development), Secretary (Finance Department), Managing Director of AP State Finance Corporation, and Collector & District Magistrate of Chittoor and Khammam districts.	Mr. Abhay Maheshwari is a seasoned finance executive and IIM Indore alumnus, Chartered Accountant with 18 years of strategic and operational experience across corporate finance, fundraising, IPO, finance transformation, Capital and liquidity management, and Investing. Over the course of his career, he has contributed to strategic financial leadership, business growth and partnering, supported growth-oriented capital decisions, and played a key role in structuring and executing high-impact transactions that strengthen long-term business value.	Ms. Ashmita Sethi is a globally recognized C-suite leader in the Aerospace & Defence industry, with more than 25 years of experience in advancing aviation, engineering, technology, and industrial growth. She has held senior leadership positions with the world’s largest aerospace and defence companies, most recently serving as President & Country Head of Pratt & Whitney (RTX) India & Managing Director of United Technologies India Pvt Ltd. Prior to this as a Senior Director at Boeing and Vice President at Rolls Royce. Beyond corporate leadership, Ms. Ashmita has chaired and cochaired several leading industry bodies, chambers of commerce, and policy forums, where she has played a pivotal role in shaping India’s aerospace and defence ecosystem through strategic policy advocacy and industry-government collaboration. Widely regarded as one of the industry’s most respected leaders, she continues to advise global corporations, governments and Indian enterprises on unlocking growth opportunities, policy advocacy, capability building and strengthening organizational and institutional relationships. Ms. Sethi played a leading role in her efforts to achieve policy reforms in reducing MRO taxation and recommend a synergistic convergence of Commercial and Defence industries to leverage potential of India’s aerospace MRO sector in its entirety, working alongside Ministries of Defence and Civil Aviation. Passionate about nation-building, she remains committed to helping organizations scale-up to strengthen India’s aerospace ecosystem, and build long term industrial capability in India for the future of Aerospace & Defence.
2	Past Remuneration	Sitting fees and commission as approved by the Board of Directors/ shareholders in accordance with applicable provisions of law.	Sitting fees and commission as approved by the Board of Directors/ shareholders in accordance with applicable provisions of law.	NA	NA
3	Recognition or awards	NA	NA	NA	NA

NOTICE (contd.)

Sl. No	Particulars	Mr. Tanmoy Chakrabarty	Mr. Giridhar Aramane	Ms. Ashmita Sethi
4	Job profile and his suitability	Mr. Chakrabarty's extensive background in government relations and his proven track record in driving transformative projects will significantly enhance the Company's strategic direction. His leadership will be instrumental as the Company continues to innovate and expand its offerings and operations. His deep understanding of complex systems and his ability to navigate multifaceted regulatory environments will be invaluable as the Company pursue its goals in diversified verticals such as Aerospace, Defense, and Heavy Engineering. His insights will guide the Company's efforts to build collaboration with government entities and ensure that our innovations align with requirements.	With over three decades of administrative experience, Mr. Aramane has held a range of key roles at both the central and state levels. His earlier responsibilities include overseeing the Exploration Division in the Ministry of Petroleum & Natural Gas and serving as Executive Director in charge of inspections at the Insurance Regulatory and Development Authority (IRDAI).	Ms. Ashmita Sethi is a globally recognized C-suite leader in the Aerospace & Defence industry, with more than 25 years of experience in advancing aviation, engineering, technology, and industrial growth. She has held senior leadership positions with the world's largest aerospace and defence companies and has chaired and cochaired several leading industry bodies, chambers of commerce, and policy forums, where she has played a pivotal role in shaping India's aerospace and defence ecosystem through strategic policy advocacy and industry-government collaboration.
5	Remuneration proposed	As stated in the Explanatory Statement at Item No. 5 of this Notice		
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the size of Company's operations and diverse nature of its business, the proposed remuneration is commensurate with general industry trends		
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Save and except, receipt of commission and sitting fees, there are no other pecuniary relationships or transactions of Non-Executive Independent Directors with the Company		

III. Other Information:

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement, Expected increase in productivity and profits in measurable terms:

The Company has adequate profits under Section 198 of the Companies Act, 2013 and does not envisage any loss or inadequate profits. However, as a matter of abundant caution, the Company proposes to obtain approval of the members of the Company for payment of minimum remuneration to Non-Executive Directors in case of situation of inadequate profits. As a matter of compliance under Para A of Section II of Part II of Schedule V of Companies Act, 2013, this statement is given.

