September 08, 2026

To,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

Scrip Code: 534733

Dear Sir/Madam,

Sub: Annual Report of Aerpace Industries Limited ("the Company") along with the Notice convening the 15th Annual General Meeting ("AGM")

Ref: Submission of information pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

This is further to our intimation dated September 08, 2026 regarding 15th AGM of the Company. We wish to further inform that:

a) The 15th AGM of the Company will be held on Wednesday, September 30, 2026 at 03:30 P.M. IST, through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations and circulars issued by SEBI and MCA, time to time.

b) A copy of Notice of 15th AGM ('Notice') along with Annual Report for the financial year 2025- 2026 are enclosed and are being sent to all the members of the Company whose email address registered with the Company/ RTA/ Depositary Participant(s)/ Depositories as on September 08, 2026 (Cut-Off date).

c) Pursuant to Regulation 36(1)(b) of SEBI Listing Regulations, the Company has issued letters to those shareholder's whose email address are not registered with the Company/ RTA/ Depository Participant(s) as on Cut-Off date, stating the web-link where the Annual Report is uploaded on website.

d) In compliance with the applicable laws, the Company is providing the facility of remote e-voting and e-voting at the AGM to its members in respect of all the resolutions set forth in the Notice. The Cut-off date for the purpose of reckoning the voting rights of members for the AGM is Wednesday, September 23, 2026 ('Cut-off date'). Accordingly, all eligible members as on Cut-off date shall be entitled for e-voting. The remote e-voting shall commence from 9.00 a.m. (IST) on Saturday, 26th September, 2026 and shall remain open till 5.00 p.m. (IST) on Tuesday, 29th September, 2026.

The Notice of the AGM and Annual Report for the FY 2025-2026 and are also available on the website of the Company i.e. www.aerpace.com.

This is for your information and records.

Thanking You,

For Aerpace Industries Limited

ANAND MANOJ SHAH Digitally signed by ANAND MANOJ SHAH Date: 2026.09.08 15:18:32 +05'30'

Anand Manoj Shah
Managing Director & CFO
DIN: 11709310

Encl: As above

aerpace

15th Annual Report

aerpace industries limited

2025-26

Content

Corporate Information

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Anand Manoj Shah (Redesignated)
Managing Director & CFO w.e.f. 12th may, 2026

Mr. Ravi Soni
Executive Director

Mr. Milan Bhupendra Shah (Redesignated)
Non-Executive Director w.e.f. 12th May, 2026

Mr. Sanjay Ram Takale
Non-Executive Director

Mr. Prem Singh Rawat
Chairman & Non-Executive Director

Mt. Prakash Gaur
Non-Executive Director

Mrs. Akanksha Sunny Bilaney
Non-Executive Independent Director

Ms. Anshu Shukla Pandey
Non-Executive Independent Director
w.e.f 10th July, 2026

Mr. Virendra Singh Verma (Resigned)
Non-Executive Independent Director
up to 9th June, 2026

Ms. Darshana sawant (Resigned)
Non-Executive Independent Director
up to 14th April, 2026

Mr. Prachi Kela
Company Secretary

Mr. Nikunj Kampani
Advisory Board Member

Mr. Rajnish Kumar
Advisory Board Member

STATUTORY AUDITORS

M/s. Ramanand & Associates,
Chartered Accountants.,

INTERNAL AUDITORS

M/s. Rohit Gondhiya & Associates
Chartered Accountants

SECRETARIAL AUDITORS

Mr. Pravesh Palod & Associates
Practicing Company Secretary

BANK

ICICI Bank
Mumbai

REGISTERED OFFICE

Kanakia Wall Street, No -1005, 10th Floor, A Wing, Andheri —Kurla, Road, Andheri (east), Mumbai- 400093, Maharashtra

Phone: 022 69245000
Website: www.aerpace.com
E-mail: info@aerpace.com

REGISTRAR & SHARE TRANSFER AGENTS

PURVA SHAREGISTRY (INDIA) PVT. LTD.
Address: No-9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai - 400 011

Phone: 022-2301 6761 / 2301 8261 Fax: 022-2301 2517
Website: www.purvashare.com
E-mail: purvashr@gmail.com

Brief Profile Of Directors

Mr. Anand Shah

Managing Director & CFO

Anand Shah serves as the Managing Director and Chief Financial Officer (CFO) of aerpace Industries Limited. As CFO, he is responsible for liaising with banks for financial requirements, preparing current and forecast financial reports, and ensuring compliance with applicable laws and the company's policies.
With over 25 years of experience in accounts and finance, Anand brings deep expertise in financial management, strategic planning, and corporate governance, supporting aerpace's long-term vision and growth.

Mr. Ravi Soni

Executive Director

Ravi Soni is the Executive Director of aerpace Industries Limited, bringing over 23 years of experience in engineering goods manufacturing with expertise in Hydraulics, Pneumatics, and Production Technology. He holds a Bachelor's degree in Mechanical Engineering and a Master's degree in Production Technology.
He leads international business development and export operations across 20+ countries, including Europe, the Gulf, and Africa. With extensive experience in global market expansion and strategic partnerships, Ravi plays a key role in strengthening aerpace's international presence and driving its long-term growth

Mr. Milan Shah Bhupendra

Non-Executive Director

Mr. Milan Bhupendra Shah, aged about 46 years is the Non-Executive Director of our Company. He is a Commerce Graduate and has Post Graduate Diploma in Computer Application (DOEACC-A level). He has over 21 years of experience in field of software development and networking. He is responsible for the company's vision and strategy, products, and global operations.

Mr. Sanjay Ram Takale

Non-Executive Director

Mr. Sanjay Takale aged 58 years is a Non-Executive Director of our Company. He is winner of Asia World Motorsports Games in October 2022. He has won car rallies in countries like Japan, China, Malaysia, Australia, New Zealand, Thailand, Estonia, Finland, Latvia, France, New Caledonia. He is the 1st Indian to Complete World Longest and toughest rally called Dakar in Saudi Arabia 2025. He is a true back packer and he has travelled more than 110 Countries from 2001 to 2007. He has got 54 Podium finish out of 75 Rallies which he has participated in International Car Rallies from 2009 to 2025. And on National Level he has one more than 100 Podium finish. He did Bike racing in motocross, supercross, bike rallies from 1987 to 2001 on national level and have won more than 125 trophies in Bike Racing.

Mr. Prem Singh Rawat

Chairman & Non-Executive Director

Mr. Prem Singh Rawat having 36 plus years of experience in Social Management, Industrial Relation Management, Sales, Marketing, Administration, Operation, Commercial Management. He is B. Com graduate from, Dayal Singh College, Delhi University in 1984 and did PG Diploma in Personnel Management and & Industrial Relation in 1986 (MBA).

Mr. Prakash Gaur

Non-Executive Director

Mr. Prakash Gaur is a seasoned infrastructure leader with over three decades of experience in logistics, urban development, and strategic infrastructure planning.

As a Non-Executive Director at aerpace, he brings extensive expertise in multimodal logistics, smart city development, and sustainable mobility. His experience in leading national infrastructure initiatives supports aerpace's vision of building intelligent, integrated, and zero-emission mobility ecosystems across India.

Mrs. Akanksha Sunny Bilaney

Non-Executive Director Independent Director

Mrs. Akanksha Bilaney aged 34 years is an Independent Director of our Company. She is a Commerce and Law Graduate from Pune University and a Fellow Member of Institute of Company Secretaries of India. She also holds diploma in Merger and Acquisition from Symbiosis International University. She is a founder of firm A.S. Bilaney & Associates based in Mumbai. She has an overall experience of around 10 years in handling Company law related compliances. She is also running a foundation with the name 'Onef9Planet Foundation'. She is associated with our Company since 9th March 2022

Mrs. Anshu Shukla Pandey

Non-Executive Independent Director

Mrs. Anshu Shukla Pandey brings over 31 years of distinguished experience in public administration, including her tenure with the Indian Revenue Service and advisory assignments with the International Monetary Fund (IMF). As a Non-Executive Independent Director at aerpace, she brings extensive expertise in governance, taxation, compliance management, institutional reforms, compliance risk management, and policy modernisation. Her rich national and international experience strengthens aerpace's governance framework and supports the Company's commitment to transparency, accountability, and sustainable growth.

Mr. Virendra Singh Verma (Resigned)

Non-Executive Independent Director

Mr. Virendra Singh Verma is an Independent Director with over 52 years of experience in the power sector. He has held senior positions including Member (Planning) at CEA, Director General of BEE, and Member (Technical) of CERC. An IIT Roorkee alumnus, he has also served on the boards of leading power-sector institutions and received several professional awards for his contributions to the industry.

Ms. Darshana sawant (Resigned)

Non-Executive Independent Director

Ms. Darshana Avadhoot Sawant served as an Independent Director of aerpace Industries Limited, bringing an independent perspective to the Board and supporting strong corporate governance practices.
As an Independent Director, she contributed to board-level oversight and governance matters, helping strengthen transparency, accountability, and responsible decision-making within the organization.

Mr.Nikunj Kampani

Advisory Board Member

Mr. Nikunj Kampani is a seasoned leader in investment banking, capital markets, corporate finance, and strategic advisory, with extensive experience in driving business growth and investment opportunities.
As an Advisory Board Member at aerpace, he provides strategic guidance on capital strategy, fundraising, investor relations, and strategic partnerships. His expertise supports aerpace's long-term growth vision and strengthens the Company's position in the global mobility and technology ecosystem.

Mr.Rajnish Kumar

Advisory Board Member

Mr. Rajnish Kumar brings nearly four decades of leadership experience in banking, corporate finance, project financing, and business transformation.
As an Advisory Board Member at aerpace, he provides strategic guidance on financial planning, institutional growth, governance, and long-term business development. His extensive experience in leading large-scale organizations strengthens aerpace's vision for sustainable growth, innovation, and future-ready mobility solutions.

Dear Shareholders,

FY2025–26 marked an important phase in the evolution of aerpace Industries Limited, as the Company continued its journey from a future mobility concept towards building an integrated ecosystem of mobility, technology, infrastructure, renewable energy and autonomous systems.

At the core of aerpace is aerVerse, an interconnected ecosystem designed around the future movement of people, goods and essential services. The ecosystem brings together aerWing for aerial mobility, aerDock as the supporting infrastructure network, aerVolt for renewable energy, aerOS as the intelligence and software layer, aerCar for terrestrial mobility and aerShield for unmanned and strategic applications.

During the year, the Company's focus increasingly moved towards building the capabilities required to translate this vision into execution. aerpace continued to strengthen its manufacturing and R&D foundation at Chakan, Pune, while progressing its work across aerial mobility, renewable energy, unmanned systems, software and advanced engineering. The Company also continued to develop specialised technology collaborations aimed at strengthening engineering capabilities, localisation and long-term vertical integration.

The emergence of Advanced Air Mobility globally, India's growing renewable-energy requirements, the increasing importance of autonomous and unmanned systems and the country's emphasis on indigenous manufacturing provide a significant environment for the Company's future development. aerpace's strategy is therefore centred on creating interconnected capabilities rather than developing individual technologies in isolation.
Sustainability remains integral to this approach. Through aerVolt, the Company is developing renewable-energy capabilities that can serve an independent commercial market while progressively supporting the energy requirements of the wider aerpace ecosystem. Similarly, through aerShield and aerOS, the Company is strengthening its capabilities across autonomous systems, software and strategic technologies, with a long-term emphasis on greater localisation and development within India.

The Company's philosophy, Make Time, continues to guide this journey. For aerpace, Make Time represents building today the technologies, infrastructure and systems that future generations may depend upon tomorrow, while creating solutions that use time, energy, land and resources more efficiently.

As aerpace progresses into its next phase, the emphasis will remain on engineering maturity, manufacturing readiness, validation, localisation, regulatory preparedness and disciplined commercialisation across its businesses.

A detailed discussion of the Company's business environment, developments during FY2025–26, opportunities, risks and future strategy is provided in the Management Discussion and Analysis Report, forming part of this Annual Report.

Directors' Report

Dear Members, Your Directors have pleasure in presenting their Fifteenth (15th) Annual Report of Aerpace Industries Limited (hereinafter referred to as "the Company") along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 (hereinafter referred to as "financial year under review" or "year under review" or "year" or "FY 2025-2026").

In compliance with the applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) (hereinafter referred to as "Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), this Report covers the financial performance and other developments in respect of the Company during the financial year ended March 31, 2026 and upto the date of the Board Meeting held on August 11, 2026 to approve this Report.

1. FINANCIAL HIGHLIGHTS

A summary of the financial performance of your Company for the financial year ended March 31, 2026, is as under:

(Rs. in Lakhs)

	Standalone		Consolidated	
Particulars	For the year ended on **31.03.2026**	For the year ended on **31.03.2025**	For the year ended on **31.03.2026**	For the year ended on **31.03.2025**
Continuing Operations: Income (A)				
Revenue from Operation	213.60	161.86	-	-
Other Income	190.36	140.20	22.13	59.44
Total Income	**403.96**	**302.06**	**22.13**	**59.44**
Total Expenditure	1416.33	684.18	1472.35	686.25
Profit Before Depreciation and Tax	**(1012.37)**	**(382.12)**	**(1450.22)**	**(626.81)**
Less: Depreciation	210.19	113.57	224.75	124.81
Profit/(Loss) Before Tax from Continuing Operations	**(1222.55)**	**(495.69)**	**(1674.97)**	**(751.62)**

Less : Total Tax Expenses	(22.26)	(12.02)	(24.67)	(12.91)
Profit/(Loss) for the year from Continuing Operations (A)	**(1200.29)**	**(483.67)**	**(1650.30)**	**(739.43)**
Discontinuing Operations	0	0	0	0
Loss from discontinuing operations before tax	0	0	0	0
Less : Tax from discontinuing operations	0	0	0	0
Loss from Discontinuing Operations (B)	**0**	**0**	**0**	**0**
Pre-acquisition Loss	-	-	-	-
Profit/(Loss) for the year (A+B)	**(1200.29)**	**(483.67)**	**(1650.30)**	**(739.43)**
Total Comprehensive Income / Loss for the year	**(1199.44)**	**(481.29)**	**(1649.13)**	**(737.11)**

2. RESULTS OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS

During the financial year ended March 31, 2026, the Company recorded operational revenue, including other income, of ₹403.96 Lakhs on a standalone basis, as compared to ₹302.06 Lakhs in the previous financial year. The Loss Before Tax stood at ₹1,222.55 Lakhs, as against ₹495.69 Lakhs in the previous financial year. The Net Loss for the financial year ended March 31, 2026, was ₹1,200.29 Lakhs, as compared to a Net Loss of ₹483.67 Lakhs in the previous financial year.

On a consolidated basis, the operational revenue, including other income, stood at ₹22.13 Lakhs, as compared to ₹59.44 Lakhs in the previous financial year. The Loss Before Tax was ₹1,674.97 Lakhs, as against ₹751.62 Lakhs in the previous financial year, while the Net Loss for the financial year ended March 31, 2026, stood at ₹1,650.30 Lakhs, as compared to a Net Loss of ₹739.43 Lakhs in the previous financial year.

In view of the above, the Company has undertaken various remedial measures to address the challenges and improve its financial performance, including measures aimed at reducing costs across all areas of operations, optimizing the utilization of available resources, and improving overall operational efficiency.

3. NATURE OF BUSINESS

During the financial year, the Company implemented certain operational/business updates and expanded specific business activities. However, these changes do not result in any alteration in the principal nature of business of the Company. The Company continues to operate in the same line of business as carried on during the previous year.

4. DIVIDEND AND RESERVES

During the financial year under review, the Company has incurred losses. In view of the losses incurred and after considering the financial position of the Company, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2026. The Board believes that conserving the available financial resources is essential for maintaining operational stability and supporting the Company's future business objectives. Accordingly, no amount has been transferred to the General Reserve during the year under review.

The loss incurred during the financial year has been carried forward under the head Retained Earnings in the Financial Statements of the Company.

5. SHARE CAPITAL

As on March 31, 2026, the Authorized Share Capital of the Company stood at Rs. 40,00,00,000 (Rupees Forty Crores only) divided into 40,00,00,000 (Forty Crores) equity shares of Re. 1/- (Rupee One only) each. The Paid-up Share Capital as on March 31, 2026 was Rs. 15,38,57,982 (Rupees Fifteen Crores Thirty-Eight Lakhs Fifty-Seven Thousand Nine Hundred Eighty-Two only) divided into 15,38,57,982 (Fifteen Crores Thirty-Eight Lakhs Fifty-Seven Thousand Nine Hundred Eighty-Two) Equity Shares of Re. 1/- (Rupee One only) each. There was no change in the share capital structure of the Company during the financial year under review.

OTHER DISCLOSURES

During the year under review, the Company has not issued shares with differential voting rights, bonus shares and sweat equity shares. The Company has also not carried out any buyback of its equity shares during the said financial year.

Further, as on date of this report, the Company has proposed to issue and allot upto 1,50,00,000 warrants convertible into equity shares at the price of Rs. 32.55 (Rupees Thirty-Two and Fifty-Five Paise), aggregating upto Rs. 48,82,50,000 (Rupees Forty-Eight Crore Eighty-Two Lakhs Fifty Thousand) in one or more tranches, on a preferential basis to N.K. Family Private Trust (Proposed Allottee) subject to the approval of Members through Postal Ballot.

6.CORPORATE GOVERNANACE REPORT

Pursuant to Schedule V to the SEBI Listing Regulations, the following Reports/Certificates forms part of the Annual Report:

• the Report on Corporate Governance;
• the Certificate duly signed by the Managing Director and Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2026, as submitted to the Board of Directors at its meeting held on May 11, 2026;
• the declaration by the Managing Director regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct; and
• An analysis of the Business and Financial Performance is given in the Management Discussion and Analysis, which forms a part of the Annual Report.

The Certificate issued by the Secretarial Auditor of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V to the SEBI Listing Regulations is annexed to this report as "Annexure A".

7. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report, for the financial year under review as stipulated under Regulation 34 of SEBI Listing Regulations, capturing Company's performance, industry trends and other material changes with respect to your Company is forming part of this Annual Report.

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

9. SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

During the year under review, the Company acquired 75% of the equity share capital of Aerpace General Trading LLC on January 19, 2026. Consequently, Aerpace General Trading LLC became a subsidiary of the Company. As on March 31, 2026, the Company had two subsidiaries, namely, Aerpace General Trading LLC and Aerpace Supercars Private Limited.

A statement containing the salient features of the financial statements of the Company's subsidiaries in Form AOC-1, pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, is annexed to this Report as Annexure B. In accordance with the provisions of Section 136 of the Companies Act, 2013, the standalone and consolidated financial statements of the Company, along with the financial statements of its subsidiaries and all other relevant documents, are available on the Company's website at www.aerpace.com.
The Company does not have any associate company, joint venture or holding company as on March 31, 2026.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the particulars of loans granted, guarantees given and investments made by the Company during the financial year under review are provided in the notes to the Financial Statements forming part of this Annual Report.

During the year, the Company granted loans to its subsidiary company(ies) in compliance with the provisions of the Companies Act, 2013 and other applicable laws. The details thereof are disclosed in Note No. 7 to the Financial Statements.

11. RISK MANAGEMENT

The Company has established a robust Risk Management system to identify & assess the key risks and ensure smooth and efficient operations of the business. Your Company is aware of these risks and challenges and has put in place mechanism to ensure that they are managed and mitigate with adequate timely actions. The audit committee reviews business risk area covering operational, financial, strategic and regulatory risks.

12. INTERNAL FINANCIAL CONTROL SYSTEM THEIR ADEQUACY

The Board of Directors of your Company have adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to your Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Related Party Transactions ("RPTs") entered into during the financial under review, were on an arm's length basis and were carried out in the ordinary course of business. As required under SEBI Listing Regulations, the Company has adopted and updated its Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The updated Policy is available on the Company's website and can be accessed at www.aerpace.com.

Further, pursuant to Section 188 of the Act and Regulation 23 of the SEBI Listing Regulations, all material RPTs shall require prior approval of the members through a resolution. Consent of the members by way of Ordinary Resolution is sought by the Company for the material contracts/ arrangements/transactions proposed to be entered into by the Company at the ensuing AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months.

Pursuant to Regulation 23 of the SEBI Listing Regulations, a related party transaction shall be considered material if it exceeds the threshold limits prescribed under the SEBI Listing Regulations and therefore requires approval of the Members of the Company. In this regard, during the year under review, the Company had obtained the necessary approval of the Members for potential material related party transactions. The details of Related Party Transactions as required under the applicable accounting standards are disclosed in the notes to the Financial Statements forming part of the Annual Report. The particulars of contracts or arrangements referred to in section 188 (1) of the Companies Act, 2013 with related parties and as mentioned in form AOC-2 is attached as "Annexure C".