IV. Disclosures

The necessary disclosures required under Part IV of Section II of Part II of Schedule V to the Companies Act, 2013, are disclosed in the Corporate Governance report to the extent applicable.

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special businesses is annexed hereto and forms part of the Notice.

2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated 22nd September, 2025 (MCA Circulars), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) until further notice.

3. Although, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote on a poll instead of himself/ herself, but since this meeting is being held through VC/OAVM under the framework of MCA circulars, where physical presence of members has been dispensed with, the facility of appointment of proxy will not be available, and hence the proxy form and attendance slip are not annexed hereto.

4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

5. The Institutional and Corporate Investors (i.e. other than individuals, HUF, NRI, etc.,) are encouraged to attend the AGM through VC by sending a scanned copy (PDF / JPG Format) of its Board / Governing body resolution / Authorization etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said resolution / authorization may be sent to the Scrutinizer by email to pramod@bmpandco.com with a copy marked to einward.ris@kfintech.com.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT

6. In accordance with the MCA Circulars and SEBI Circulars:

a) Notice of the AGM along with the Annual Report for the financial year 2025-26 is being sent to the Members and to all other persons so entitled in electronic mode only, whose email addresses has been registered with the Company/ Depository Participants ('DPs')/ Depository/ KFIN. Members are requested to verify/ update their details such as email address, mobile number etc. with their DPs, in case the shares are held in electronic form and with KFIN, in case the shares are held in physical form.

b) Those Members who have not yet registered their email addresses and consequently, have not received the Notice and the Annual Report, are requested to get their email addresses and mobile numbers registered with KFIN, by following the guidelines mentioned below.

c) Further, in terms of Regulation 36(1)(b) of the Listing Regulations, a letter containing the web link and path to access the Company's Annual Report is being sent to members who have not registered their email addresses with the Company, Depositories, RTA.

Procedure for Registration of Email ID and Mobile Number: Securities in physical mode

SEBI vide Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, has made it mandatory for shareholders holding shares in physical form to furnish PAN, KYC (i.e., postal address with pin code, email address, mobile number, bank account details, specimen signature, Demat account details) and their nominee details to the RTA of the Company.

It shall be mandatory for the security holders to provide mobile number, who have not yet registered their email addresses and consequently, have not received the Notice and the Annual Report, are requested to get their email addresses and mobile numbers registered with KFIN, by following the guidelines mentioned below.

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ISR 1 Form can be obtained by following the link:

https://ris.kfintech.com/clientservices/isc/isrforms.aspx

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the Email ID and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

The Company, through KFIN, will send the Notice, Annual Report and the e-voting instructions along with the User ID and Password to the email address given by you.

In order to enable the Company to comply with MCA circulars and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) permanently for sending the Annual report, Notice of AGM and the e-voting instructions.

In case of queries, Members are requested to write to https://ris.kfintech.com/ or call at the toll free number 1800 309 4001.

7. The Notice of AGM along with Annual Report will be sent to those members / beneficial owners whose name will appear in the register of members/ list of beneficiaries received from the depositories as on Friday, August 28, 2026.

8. The Notice of the AGM and the Annual Report for the financial year 2025-26 will be available on the website of the Company (www.axiscades.com), on the website of KFIN https://evoting.kfintech.com/public/Downloads.aspx (Annual Report) & https://evoting.kfintech.com/showallevents.aspx (Notice) and on the website of National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com), in compliance with the MCA Circulars.

PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM

9. The Company is providing VC/OAVM facility to its members for joining/participating at the AGM. Members may join the Meeting through Desktops, Laptops, Smartphones, Tablets and iPads. Further, Members are requested to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

10. Members are requested to follow the procedure given below to attend the AGM through VC / OAVM or view the live webcast:

    i) Launch internet browser (latest version of Chrome/ Firefox/Safari/ Internet Explorer 11 or MS Edge) by typing the URL: https://emeetings.kfintech.com/

    ii) Enter the login credentials (i.e., User ID and password for e-voting provided by KFIN).

    iii) After logging in, click on “Video Conference” option.

    iv) Then click on camera icon appearing against AGM event of AXISCADES Technologies Limited to attend the AGM. Please do the echo test once you enter into the AGM room.

11. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions.

12. The facility for joining the AGM shall open 15 minutes before the time scheduled for AGM and will continue till the expiry of 15 minutes after conclusion of the AGM. Large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel and Auditors are encouraged to attend the AGM.

13. The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com Please login through the user ID and password. On successful login, select ‘Post Your Question’ option which will be opened 9:00 A.M. (IST) on Tuesday, September 22, 2026 and will end at 5:00 P.M. (IST) on Thursday, September 24, 2026.

14. To ensure smooth transmission and co-ordination during the Q&A Session, the Company is providing the facility of Speaker Registration. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the ‘Speaker Registration’ option available on the screen after log in. The facility of ‘Speaker Registration’ will open at 9:00 A.M. (IST) on Tuesday, September 22, 2026 and will end at 5:00 P.M. (IST) on Thursday,September 24, 2026. Only those members who are registered will be allowed to express their views or ask questions.

1) Members who wish to ask questions during the AGM, can do so by registering themselves as a ‘Speaker’, by following the instructions, as mentioned below:

    (i) Click on the following URL: https://emeetings.kfintech.com

    (ii) Use e-voting User ID and Password, to register as a ‘Speaker’.

    (iii) Only those Members holding shares either in physical form or in electronic form, as on the cut off date of Monday, September 21, 2026, may register themselves as a ‘Speaker’ from 9:00 A.M. (IST) on , Tuesday, September 22, 2026 and will end at 5:00 P.M. (IST) on Thursday, September 24, 2026. This will enable KFin to make requisite arrangements for the said Members to ask questions during the AGM through VC.

    (iv) Only those Members who have registered themselves as a ‘Speaker’, as aforesaid, will be able to ask questions during the AGM.

2) Members who wish to post their queries may do so before the AGM, up to Thursday, September 24, 2026 (5:00 P.M.) by following the instructions, as mentioned below:

    (i) Click on the following URL: https://emeetings.kfintech.com

    (ii) Use e-voting User ID and Password, to post queries.

15. Members can submit their questions in advance with regard to the accounts or any other matter to be placed at the AGM by sending an e-mail to the Company at secretary@axiscades.in and marking a copy to evoting@KFintech.com mentioning their name, DP ID-Client ID / Folio number on or before Sunday, September 20, 2026 or they can post their questions from 9:00 A.M. (IST) on Sunday, September 20, 2026 and will end at 5:00 P.M. (IST) on Tuesday, September 22, 2026, by logging on to https://emeetings.kfintech.com They can also upload their video by registering themselves as speaker by accessing the facility provided at https://emeetings.kfintech.com->speaker registration

16. The maximum time limit of the video should be three minutes. At the AGM, such questions will be replied by the Company suitably. The Company reserves the right to restrict the number of questions and number of speakers, depending upon the availability of time, for smooth conduct of the AGM.

17. In case of any query relating to the procedure for attending AGM through VC/ OAVM or for any technical assistance, members may call on toll free no.: 1800 309 4001 or send an e-mail at einward.ris@kfintech.com

18. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

19. The recorded transcript of this meeting, shall as soon as possible, be made available on the website of the Company at https://www.axiscades.com/

20. Institutional shareholders are encouraged to attend and vote at the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

21. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended, Secretarial Standard on General Meetings (SS-2) and Regulation 44 of the Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility provided by listed entities, the Company is pleased to provide the facility of remote e-voting to its Members to cast their votes electronically, on the resolutions set forth in this Notice.