Members may note that the details of RPTs as required under Ind AS 24 are reported in the explanatory notes to the financial statements. Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the reports on RPTs with BSE.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following is the Board Composition as on March 31, 2026 and as on date of this report:

Name of Director	DIN	Designation
Mr. Milan Shah Bhupendra	08163535	Managing Director upto May 11, 2026 * re-designated as Non- Executive Non -Independent Director w.e.f. May 12, 2026
Mr. Prem Singh Rawat	01423453	Non-Executive Director-Chairperson
Mr. Sanjay Ram Takale	07111445	Non-Executive Director
Mr. Prakash Gaur	02246745	Non-Executive Director
Mr. Ravi Cheddilal Soni	02151813	Executive Director
Mrs. Darshana Avadhoot Sawant	10130596	Non- Executive Independent Director ** resigned w.e.f. April 14, 2026
Mr. Virendra Singh Verma	07843461	Non- Executive Independent Director # resigned w.e.f. June 9, 2026
Mrs. Akanksha Sunny Bilaney	07093148	Non- Executive Independent Director Chief Financial Officer
Mr. Anand Manoj Shah	11709310	$redesignated as Managing Director & Chief Financial Officer w.e.f. May 12, 2026
Mrs. Anshu Shukla Pandey	11809932	Non- Executive Independent Director $$ appointed w.e.f. July 10, 2026

*As on the date of this Report, Mr. Rajnish Kumar and Mr. Nikunj Kampani have been appointed as Advisors to the Board pursuant to the approval of the Board of Directors at its meeting held on July 09, 2026.

a) Re-appointment of Director retiring by rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Sanjay Ram Takale (DIN: 07111445) and Mr. Prem Singh Rawat (DIN: 01423453), Non-Executive Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment. The Board recommends their re-appointment for the approval of the Members.
The Director of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of section 164(2) of the Companies act, 2013.

b) Key Managerial Personnel ("KMP")

Pursuant to Section 203 of the Companies Act, 2013, the Company has following Key Managerial Personnel as on March 31, 2026 and as on the date of this report:

1. Mr. Milan Shah Bhupendra, Managing Director (Redesignated as Non-Executive Director w.e.f. 12.05.2026)
2. Mr. Anand Manoj Shah, Chief Financial Officer (Redesignated as Managing Director & CFO w.e.f. 12.05.2026)
3. Ms. Neha Mankame, Company Secretary & Compliance Officer (Resigned on 28.02.2026)
4. Ms. Prachi Parag Kela, Company Secretary & Compliance Officer (Appointed w.e.f. 11.05.2026)

c) Changes in the Composition of the Board and Key Managerial Personnel

During the year, there were following changes in the composition of the Board of Directors and Key Managerial Personnel:
1. As per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 26th September, 2025 had appointed Mr. Prakash Gaur (DIN: 02246745) as an Additional Director in the capacity of Non-Executive Director of the Company and Ms. Darshana Avadhoot Sawant (DIN: 10130596) as an Additional Director in the capacity of Non-Executive Independent Director of the Company. Further, in Extra Ordinary General Meeting of the Company held on 24th December, 2025, the shareholders of the company had approved the appointment of Mr. Prakash Gaur (DIN: 02246745) as Non-Executive Director and Ms. Darshana Avadhoot Sawant (DIN: 10130596) as Non-Executive Independent Director of the Company.

2. Ms. Neha Mankame resigned as Company Secretary & Compliance Officer on 28.02.2026.

After the end of financial year, there were following changes in the composition of the Board:
1. Ms. Darshana Avadhoot Sawant (DIN: 10130596) had resigned from the position of Non-Executive Independent Director of the Company with effect from April 14, 2026.

2. The Board of Directors at its Meeting held on 11th May, 2026 had re-designated Mr. Milan Shah Bhupendra (DIN: 08163535) from the position of Managing Director to Non-Executive Director of the Company with effect from 12th May, 2026, Also, Mr. Anand Manoj Shah (DIN: 11709310) was redesignated/ elevated from Chief Financial Officer to Managing Director & Chief Financial Officer subject to the approval of members with effect from 12th May, 2026.

3. Mr. Virendra Singh Verma (DIN: 07843461) resigned from the position of Non-Executive Independent Director of the Company with effect from June 09, 2026

4. Ms. Anshu Shukla Pandey (DIN: 11809932) was appointed as an Additional Non-Executive Independent Director of the Company with effect from July 10, 2026 for a period of 5 years subject to approval of members.

The necessary resolutions for the redesignation of directors and their brief profile have been included in the notice convening the ensuing Annual General Meeting. The brief resume of the Director seeking re-designation at the ensuing Annual General Meeting, in pursuance of Regulation 36(3) of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 is annexed to the Annual General Meeting Notice.

d) Declaration by Independent Directors

The Company have following Independent Director as on March 31, 2026 and as on the date of this report:
1. Mrs. Akanksha Sunny Bilaney (DIN: 07093148)
2. Mr. Virendra Singh Verma (DIN: 07843461) (resigned w.e.f. June 09, 2026)
3. Ms. Darshana Avadhoot Sawant (DIN: 10130596) (resigned w.e.f. April 14, 2026)
4. Ms. Anshu Shukla Pandey (DIN: 11809932) (appointed w.e.f. July 10, 2026)

The Company has received declaration of Independence from all the Independent Directors as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of SEBI (LODR).

All Independent Directors have furnished the declarations that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16 of SEBI Listing Regulations, as amended from time to time and abide by Code of Conduct for Directors and Senior Management Personnel framed by the Company and as prescribed in Schedule IV to the Act. Further, they have confirmed that there has been no change in the circumstances or situation which exist or may be reasonably anticipated, that could impair or impact the ability of Independent Directors to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors hold high standards of integrity, expertise and experience (including proficiency).

During the year under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, paid to them for attending meetings of the Board of the Company.

In the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity for the purpose of Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014. List of key skills, expertise and core competencies of the Board, including the Independent Directors, is provided in the Corporate Governance Report annexed to this Annual Report.

e) Disclosure and Confirmations by Director and KMP

The Board has taken on record the following disclosures and confirmations submitted by the Directors and KMP of the Company:

• Disclosure of interest pursuant to Section 184(1) read with Section 189(2) of the Act, submitted by the Directors and KMP of the Company;

• Declaration confirming that they are not disqualified from being appointed or continuing as Directors in terms of Section 164(2) of the Act, submitted by the Directors of the Company;

• Declaration regarding compliance with the Code of Conduct for Directors and Senior Management Personnel of the Company, submitted by the Directors and KMP of the Company; and

• Confirmation that they are not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India (“SEBI”) or any other statutory/regulatory authority, submitted by the Directors of the Company.

15. POLICIES ON APPOINTMENT OF DIRECTORS AND REMUNERATION

The Board of Directors comprises individuals possessing diverse skills, expertise and rich professional experience across varied domains, thereby enhancing the quality, effectiveness and overall performance of the Board. The Members of the Board, including the Members of the various Committees constituted thereunder, provide invaluable guidance, strategic direction, and mature counsel to the management of the Company, thereby contributing meaningfully to its governance and long-term objectives.

Board Diversity Policy

In recognition of the value of diversity in board composition, the Company has adopted a Board Diversity Policy which can be accessed at www.aerpace.com.

Nomination and Remuneration Policy

In accordance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II to the SEBI Listing Regulations, the Company has formulated a Nomination and Remuneration Policy ("NRC Policy"), which inter alia sets out the guiding principles for the Nomination and Remuneration Committee for identifying and recommending to the Board of Directors persons who are qualified to be appointed as Directors or Senior Managerial Personnel of the Company; the criteria for determining the independence of Directors proposed to be appointed as Independent Directors of the Company; and the criteria and framework for determining the remuneration payable to the Key Managerial Personnel, and Senior Management Personnel of the Company.

The NRC Policy is available on the website of the Company and may be accessed at the following link: www.aerpace.com.

16. BOARD AND COMMITTEE MEETINGS

During the financial year ended March 31, 2026, the Board met 7 (Seven) times i.e., May 14, 2025, July 17, 2025, August 14, 2025, September 26, 2025, November 12, 2025, December 12, 2025 and February 12, 2026. The intervening gap between the two consecutive meetings did not exceed one hundred and twenty days and the necessary quorum was present for all the meetings held during the year.

17. BOARD COMMITTEES

The Company's Board has the following Committees:

- Audit Committee
- Stakeholder Committee
- Nomination & Remuneration Committee

Details of all the above-mentioned Committees constituted by the Board along with their composition, terms of references and meetings held during the year are provided in the Report on Corporate Governance which forms part of this Report.

18. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board, its Committees and Independent Directors continuously strive for efficient functioning of Board and its Committees and better corporate governance practices. The Board of Directors, at its meeting held on May 11, 2026, conducted a structured annual performance evaluation of its own functioning, the performance of its Committees, and the individual performance of each Director, based on inputs received from all Directors. The evaluation was carried out against various performance criteria, including, inter alia, Board composition and structure, effectiveness of Board processes, quality and timeliness of information flow, and overall functioning of the Board and its Committees.

The Board expressed its satisfaction with the overall evaluation process. The observations and feedback emerging from the evaluation were duly noted and the Board and the management agreed on various action points to be implemented in course of subsequent meetings. The evaluation process endorsed cohesiveness amongst Directors, the openness of the management in sharing strategic information with the Board and placing various proposals for the Board's consideration and approval to enable Board Members to discharge their responsibilities.

The Independent Directors met on March 09, 2026, without the presence of other Directors or members of Management. All the Independent Directors were present at the meeting. In the meeting, Independent Directors inter alia reviewed the performance of Non-Independent Directors, the Board as a whole and the performance of the Chairperson of the Company was evaluated, taking into account the views of Executive Director and Non-Executive Director. They assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. The Independent Directors expressed satisfaction with overall functioning of the Board.

19. DIRECTORS TRAINING AND FAMILIARIZATION

The Company undertakes and makes necessary provision of an appropriate induction program for new Director(s) and ongoing training for existing Directors. The new Director(s) is introduced to the Company culture, through appropriate training programs. Such kind of training programs helps develop relationship of the directors with the Company and familiarize them with Company processes. The management provides such information and training either at the meeting of Board of Directors or at other places.

The induction process is designed to

- build an understanding of the Company's processes and
- fully equip Directors to perform their role on the Board effectively

20. DIRECTOR’S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the Board, to the best of their knowledge, hereby confirmed that
i. In the preparation of Annual Accounts and Financial Statements for the year ended March 31st, 2026, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

ii. They have selected such accounting policies and applied them consistently and made judgment 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 loss of the Company for that period.

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. They have prepared annual accounts on a going concern basis.

v. They have laid down internal financial control to be followed by the company and that such internal financial control is adequate and were operating effectively.

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

21. AUDITORS AND AUDITOR’S REPORT

I. STATUTORY AUDITORS

The Board have approved the appointment of M/s. Ramanand & Associates, Chartered Accountants (Firm Registration Number 117776W) as the Statutory Auditors for F.Y. 2024-25 to fill the causal vacancy caused by the resignation of M/s Singrodia & LLP. Further, the shareholder at their Extra Ordinary General Meeting held on 28th December, 2024 have approved the appointment of M/S. Ramanand & Associates, Chartered Accountants for the Financial Year 2024- 25, to fill the casual vacancy caused by the resignation of M/s. Singrodia & LLP, Chartered Accountants, to hold office until the conclusion of Annual General Meeting to be held in the year 2025.

As per the recommendation of the Audit Committee and Board of Directors, the members of the company had approved the appointment of M/s. Ramanand & Associates, Chartered Accountants (Firm Registration Number 117776W), as a Statutory Auditors of the Company to hold office, for a term of five consecutive years from the conclusion of 14th Annual General Meeting till the conclusion 18th Annual General Meeting to be conducted in the financial year 2029-30.

Statutory Audit Report

The Statutory Auditors' Report for the financial year ended March 31, 2026, on the financial statements of the Company is a part of this Annual Report. The Auditors' Report for the year

II.SECRETARIAL AUDITORS

Pursuant to the recommendation Audit Committee and the Board of Directors, the Members of the Company had approved the appointment of M/s. Jain Preeti & Company, Practicing Company Secretaries (Firm Registration No: 14964), as the Secretarial Auditors of the Company, for a term of five consecutive years, commencing from Financial Year 2025-2026 upto Financial Year 2029-30.

Subsequent to the end of this financial year, M/s. Jain Preeti & Company, Practicing Company Secretaries (Firm Registration No: 14964), tendered her resignation from the office of Secretarial Auditor of the Company on 5th May, 2026, due to professional commitments and her inability to undertake Secretarial Audit for the financial year 2025-26.

Consequently, the Board of Directors at its meeting held on 11th May, 2026, appointed M/s. Pravesh Palod & Associates, Practicing Company Secretary (Peer Review Firm Registration No: 7406/2025), to fill the casual vacancy caused by the resignation of M/s Jain Preeti & Company, Practicing Company Secretaries (Firm Registration No: 14964) and to act as the Secretarial Auditor of the Company.

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014, M/s. Pravesh Palod & Associates, Practicing Company Secretary (Peer Review Firm Registration No: 7406/2025), were appointed to undertake the Secretarial Audit of the Company for the year 2025-26. The Secretarial Audit Report for the year 2025-26 is annexed as "Annexure D" and forms part of this Report.

Secretarial Audit Report

The Report of the Secretarial Auditor in Form MR-3 for the financial year ended March 31, 2026, is enclosed as "Annexure-D" to this Report. The Report does not contain any qualification, reservation or adverse remark except the matters reported in Annexure reported in "Annexure I"

III.REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee or the Board, any instances of fraud committed by its officers or employees under Section 143(12) of the Act.

IV.INTERNAL AUDITORS

M/s Rohit Gondhiya & Associates Chartered Accountants (Firm Registration Number: 133649W) were appointed as Internal Auditors of the Company for the financial year 2025-26.

Further, as on the date of this report, the Board of Directors had re-appointed at M/s. Rohit Gondhiya & Associates Chartered Accountants (Firm Registration Number: 133649W) at its Meeting held on May 11, 2026 as Internal Auditor of the Company for the financial year 2026-27

22.EXTRACT OF ANNUAL RETURN

The Annual Return as required under Section 134(3)(a) read with Section 92(3) of the Act, is hosted on the Company's website and can be accessed at www.aerpace.com.

23. PARTICULARS OF EMPLOYEE

The statement of disclosures required pursuant to Section 197(12) & 197(14) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in "Annexure-E" to this Report.

The Company confirms that no employee was in receipt of remuneration in excess of limits prescribed under the provisions of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24. WHISTLE BLOWER/VIGIL MECHANISM

In compliance with the provisions of Section 177 of the Act and Regulation 22 of SEBI Listing Regulations Company's Whistle Blower Policy/ Vigil Mechanism aims to provide the appropriate platform for whistle blowers to report instances of any actual or suspected incidents of unethical practices, violation of applicable laws and regulations or any other concerns pertaining to the conduct of business of the Company.

The Policy also provides for adequate safeguards against victimization of Director(s)/ employee(s) who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases. It is hereby affirmed that no person has been denied access to the Audit Committee.

The Whistle Blower Policy/ Vigil Mechanism is uploaded on the Company's website and can be accessed at www.aerpace.com.

The Audit Committee remains committed to ensuring a fraud-free work environment. All complaints, if any, are investigated speedily, confidentially and in an impartial manner and appropriate action is taken to ensure that the requisite standards of professional and ethical conduct are consistently maintained.

During the FY 2025-2026, no complaints or cases under this mechanism were reported to the Company.

25. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a Prevention of Sexual Harassment (POSH) policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules framed thereunder for prevention and effective redressal of complaints of sexual harassment at workplace. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee has been duly constituted in compliance with the POSH Act. As required under Section 22 of POSH Act, following is the summary of sexual harassments complaints received and disposed of during the financial year ended March 31, 2026.

Number of Complaints Received :	Nil
Number of Complaints disposed off :	Nil
Number of cases pending for more than 90 days :	Nil

26. MATERNITY BENEFITS

The Company hereby confirms that it is in compliance with the provisions of the Maternity Benefit Act, 1961 as amended from time to time. Adequate provisions have been made for grant of maternity leave and related benefits to eligible women employees in accordance with the applicable provisions of the said Act.

The Company remains committed to maintaining a supportive, safe and inclusive workplace and ensuring compliance with all applicable labour laws relating to employee welfare and maternity benefits.

27. CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons their immediate relatives and connected persons as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also incorporates a code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website and can be accessed at www.aerpace.com.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

A. Conversation of Energy:

The Company has initiated to take adequate measures for conservation of energy. The Company shall explore alternative source of energy as and when the necessity arises.

B. Technology Absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

C. Foreign Exchange Earnings and Outgo: (Rs. in lakhs)

Particulars	Current Year	Previous Year
Foreign Exchange Outgo	11.32	Nil
Foreign Exchange earned	Nil	Nil

29. INDUSTRIAL RELATION

The industrial relations remained cordial during the year review.

30. EMPLOYEE STOCK OPTION SCHEME

The Company had introduced the Aerpace Industries Limited Restricted Stock Unit Plan 2024 (Aerpace – RSU 2024) (ESOP Scheme) for the benefit of eligible employees of the Company and its Group Company(ies), including its holding, subsidiary and associate company(ies), as approved by the Board of Directors at its meeting held on November 30, 2024 and subsequently approved by the Members at the Extra-Ordinary General Meeting held on December 28, 2024. The details with respect to Aerpace – RSU 2024 has been made available in the website of Company and can be accessed at www.aerpace.com.

During the year under review, the Members of the Company approved certain amendments to the Aerpace – RSU 2024 Plan and further approved an increase in the ESOP Pool from 70,00,000 (Seventy Lakhs) options to 1,45,00,000 (One Crore Forty-Five Lakhs) options at the Extra-Ordinary General Meeting held on December 24, 2025.

Further, the Company has granted stock options to eligible employees under the Employee Stock Option Plan ("ESOP Scheme") approved by the shareholders. The details of the stock options granted, vested, exercised and lapsed, as applicable, are available on the website of the Company at www.aerpace.com and may be accessed under the relevant section of the Company’s website. The Company is in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

31. HUMAN RESOURCES

Your Company considers Great Brand and Great People as its biggest asset. The Company is continued to organize various inbound and outbound training programs, recreation and team building activities to enhance employee skills and motivation. Company also conducted various workshops and events for grooming and upgrading vocational skills of the talent pool in order to meet future talent requirements.

32. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required by Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Cash Flow Statement & Consolidated Statement is appended.

33. SERVICE OF DOCUMENTS THROUGH ELECTRONIC MEANS

Subject to the applicable provisions of the Act, and applicable law, all documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of members whose email addresses are registered in their demat account or are otherwise provided by the members to the Company or its Registrar and Share Transfer Agent. A member shall be entitled to request for physical copy of any such documents.

34. POSTAL BALLOT

During the financial year under review, the Company did not pass any resolution through Postal Ballot. Accordingly, no Postal Ballot Notice was issued to the members of the Company during the year and the date of this Report.

35. OTHER DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the financial year under review:

a). The Company has not accepted any deposits from public within the meaning of Section 73 and 74 of the Act and Rules framed thereunder (including any amendments thereof) during the FY 2025-2026 and, as such, no amount on account of principal or interest on deposit from public was outstanding as on the date of this Report.

b). The Company has duly complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, i.e., SS-1, and SS-2 relating to “Meetings of the Board of Directors”, and “General Meetings” respectively.

c). The provisions of section 135 of the Companies Act, 2013, related to Corporate Social Responsibility is not applicable to the company.

d). There were no significant and material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operation.

e). The Company has not defaulted in repayment of loans from banks and/or financial institutions. Further, as the Company has not issued any debt securities, there is no delay or default in payment of interest or principal.

f). The provision of Section 148 of the Act relating to maintenance of cost records and cost audit are not applicable to the Company.

g). There were neither any applications filed by or against the Company nor any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

h). During the year under review, the Company did not enter into any one-time settlement with any Bank or Financial Institution. Accordingly, disclosure under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 relating to the difference between the valuation done at the time of one-time settlement and the valuation done at the time of availing the loan is not applicable.

i). During the year under review, the provisions relating to credit rating were not applicable to the Company, as the Company has neither issued any debt securities, including Non-Convertible Debentures (NCDs) or commercial papers, nor accepted any public deposits requiring such rating.

36. ACKNOWLEDGEMENT

The Board of Director take this opportunity to thank all its shareholders, valued customer, banks, government and statutory authorities, investor, and stock exchange for their continued support to the company. Your directors wish to place on record their deep sense of appreciation for the committed services by employees. Your directors acknowledge with gratitude the encouragement and support extended by our valued shareholders and the Promoters of the Company.