22. The Company has engaged the services of KFin as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting) before the AGM as well as during the AGM. The instructions for e-voting are given below:

    I. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-Voting facility provided by Listed Entities”, e-Voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/Depository Participants (DPs) in order to increase the efficiency of the voting process.

    II. 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.

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23. The Members attending the AGM who have not cast their vote by remote e-voting shall be entitled to vote at AGM through e-voting system. Facility to cast vote at the AGM will be made available on the Video Conferencing screen and will remain active throughout the Meeting.

24. The members can opt for only one mode of voting i.e. remote e-voting or e-voting at the AGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting at AGM will not be considered. The members who have cast their vote by remote e-voting may also attend the AGM but can't vote at the AGM.

25. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

26. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9.00 A.M. (IST) on September 25, 2026
End of remote e-voting	Upto 5.00 P.M. (IST) on September 27, 2026

27. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFin upon expiry of aforesaid period. Once the vote on a resolution is cast by the Member(s), they shall not be allowed to change it subsequently or cast the vote again.

28. The voting rights of Members for remote e-voting and for e-voting at AGM shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as at close of business hours on September 21, 2026 ('cut-off date').

29. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting / e-voting at AGM. The person who is not a member/ beneficial owner as on the cut-off date should treat this Notice for information purpose only.

30. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

31. The members who will be present in attending the AGM through VC / OAVM and have not already cast their vote(s) through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING

32. The details of the process and manner for remote e-Voting are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFin e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. User already registered for IDeAS facility: i) Visit URL: https://eservices.nsdl.com ii) Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. iii) On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting". iv) Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services i) To register click on link: https://eservices.nsdl.com/ ii) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. iii) Proceed with completing the required fields. iv) Follow steps given in points 1. 3. Alternatively by directly accessing the e-Voting website of NSDL i) Open URL: https://www.evoting.nsdl.com/ ii) Click on the icon "Login" which is available under 'Shareholder/Member' section. iii) A new screen will open. You will have to 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. iv) Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. v) Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing user who have opted for Easi/Easiest i) Visit URL: https://web.cdslindia.com/myeasitoken/home/login or URL: www.cdslindia.com ii) Click on New System Myeasi iii) Login with your registered user id and password. iv) The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFin e-Voting portal. v) Click on e-Voting service provider name to cast your vote. 2. User not registered for Easi/Easiest i) Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration ii) Proceed with completing the required fields. iii) Follow the steps given in point 1. 3. Alternatively, by directly accessing the e-Voting website of CDSL i) Visit URL: www.cdslindia.com ii) Provide your demat Account Number and PAN No. iii) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. iv) After successful authentication, user will be provided links for the respective ESP, i.e KFin where the e- Voting is in progress.

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Type of shareholders	Login Method
Individual Shareholders login through their demat accounts / Website of Depository Participant	1. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.
	2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
	3. Click on options available against company name or e-Voting service provider –Kfin and you will be redirected to e-Voting website of KFin for casting your vote during the remote e-Voting period without any further authentication.
Individual Shareholders login through NSDL Mobile App	Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for a seamless voting experience. NSDL Mobile App is available on App Store Google Play

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites. For technical issues, Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL, may contact as below:

NSDL	CDSL
Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430	Please contact CDSL helpdesk by sending a request at helpdesk. https://evoting.cdslindia.com/ or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

a) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFin which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach 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.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'AXISCADES TECHNOLOGIES LIMITED" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID - pramod@bmpandco.com with a copy marked to https://evoting.kfintech.com/ The scanned image of the abovementioned documents should be in the naming format "Corporate Name Even No."

b) Any person who becomes member of the Company after dispatch of the Notice of AGM and is holding shares as on the cut-off date i.e. September 21, 2026 may obtain the User ID and password in the manner as mentioned below:

a) If the mobile number of the member is registered against Folio No./ DPID Client ID, the Member may send SMS: MYEPWD E-Voting Event Number +Folio no. or DPID Client ID to +91-9212993399 Example for NSDL: MYEPWDIN12345612345678 Example for CDSL: MYEPWD1402345612345678 Example for Physical: MYEPWD XXXX1234567890.