For and on behalf of the Board of Directors

Anand Manoj Shah

Manging Director & CFO

DIN: 11709310

Prem Singh Rawat

Director

DIN: 01423453

Date: August 11, 2026
Place: Mumbai

Annexure-B

AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY AND ASSOCIATE COMPANIES

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

Name of Subsidiary	Reporting period	Reporting currency	Exchange rate on last day of financial year	Share capital
Aerpace Supercars Private Limited	April to March	INR	NA	801.01
Aerpace General Trading LLC	April to March	AED	25.46	28.58

Reserves & surplus	Total assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed dividend	% of shareholding
-564.60	2932.29	2695.88	0	0	-300.80	0	-298.39	0	51%
-	28.58	0	0	0	0	0	0	0	75%

For and on behalf of the Board of Directors

Anand Manoj Shah

Manging Director & CFO

DIN: 11709310

Prem Singh Rawat

Director

DIN: 01423453

Date: August 11, 2026
Place: Mumbai

Annexure D
SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Aerpace Industries Limited
Kanakia Wall Street, No -1005,
10th Floor, A Wing, Andheri Kurla,
Road, Andheri (east), Mumbai- 400093,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aerpace Industries Limited (CIN: L74110MH2011PLC214373) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2026 ("period under review"), complied with the statutory provisions listed hereunder and also that the Company had proper Board –processes and compliance–mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 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 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");

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

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

(viii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)

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

(x) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

(xi) 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;

(xii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

(xiii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period).

I have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards issued by The Institute of Company Secretaries of India;

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into by the Company with Stock Exchange;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except in respect of certain matters:

1. The delay in closure of the Trading Window occurred due to an inadvertent procedural oversight, with no trading by designated persons during the intervening period, and the Company has strengthened its compliance controls to ensure timely compliance going forward.

2. There was a delay in updating the details of Designated Persons and their immediate relatives on the designated depository portal under the SDD mechanism, which has since been rectified and internal compliance controls have been strengthened to ensure timely compliance going forward.

3. A marginal delay was observed in uploading the Integrated Financial Results on the Stock Exchanges due to technical challenges faced by the secretarial team.

4. There was a delay in complying with certain disclosure requirements relating to ESOP grants under the SEBI LODR Regulations and the SEBI (SBEB & SE) Regulations, 2021. The Company has since initiated the necessary corrective actions and updated the requisite disclosures.

5. There were instances of inadvertent typographical errors and marginal delays in certain filings submitted to the Stock Exchanges, which were subsequently rectified, with the Company strengthening its internal review and monitoring controls to ensure accurate and timely compliance going forward.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that some of the Board Meetings of the Company during the year under review, were held at a shorter notice with the consent of the directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. However, in the minutes of the meetings of Board and its Committees, for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

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

I further report that during the audit period:

1. The Members of the Company, at the Extra-Ordinary General Meeting held on December 24, 2025, approved the increase in the option pool under the Aerpace Industries Limited Restricted Stock Unit Plan 2024 (Aerpace – RSU 2024) from 70,00,000 (Seventy Lakhs) options to 1,45,00,000 (One Crore Forty-Five Lakhs) options by creation of an additional 75,00,000 (Seventy-Five Lakhs) options for grant to eligible employees under the said Plan. The Members also approved the amended Aerpace Industries Limited Restricted Stock Unit Plan 2024 (Aerpace – RSU 2024).

2. The Members of the Company approved the appointment of M/s. Ramanand & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a term of five (5) consecutive years, from the conclusion of the 14th Annual General Meeting until the conclusion of the 18th Annual General Meeting to be held in the Financial Year 2029-30.

3. The Members had appointed M/s. Jain Preeti & Company, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of five (5) consecutive financial years from FY 2025-26 to FY 2029-30. Upon their resignation due to pre-occupation, the Board of Directors, at its Meeting held on May 11, 2026, appointed M/s. Pravesh Palod & Associates, Practicing Company Secretaries, to fill the casual vacancy, who shall hold office upto the date of ensuing Annual General Meeting.

4. The Members of the Company approved the material related party transactions to enable the Company to enter into related party transactions in the ordinary course of business, as and when required, in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This report is to be read with my letter of even date which is annexed as “Annexure – I” and forms an integral part of this report.

For Pravesh Palod & Associates
Practicing Company Secretary
(A Peer Reviewed Firm Registration No. 7406/2025)

Pravesh Palod
Proprietor
Mem. No.: A57964
COP: 26765
UDIN: A057964H001079105

Date: August 11, 2026
Place: Indore
Encl: a/a

ANNEXURE I

The Members
Aerpace Industries Limited
Kanakia Wall Street, No -1005, 10th Floor, A Wing, Andheri
Kurla, Road, Andheri (east), Mumbai- 400093,

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test-check basis (by verifying records as were made available to me) to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provided a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and have relied on Statutory Auditors' independent assessment on the same.

4. Wherever required, I 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. My examination was limited to the verification of process followed by Company to ensure adequate Compliance on test-check basis.

Disclaimer
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.

For Pravesh Palod & Associates
Practicing Company Secretary
(A Peer Reviewed Firm Registration No. 7406/2025)

Pravesh Palod
Company Secretary
Mem. No.: A57964
COP: 26765
UDIN: A057964H001079105
Date: August 11, 2026
Place: Indore

Annexure C

Form AOC-2

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

Form for Disclosure of particulars of contract/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis for the year ended March 31, 2026

Name of the Related party & Nature of Contract	Nature of Relationship	Duration of Contract	Salient terms	Amount in (Rs)
NIL	NIL	NIL	NIL	NIL

2. Details of material contracts or arrangements or transactions at Arm's length basis for the year ended March 31, 2024.

Name of the Related party & Nature of Contract	Nature of Relationship	Nature of Transaction	Duration of Contract	Salient terms	Amount in Lakhs
Aerpace Supercars Private Limited	Subsidiary Company	Sale of goods or services	2025-26	As per the resolution passed by the shareholders	213.60

Aerpace Supercars Private Limited	Subsidiary Company	Availing or Rendering of Service (Loan Given)	2025-26	As per the resolution passed by the shareholders	604.91
Aerpace Robotics Private Limited	Entity where KMP/ Relative of KMP exercise significant influence	Availing or Rendering of Service (Loan Given)	2025-26	As per the resolution passed by the shareholders	2617.13
Aerpace General Trading LLC	Subsidiary Company	Selling or otherwise disposing of, or buying, property of any kind	2025-26	As per the resolution passed by the shareholders	28.58

For and on behalf of the Board of Directors

Anand Manoj Shah

Manging Director & CFO

DIN: 11709310

Prem Singh Rawat

Director

DIN: 01423453

Date: August 11, 2026
Place: Mumbai

Annexure E

[Statement of Disclosure of Remuneration pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

i. The ratio of the remuneration of each Director to the median remuneration of employees for the Financial Year 2025-2026 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2025-26:

Name	Designation	24-2025 (₹ in Lakhs)	25-2026 (₹ in Lakhs)	% increase/ (decrease) in remuneration in financial year	Ratio of remuneration of each Director to median remuneration of Employees
Mr. Milan Shah	Managing Director	-	-	-	-
Mr. Sanjay Takale	Non-Executive Director	-	-	-	-
Mr. Prem Singh Rawat	Chairman & Non-Executive Director	6.00	24.04	300.67%	2.78x
Mr. Prakash Gaur	Non-Executive Director	-	6.00	-	0.69x
Mr. Ravi Soni	Executive Director	4.50	18.04	300.89%	2.09x
Mr. Anand Manoj Shah	Chief Financial Officer	26.54	35.78	34.81%	4.15x
Ms. Neha Manakme	Company Secretary & Compliance Officer	1.50	1.50	-	-

For the purpose of Ratio of remuneration of each Director to median remuneration of Employees, the remuneration considered is excluding perquisites on ESOPs. Median remuneration is calculated for active employees as on March 31, 2026.

Note 1: Sitting fees paid to Non-Executive Independent Directors have not been considered for the calculation of the aforesaid parameters.
Note 2: Remuneration or fees paid to Non-Executive Directors and Board Advisors have not been considered while calculating the median remuneration of employees.
Note 3: Since the Company has not yet commenced its operations, the Board has not recommended any remuneration to the Managing Director

ii. The percentage increase/ decrease in the median remuneration of employees in the financial year:

The median remuneration of employees in the financial year 2025-26 has decreased by 45.01% as compared to the previous year.

iii. The number of permanent employees on the rolls of the Company:
As on March 31, 2026, 45 permanent employees and workers were on the rolls of the Company.

iv. Average percentile increased 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:

Category	Increase/ (Decrease) %	Justification
Employees other than managerial personnel (common employees	-	NA
Aggregate remuneration of Directors and KMP	105.92%	The increase in the remuneration of Mr. Prem Singh Rawat, Mr. Ravi Cheddilal Soni & Mr. Anand Manoj Shah was attributable to the additional roles and responsibilities in the Company

v. Affirmation that the remuneration is as per the Remuneration Policy of the Company Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

It is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company

For and on behalf of the Board of Directors

Anand Manoj Shah	**Prem Singh Rawat**
Manging Director & CFO	Director
DIN: 11709310	DIN: 01423453

Date: August 11, 2026
Place: Mumbai

Annexure D
CORPORATE GOVERNANCE REPORT

This Corporate Governance Report relating to FY 2025-26 has been issued in compliance with the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") and this report contains the details of Corporate Governance systems and processes at Aerpace Industries Limited ("hereinafter referred to as Company"/"Aerpace"):

A. COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's policy on Corporate Governance is guided by the principles of transparency, fairness, equity, accountability, and full disclosure. The framework seeks to ensure ethical conduct of business, effective management and oversight, protection of stakeholders' interests, and compliance with applicable laws, regulations, and best governance practices.

A robust governance structure is strongly believed to be the stepping stone towards achieving every milestone. The Company further affirms that good Corporate Governance fosters the achievement of long-term corporate goals and enhances stakeholders' value. The Company believes that its systems and actions must be aligned and dovetailed with its long-term objectives to enhance corporate performance and maximize shareholders' value over the long term.

A Code of Business Conduct has been adopted for the Directors and Management Personnel.

B. SHAREHOLDERS

The Companies Act, 2013 (hereinafter referred to as "Act"), the SEBI Listing Regulations prescribes the governance mechanism by shareholders in terms of passing of ordinary and special resolution(s), voting rights, participation in the corporate actions such as bonus issue, buyback of shares, declaration of dividend, etc. A robust process is followed to ensure that the shareholders of the Company are well informed of Board decisions both on financial and non-financial matters and adequate Notice with a detailed explanation is sent to the shareholders well in advance to obtain necessary approvals.

Approval of shareholders is sought through various resolutions at the AGM held every year. In addition, approval of shareholders is also sought through Extra Ordinary General Meeting/ Postal Ballot, in case of urgency of the matter(s) as per the applicable regulations.

C. BOARD OF DIRECTORS

The Board of Directors ("the Board") of the Company is broad-based consisting of experienced professionals from varied/ diverse disciplines/ fields including banking, finance, legal and allied areas. The day-to-day management of the affairs of the Company is entrusted with the leadership team i.e., Managing Director and Chief Financial Officer ("CFO"). They function under the overall supervision, direction and control of the Board of the Company. The Board meets at regular intervals to discuss, review, decide, and approve critical business/financial matters, review of policies and formulation of new policies, setting up of goals, overseeing risk-management control functions, etc.
In order to facilitate the day-to-day management of the affairs of the Company, various Committees of the

Board have been constituted, and necessary powers have been delegated to the Committees and Key Managerial Personnel. The overall functioning of the Company is thus supervised and controlled by the Board with a view to enhancing stakeholder value.

1. COMPOSITION AND SIZE OF THE BOARD

As on March 31, 2026, the Company has an active, experienced, well-informed and diverse mix of Executive and Non-Executive Directors with half of the Board comprising of Non-Executive Independent Directors, from diverse backgrounds and possesses a range of expertise, talent, experience, knowledge and independence, which is in conformity with the requirements of Regulation 17 of the SEBI Listing Regulations as well as the Act, read with the Rules framed thereunder. At Aerpace, it is believed that an enlightened Board consciously fosters a culture of leadership to provide long-term vision and strategic direction, thereby improving the quality of governance. The actions and decisions of the Board are aligned with the best interests of the Company and its stakeholders.

The Board is chaired by the Non-Executive, Non-Independent Chairperson. The Independent Directors are free from any business or other relationship that could materially influence their judgment. In the opinion of the Board, all the Independent Directors are independent of the management and satisfy the criteria prescribed under the Act and the SEBI Listing Regulations.

As on date of this report, the Board of Directors comprise of 8 (Eight) Directors, consisting of 1 (One) Executive Director, 2 (Two) Independent Director, 4 (Four) Non-Executive Director and 1 (one) Managing Director.

In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company have submitted necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other Companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on March 31, 2026, none of the Directors of the Company:

(i) holds Directorship positions in more than twenty (20) companies [including ten (10) Public Limited Companies and seven (7) Listed Companies];
(ii) holds Executive Director position and serves as an Independent Director in more than three (3) listed companies; and
(iii) is a Member of more than ten (10) Committees and/ or Chairperson of more than five (5) Committees, across all the Indian Public Limited Companies in which they are Directors.

The profiles of our Directors are available on our website and can be accessed at www.aerpace.com.

2. BOARD MEETINGS AND BOARD ATTENDANCE

With a view to ensuring effective governance, the Board meeting dates are decided well in advance in consultation with the Board members, with careful alignment with regulatory requirements. The Board meeting dates are decided in consultation with the Board members. The schedule of the Board meetings and Committee meetings are communicated in advance to the Directors to enable them to attend the meetings.

During the year ended March 31, 2026 the Board met 7 (Seven) times i.e., May 14, 2025, July 17, 2025, August 14, 2025, September 26, 2025, November 12, 2025, December 02, 2025 and February 12, 2026.

The intervening gap between two consecutive meetings did not exceed one hundred and twenty days and the necessary quorum was present for all the meetings held during the year.

During the FY 2025-2026, the composition and categories of the Directors on the Board, their attendance at Board meetings and at the last Annual General Meeting ("AGM") held during FY 2025-2026, and their Directorship(s), Committee Membership(s) or Chairpersonship(s) in other companies is provided below:

Name of Director and Identification Number (DIN)	Designation	Date of initial appointment	Other Director ship	Other Committee Membership	Other Committee Chairmanship	No. of Shares Held	No. of Board Meetings attended/ No. of Board Meeting Entitled to attend	Last AGM attended on August 11, 2025
Mr. Milan Shah Bhupendra (DIN: 08163535)	Executive Director, Managing Director	09-03-2022	1	2	0	43,23,035	7/7	Yes
Mr. Prem Singh Rawat (DIN: 01423453)	Non-Executi ve - Non Independent Director, Chairperson	02-09-2023	1	2	1	-	7/7	Yes
Mr. Ravi Chhedilal Soni (DIN: 02151813)	Executive Director	14-05-2024	1	0	0	-	7/7	Yes
Mr. Sanjay Ram Takale (DIN: 07111445)	Non-Executi ve -Non Independent Director	04-05-2022	1	0	0	24,11,765	7/7	Yes
Mr. Virendra Singh Verma (DIN: 07843461	Non-Executi ve - Independent Director	04-05-2022	2	3	0	-	7/7	Yes

Mrs. Akanksha Sunny Bilaney (DIN: 07093148)	Non-Executive - Independent Director	09-03-2022	1	2	1	-	7/7	Yes
Mr. Prakash Gaur (DIN: 02246745)	Non-Executive - Non Independent Director	26-09-2025	1	0	0	-	2/2	NA
Ms. Darshana Avadhoot Sawant (DIN: 10130596)	Executive - Independent Director	26-09-202	1	0	0	-	2/2	NA

Notes:

1. Excludes Directorship in Aerpace, Private Limited Companies, Foreign Companies, Companies registered under Section 8 of the Act and Government Bodies.
2. For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders' Relationship Committee of Public Companies have been considered, however it excludes the Memberships and Chairmanships in Aerpace.
3. None of the Directors are relatives of any other Director and each one of them are Independent to each other.
4. The Company has not issued any convertible instruments.
5. The necessary quorum was present for all the meetings of the Board.

3. CHANGES IN COMPOSITION OF BOARD DURING THE FY 2025-2026 AND AS ON DATE OF THIS REPORT

Name of Director	**Designation**	Nature of Change	Effective date
Ms. Darshana Avadhoot Sawant (DIN: 10130596)	Non-Executive - Independent Director	Cessation	14-04-2026
Mr. Virendra Singh Verma (DIN: 07843461)	Non-Executive - Independent Director	Cessation	09-06-2026

Mr. Anand Manoj Shah (11709310)	Managing Director & CFO	Re-designation	12-05-2026
Mr. Milan Shah Bhupendra (DIN: 08163535)	Non-Executive - Director	Re-designation	12-05-2026
Ms. Anshu Shukla Pandey	Non-Executive Independent Director	Appointment	10-07-2026

4. INFORMATION FLOW TO THE BOARD MEMBERS

The Board meets at regular intervals to deliberate and decide upon business strategies, policies and review the financial performance of the Company. The detailed agenda along with the relevant notes and other material information, are sent in advance, seven days before the Meeting, individually to each Director except for the meetings which were convened at a shorter notice. Timely and informed decisions by the Board are thereby ensured. Information is provided to the Board Members on a continuous basis for their review, inputs and approval. The financial results were generally tabled at the Board meeting. Quarterly/half-yearly unaudited financial results, audited annual financial results, financial statements, business plans, and annual budgets are reviewed and approved by the Board. The Company's quarterly and annual financial results/ statements are first presented to the Audit Committee and subsequently placed before the Board for its approval.
In addition, various matters such as appointment of Directors and KMP, details of investor grievances, important managerial decisions, material positive/ negative developments and legal/ statutory matters are placed before the respective Committees for their review and placed for noting/ approval of the Board subsequently upon recommendation by respective Committee(s).

The Documents and information containing Unpublished Price Sensitive Information are submitted to the Board at a shorter notice, as per the general consent taken from the Board, from time to time.

Post-Meeting Follow-Up System

The important decisions taken at the Board and Committee meetings are tracked till their closure and a status report on pending action points is placed before each Board meeting for noting.

5. APPOINTMENT OF DIRECTORS

The Board has established a framework for the appointment, re-appointment and tenure of Independent Directors, aligned with the requirements of the Act and the SEBI Listing Regulations.
As per the provisions of the Act, the Independent Directors shall be appointed for not more than two terms, of a maximum of five years each, and shall not be liable to retire by rotation.
At the time of appointment of an Independent Director, a formal letter of appointment outlining their role, function, duties, and responsibilities is issued by the Company. The template of the letter of appointment is available on our website and can be accessed at www.aerpace.com.

6. INDEPENDENT DIRECTORS

The Board of the Company consists of three (3) Independent Non-Executive Directors. In the opinion of Board, All the Non- Executive Independent Directors fulfil the conditions as specified in the Act and SEBI Listing Regulations and are Independent of the management.

A vital role is played by the Independent Directors in the governance processes of the Board by enhancing corporate credibility, governance standards and in risk management. Their increased presence in the boardroom serves as a catalyst for maintaining an appropriate balance between individual, economic and social interests.

All Independent Directors have provided their annual declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. A declaration under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended, confirming compliance with Rule 6(1) and (2) of the said Rules that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs ("IICA") has also been given by them. Independent Directors met once in the financial year without the presence of Non-Independent Directors or members of Management. Such meetings enable Independent Directors to discuss, review and assess performance of Non-Independent Directors, the Board as a whole, and the performance of the Chairperson of the Company. It also enables to ascertain communication and coordination processes being followed at Board and Management levels so that any lapses can be rectified. During the year under review, the Independent Directors met on March 09, 2026, inter alia, to:

1. Review and evaluate the performance of Non-Independent Directors of the Company and the Board as a whole;
2. Review and evaluate the performance of Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;
3. Evaluate the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the aforesaid meeting. The Independent Directors expressed their satisfaction with the performance and effectiveness of the Board, Non-Independent Directors and the Chairperson. They also expressed satisfaction with the quality, quantity and timeliness of the flow of information between the Management of the Company and the Board. Various suggestions emerging from the meeting of Independent Directors were duly noted by the Management. The Independent Directors continue to play an active and constructive role in the deliberations of the Board and its Committees.

7. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company has in place an orientation and familiarization programme for its Independent Directors, which is designed to enable them to understand:

a) Nature of business and business model of the Company, Company's strategic and operating plans.

b) Matters relating to corporate governance, code of conduct, risk management, compliance programs, internal audit, etc.

The familiarization process is commenced from the stage of induction of an Independent Director. The letter of appointment issued and other documents and information shared with the new Independent Director which include the details about their role, responsibilities, duties, and obligations under the Act, SEBI Listing Regulations as a member of the Board.