If e-mail address or mobile number of the member is registered against Folio No. / DPID Client ID, then on the home page of https://evoting.kfintech.com/common/passwordoptions.aspx

b) the member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.

c) Member may Call KFin's Toll free number 1800 309 4001.

d) Member may send an e-mail request to https://evoting.kfintech.com/

In order to enable the Company to comply with MCA circulars and to participate in the green initiative in Corporate Governance, members are requested to register their email addresses in respect of shares held in electronic form with their Depository Participant(s) permanently for sending the Annual report, Notice of AGM and the e-voting instructions.

After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

33. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.

34. In case of any query pertaining to e-voting, please visit Help & FAQs section available at KFin website (https://evoting.kfintech.com/public/Faq.aspx). In case of any other queries/ grievances connected to remote e-voting or shares, you may contact Mr. Raj Kumar Kale, an official of KFin, at telephone number: 040-67162222 or the toll free number 1800-309- 4001 or at email: evoting@kfintech.com.

35. The Board of Directors has appointed Mr. Pramod S M or failing him, Mr. Biswajit Ghosh of M/s. BMP & Co. LLP, Company Secretaries, as the Scrutinizer to scrutinize the e-voting process during the AGM and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

36. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing. The Chairman or the authorized person

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shall declare the results within the time stipulated under the applicable laws. The results declared shall be available on the website of the Company (www.axiscades.com) and on the website of KFIN (https://evoting.kfintech.com). The results shall simultaneously be communicated to the Stock Exchanges. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favor of the resolutions.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

37. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act,, Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act and all the documents referred to in the Notice and explanatory statement, including certificate from the Secretarial Auditors under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection by the members from the date of circulation of this Notice up to the date of AGM i.e. Monday, September 28, 2026 Members seeking to inspect such documents can send an email to secretary@axiscades.in.

OTHER INFORMATION:

38. Information regarding particulars of the Directors to be appointed/re-appointed requiring disclosure in terms of the Secretarial Standard 2, Listing Regulations and the explanatory statement pursuant to Section 102 of the Act are annexed hereto. The directorships held by the Directors considered for the purpose of disclosure do not include the directorships held in foreign companies. The committee chairmanships/ memberships considered for the purpose of disclosure are those prescribed under Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies.

39. As per Regulation 40 of Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are advised to dematerialize the shares with their Depository Participant.

40. Members who are holding shares in physical form are requested to address all correspondence concerning registration of transmissions, sub-division, consolidation of shares or any other share related matters and/ or change in address or updation thereof to KFin. Members whose shareholding is in electronic format are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective DPs.

41. Non-Resident Indian shareholders are requested to inform about the following to the Company or KFin or the concerned DP, as the case may be, immediately of:

    a) The change in the residential status on return to India for permanent settlement;

    b) The particulars of the NRE Account with a Bank in India, if not furnished earlier.

42. Members who are holding shares in physical form in identical names in more than one folio are requested to write to KFin enclosing their share certificates to consolidate their holding into one folio.

43. Members may contact the Company or KFin for conveying grievances, if any, relating to the conduct of the AGM, at the following address:

AXISCADES Technologies Limited
Sonal Dudani
Company Secretary & Compliance Officer
secretary@axiscades.in

KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda, Gachibowli,
Hyderabad, Telangana - 500032
Toll Free No.1800 309 4001
Email: einward.ris@kfintech.com

Contact Person:
Shri S R Ramesh,
Deputy Vice President (RIS)

AXISCADES

REGISTERD OFFICE:

Block C, Second Floor, Kirloskar Business Park,
Bengaluru - 560024, Karnataka, India.

To know more about Axiscades Technologies Limited
please visit ***www.axiscades.com***

Please scan the QR code to download the
ANNUAL REPORT FY2025-2026

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