During FY 2025-2026, the Independent Directors of the Company were updated on significant changes in the regulations, duties and responsibilities of Independent Directors and redressal investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings. The Independent Directors interact with senior management during the Board and Committee meetings and familiarization programs. The Independent Directors get familiarized with workings of the Company during the deliberations and discussions on policies of the Company.
The details of familiarization programme imparted to Independent Non-Executive Directors are available on the website of the Company and can be accessed www.aerpace.com.

8. KEY SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD OF DIRECTORS

The Board of Directors comprises of experienced and accomplished individuals with deep expertise across key domains including strategic planning, corporate governance, legal and regulatory affairs, and finance. In addition to providing strategic guidance, Board members actively contribute through their participation in various Board and committee meetings, thereby ensuring diligent oversight, effective governance, and alignment with the organisation's long-term goals.
The following skills/expertise/competencies, fundamental for the effective functioning of the Company and currently available with the Board, have been identified

Name of Director	Category	Core skills/ expertise/ competenciesavailable with the Board
Mr. Milan Shah	Managing Director	Master in computer science
Mr. Prem Rawat	Non-Executive Director	Experts in Solar & Hydro Power Plants
Mr. Ravi Soni	Executive Director	Experts in engineering goods production
Mr.Sanjay Takle	Non-Executive Director	Professional in Car Racer & Enthusiast
Mr. Virendra Verma	Independent Director	Strategic Alliance Expert

Mrs. Akansha Bilaney	Independent Director	Experts in Manufacturing & Material Science
Mr. Prakash Gaur	Non-Executive Director	Experts in Economics, Trasport Planning, & Port and Logistics
Ms. Darshana Sawant	Independent Director	Company Secretary
Ms. Anshu Pandey	Independent Director	Expert in Tax administration & compliance

9. SUCCESSION PLANNING

An effective mechanism for succession planning, focusing on the orderly succession of Directors, Key Managerial Personnel, and other Senior Management Personnel, if any, has been established by the Company. This mechanism is implemented by the Nomination and Remuneration Committee in concurrence with the Board.

10. ANNUAL EVALUATION OF THE BOARD, INDIVIDUAL DIRECTORS AND COMMITTEES OF BOARD

The details of the methodology adopted for the annual evaluation of the Board, its Committees and individual Directors have been provided in the Board's Report, which forms an integral part of this Annual Report.

11. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

An effective Board is believed to be the cornerstone of robust corporate governance and long-term value creations. In alignment with regulatory mandates and global best practices, the performance evaluation of our Independent Directors is structured as a rigorous, constructive, and forward-looking exercise.
The criteria and manner for evaluation of performance of Independent Directors provide certain parameters like quality, commitment to the Company's vision, level of participation at Board/ Committee Meetings, level of engagement and contribution, Independence of judgment, understanding duties, responsibilities, qualifications, disqualifications and liabilities as an Independent Director, up-to-date knowledge/information pertaining to business of the Company which the Company is engaged in, implementation of good corporate governance practices, enhancing long term shareholders' value, professional approach, openness to ideas, providing guidance and counsel to senior management in strategic matters and rendering independent and unbiased opinion at the meetings & review of compliance reports on applicable laws, regulations and guidelines.

Details of methodology adopted for Board evaluation have been provided in Director's Report, which forms part of this Annual Report.

12. DIRECTORS' REMUNERATION

a. All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:
During the Financial Year 2025-26, the Company had no pecuniary relationships or material transactions with its Non-Executive and Independent Directors, other than the payment of sitting fees for attending the meetings of the Board and its Committees as approved by the Board.

b. Criteria of making payments to Non-Executive Directors:
The Company's philosophy regarding the remuneration of Directors, Key Managerial Personnel (KMP), and other employees is designed to foster a culture driven by leadership, integrity, and performance.

In accordance with the Act, and SEBI Listing Regulations, the Board has adopted a comprehensive Nomination and Remuneration Policy. The Company affirms that all remuneration paid during the year aligns with this Policy, which evaluates and rewards performance based on periodic reviews. The detailed Nomination and Remuneration Policy is available on the Company's website and can be accessed at www.aerpace.com.

Criteria for deciding the payments to be made to Non-Executive Directors are governed by this Policy and are determined based on factors such as:

• Active participation and time commitment in Board and Committee meetings.

• Additional governance responsibilities undertaken, including Chairmanship or Membership of various Board Committees.

During the year under review, the Non-Executive and Independent Directors were paid sitting fees of 3.78 Lakh for meetings of Board attended. The Company is being benefited from the expertise, advice and inputs provided by the Independent Directors. The Independent Directors devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company from time to time. Apart from the aforementioned sitting fees and the reimbursement of out-of-pocket travel expenses incurred to attend these meetings, no other payments—such as bonuses, pensions, stock options, or performance-linked incentives—are made to any Non-Executive or Independent Director.

The details of sitting fees/ remuneration paid to Directors during FY 2025-2026 are given below :
(INR in Lakhs)

Name of the Director/ Key Managerial Personnel	Salary/ Commission	Sitting fees	Total
Mr. Milan Shah	-	-	-
Mr. Prem Singh Rawat	24.04	-	24.04

Mr. Ravi Soni	18.04	-	18.04
Mr. Sanjay Takale	-	-	-
Mr. Virendra Singh Verma	-	1.53	1.53
Mrs. Akanksha Sunny Bilaney	-	2.25	2.25
Mr. Prakash Gaur	6.00	-	6.00
Ms. Darshana Sawant	-	-	-0
Mr. Anand Shah, Chief Financial Officer	35.78	-	35.78
Ms. Neha Mankame, Company Secretary (upto 28.02.2026)	1.65	-	1.65

Notes:

1. The Company also indemnifies its Directors and officers for claims brought under any rule of law to the fullest extent permitted by applicable law.

2. Amongst other things, the Company agrees to indemnify its Directors and officers for certain expenses, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of the Company, arising out of such person's services as the Director or officer, including claims which are covered by the Director's and Officer's Liability Insurance Policy (D&O Policy) maintained by the Company.

c. Disclosures with respect to remuneration:

Salient features of the agreement executed by the Company with the Managing Director:Mr. Milan Shah

Period of appointment	From March 09, 2022, up to May 11, 2026*
Remuneration	No remuneration was paid to Mr. Milan Shah Bhupendra during the period under review
Benefits, perquisites and allowances (excluding Company's contribution to Provident Fund, Superannuation, Gratuity, Leave Encashment)	As per Company's Policy
Notice period	As per Company's Policy
Severance fees	There is no separate provision for payment of severance fees.
Stock Option, if any	Not Applicable

*The Board of Directors had redesignated Mr. Milan Shah Bhupendra from Managing Director to Non-Executive Director with effect from May 12, 2026.

Salient features of the agreement executed by the Company with the Managing Director: Mr. Anand Shah

Period of appointment	From May 12, 2026, up to May 11, 2029**
Remuneration	Basic Salary ₹ 3,00,000 per month
Benefits, perquisites and allowances (excluding Company's contribution to Provident Fund, Superannuation, Gratuity, Leave Encashment)	As per Company's Policy

Notice period	As per Company's Policy
Severance fees	There is no separate provision for payment of severance fees.
Stock Option, if any	Not Applicable

**The Board of Directors had redesignated & elevated Mr. Anand Manoj Shah from Chief Financial Officer to Managing Director & Chief Financial Officer with effect from May 12, 2026.

D. COMMITTEES OF THE BOARD

The Board has constituted various Committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committee. Each Committee of the Board is guided by its charter/terms of reference, by which the scope, powers, and composition of the Committee are defined. All decisions and recommendations of the Committees are placed before the Board for information or approval.

During the financial year, the Board has accepted the recommendations of Committees on matters where such a recommendation is mandatorily required. There have been no instances where such recommendations have not been considered.

The terms of reference for each of the committees of the Board as required under Schedule V of the SEBI Listing Regulations are provided below:

1. AUDIT COMMITTEE

i.Constitution of the Audit Committee:

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Act and the provisions of Regulation 18 of SEBI Listing Regulations. All members of the Audit Committee are financially literate. The Committee comprises 3 (Three) Directors out of which 2 (Two) are Independent Directors as on March 31, 2026.
The Company Secretary of the Company acts as Secretary to the Committee.

ii. Terms of Reference:

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and inter alia, performs the following functions:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information including Auditors' Report thereon to ensure that the financial statement is correct, sufficient and credible;

b. To recommend the appointment, remuneration and terms of appointment of auditors of the Company;

c. To approve payment to the statutory auditors for any other services rendered by the statutory auditors;

d. To review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

• 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 Act;

• changes, if any, in accounting policies and practices and reasons for the same;

• major accounting entries involving estimates based on the exercise of judgment by management;

• significant adjustments made in the financial statements arising out of audit findings;

• compliance with listing and other legal requirements relating to financial statements;

• disclosure of any related party transactions;

• modified opinion(s) in the draft audit report;

e. To review with the management, the quarterly financial statements before submission to the board for approval;

f. To review and monitor 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 utilized 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 or preferential issue or qualified institutions placements, and making appropriate recommendations to the board to take up steps in this matter;

g. To review and monitor the auditor's independence and performance, and effectiveness of audit process;

h. To approve or any subsequent modification of transactions of the Company with related parties;

i) To scrutinize inter-corporate loans and investments;

j. To consider valuation of undertakings or assets of the Company, wherever it is necessary;

k. To evaluate internal financial controls and risk management systems;

l. To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n. To discuss with internal auditors any significant findings and follow up there on;

o. To review 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;

p. To discuss with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r. To review the functioning of the whistle blower mechanism;

s. To approve appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

t. To consider and comment on rational, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholder.

u. The Audit Committee mandatorily reviews the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor.
- Statement of deviations:

1. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

2. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

v. For Related Party Transactions:

• The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on related party transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;

• To formulate a policy on materiality of related party transactions and on dealing with related party transactions;

• All related party transactions shall require prior approval of the Audit Committee.

w. To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Act and/or the Rules made thereunder and/or the SEBI Listing Regulations, including any amendment(s) thereto as may be made from time to time.

iii. Composition, Meetings and Attendance:

The Audit Committee met 05 (Five) times i.e. meetings of Audit Committee were held on 14th May, 2025, 17th July, 2025, 14th August, 2025, 12th November, 2025 and 12th February, 2026. The necessary quorum was present for all the meetings held during the year.

As on March 31, 2026, the composition of the Audit Committee and the details of meetings attended by members of the committee are given below:

Name of Members	Category	Meetings Attended/ Meetings entitled to attend
Mrs. Akanksha Sunny Bilaney	Chairperson	5/5
Mr. Virendra Singh Verma	Member	5/5
Mr. Milan Shah	Member	5/5

As on the date of this Report, the Company has reconstituted the Audit Committee pursuant to the approval of the Board of Directors at its meeting held on July 9, 2026. The reconstitution was necessitated consequent to the resignation of Mr. Virendra Singh Verma from the Board and the appointment of Ms. Anshu Shukla Pandey as a Director of the Company. Accordingly, Mr. Milan Bhupendra Shah stepped down as a member of the Audit Committee, and Mr. Anand Manoj Shah and Ms. Anshu Shukla Pandey were inducted as members of the Audit Committee.

Name of Director	Category	Designation
Mrs. Akansha Sunny Bilaney	Non-Executive, Independent Director	Chairperson
Ms. Anshu Shukla Pandey	Non-Executive, Independent Director	Member
Mr. Anand shah	Managing Director & CFO	Member

The Company's Statutory and Internal Auditors (or their representatives) and other Executives are permanent invitees to the Audit Committee meetings held on a quarterly basis and as and when the need arises. Mrs. Akanksha Sunny Bilaney, Chairperson of the Audit Committee was present at the AGM of the Company held on August 11, 2025 to respond to the Shareholder's queries.

During the FY 2025-2026, there were no instances of any non-acceptance of recommendation(s) of the Audit Committee by the Board of Directors.

2. NOMINATION AND REMUNERATION COMMITTEE

i. Constitution of the Nomination and Remuneration Committee

Nomination and Remuneration Committee ("NRC") assists the Board in discharging its statutory and other responsibilities of overseeing the selection assessment and recommendation of appointment of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, which includes assessing the candidature of Directors, reviewing Board's performance, effectiveness, succession plans, training programmes, determining the remuneration of Directors, employee benefit structure and annual incentive scheme.

NRC of the Company is constituted in compliance with provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Committee comprises 3 (Three) Non-Executive Directors out of which 2 (Two) are Independent Directors as on March 31, 2026 and the Chairperson of the Committee is an Independent Director.

The Company Secretary of the Company acts as Secretary to the NRC.

ii. Terms of Reference:

Summary of the terms of reference of NRC are as under:

a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b. Evaluate the balance of skills, knowledge and experience on the Board and prepare a description of the role and capabilities required of an Independent Director;

c. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;

d. To devise a policy on diversity of Board of Directors;

e. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;

f. To recommend the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

g. Recommends to the board, all remuneration, in whatever form, payable to senior management;

h. To formulate succession plan for the Board and to regularly review the plan;

i. To support the Board in matters related to the setup, review and refresh of the Committees; or to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service;

j. To evaluate and assess annually: composition of the Board; performance and effectiveness of the Board as a whole and individual Director and the Committee(s); independence of directors;

k. To identify and recommend Directors who are to be put forward for retirement by rotation in line with provisions contained in Section 152(6) of the Act;

l. To oversee familiarization programmes for Directors;

m. To review and make recommendations to the Board in relation to the training, induction and development programmes for Directors and to ensure that Directors have access to appropriate training and development opportunities that support the work of Directors and the Board;

n. To perform such other functions and duties as may be required to be performed by the Nomination and Remuneration Committee under the applicable provisions of the Act, and/ or the Rules made thereunder and/ or the SEBI Listing Regulations, including any amendment(s) thereto as may be made from time to time.

iii. Composition, Meetings and Attendance:

Committee were held on 26th September, 2025 and 12th November, 2025. The necessary quorum was present for the meetings held during the year.

As on March 31, 2026, the composition of the Committee and the attendance of members of the NRC is as follows:

Name of Members	Category	Meetings Attended/ Meetings entitled to attend
Mrs. Akanksha Sunny Bilaney	Chairperson	2/2
Mr. Virendra Singh Verma	Member	2/2
Mr. Prem Singh Rawat	Member	2/2

As on the date of this Report, the Company has reconstituted its Audit Committee on July 9, 2026 consequent to the resignation of Mr. Virendra Singh Verma and appointment of Ms. Anshu Shukla Pandey on the Board.

Name of Director	Category	Meetings Attended/ Meetings entitled to attend
Mrs. Akanksha Sunny Bilaney	Non-Executive, Independent Director	Chairperson
Ms. Anshu Shukla Pandey	Non-Executive, Independent Director	Member
Mr. Prem Singh Rawat	Non-Executive, Non-Independent Director	Member

Mrs. Akanksha Sunny Bilaney, Chairperson of the Nomination and Remuneration Committee was present at the AGM of the Company held on August 11, 2025 to respond to the Shareholder's queries.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE

i. Constitution of the Stakeholders Relationship Committee:

The Stakeholders Relationship Committee ("SRC") of the Company is constituted to consider and resolve the grievances of security/shareholders of the Company and recommends measures to improve the level of security/shareholders services and to look into and decide matters pertaining to share transfers, duplicate share certificates/Letter of Confirmation and related matters.

The composition of the SRC is in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. The Committee is constituted of 3 (Three) members in total out of which 2 (Two) are Independent Directors and 1 (One) Non-Executive Director as on March 31, 2026.

ii. Meetings and Attendance:

The SRC met 1 (One) time during the FY 2025-2026 i.e., meeting of Stakeholders Relationship Committee was held on 12th February, 2026. The necessary quorum was present for the meeting held during the year.

The composition of the Committee and the attendance of members of the SRC is as follows:

Name of Members	Category	Meetings Attended/ Meetings entitled to attend
Mr. Prem Singh Rawat	Chairperson	1/1
Mrs. Akanksha Sunny Bilaney	Member	1/1
Mr. Milan Shah	Member	1/1

iii. Terms of reference:

The role of the Committee inter-alia includes the following:

a. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

b. Ensure setting of proper controls, review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Transfer Agent and oversee the performance of the Registrar and Transfer Agent.

c. Review measures taken for effective exercise of voting rights by Shareholders

d. Provide guidance and make recommendations to improve the service level for investors.

e. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

f. To give effect to all transfer/transmission of shares and debentures, dematerialisation of shares and rematerialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

g. The SRC shall perform such other duties, as are required to be performed by the Committee, under the applicable laws, Guidelines and SEBI Listing Regulations

iv. Nature of Complaints and Redressal Status

During FY 2025-2026, the complaints and queries received by the Company were general in nature. The status of members grievances is monitored by the Committee periodically and the minutes of the Committee are made available to the Board.

Status Report of investor queries and complaints for the financial year April 01, 2025 to March 31, 2026 is given below:

Particulars	No
Pending at the beginning of the year	Nil
Received during the year	0
Disposed off during the year	0
Pending at the year end	Nil

A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned company and online viewing by the Members of actions taken on the complaint and its current status. The Company submits ATR, if required, on timely basis with respect to the complaints received, if any from SCORES. The Members can access the SCORES portal at https://scores.sebi.gov.in/.

In case any Member is still not satisfied with the outcome of the resolution, they can initiate dispute resolution through the ODR Portal at https://smartodr.in/login. The ODR Portal has the necessary features and facilities to, inter alia, enroll the Member to file the complaint/dispute. Your Company has done necessary enrolment on the ODR Portal of the stock exchange.

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 10-15 working days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

E. RISK MANAGEMENT COMMITTEE:

Pursuant to the SEBI Listing Regulations, the Company is not required to constitute Risk Management Committee.

F. ADVISORS TO THE BOARD

As on the date of this Report, Mr. Rajnish Kumar and Mr. Nikunj Kampani were appointed as Advisors to the Board at the meeting of the Board of Directors held on July 09, 2026.

G. SENIOR MANAGEMENT

As on the date of this report, no personnel have been designated as Senior Management by the Company, as defined under the SEBI Listing Regulations. Accordingly, disclosure requirements relating to the particulars of Senior Management and any changes therein during the financial year under review are not applicable to the Company.

H. GENERAL BODY MEETINGS

a. Details of the location and time where last three AGMs were held and the summary of Special Resolutions passed therein are as under:

AGM	Year	Venue	Date	Time	Special Resolution passed
12th	2022-23	AGM was conducted through VC/OAVM as per MCA Circulars and SEBI Circular and the deemed venue of the meeting was registered office of the Company.	27-09-23	12:00 P.M.	Nil
13th	2023-24	AGM was conducted through VC/OAVM as per MCA Circulars and SEBI Circular and the deemed venue of the meeting was registered office of the Company.	20-09-24	03:00 P.M.	Alteration of Share Capital Clause of the Memorandum of Association of the Company

14th	2024-25	AGM was conducted through VC/OAVM as per MCA Circulars and SEBI Circular and the deemed venue of the meeting was registered office of the Company.	11-08-25	03:00 P.M.	Nil

b. Resolution passed through Postal Ballot:

i. No resolution was passed through Postal Ballot during previous year.

ii. No special resolution was proposed to be conducted through Postal Ballot.

c. Extra Ordinary General Meeting (EGM):

During the year, the Company held EGM on 24th December, 2025.

I. MEANS OF COMMUNICATION

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. The Company believes that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. Accordingly, the Company disseminates information on its operations and initiatives on a regular basis.

a. Quarterly Financial Results: The Un-audited Quarterly/Half yearly/Nine-months results are announced within forty-five (45) days of the close of the quarter. The audited annual results are required to be announced within sixty (60) days from the closure of the financial year as per the requirement of the SEBI Listing Regulations. The quarterly, half-yearly and annual financial results of the Company's performance are published in leading newspapers such as Active Times and Mumbai Lakshadweep.

b. Details of the newspapers where Quarterly Results of the Company were published

	English Newspaper	
Relevant Quarter	**Date of Publication**	**Newspaper**
June 30, 2025	July 21, 2025	Active Times (All India Edition)
September 30, 2025	November 14, 2025	Active Times (All India Edition)

December 31, 2025	February 16, 2026	Active Times (All India Edition)
March 31, 2026	May 13, 2026	Active Times (All India Edition)
Marathi Newspaper		
June 30, 2025	July 21, 2025	Mumbai Lakshadweep (Mumbai Edition)
September 30, 2025	November 14, 2025	Mumbai Lakshadweep (Mumbai Edition)
December 31, 2025	February 16, 2026	Mumbai Lakshadweep (Mumbai Edition)
March 31, 2026	May 13, 2026	Mumbai Lakshadweep (Mumbai Edition)

c. Website: In compliance with Regulation 46 of the SEBI Listing Regulations, a separate dedicated section under "Investors" on the Company's website i.e., www.aerpace.com. gives information on various announcements made by the Company, shareholding pattern, stock exchange filings, Annual Report, Quarterly/Half yearly/Nine-months and Annual Financial Results along with the applicable policies of the Company and other relevant information of interest to the investors/ public are available apart from the details about the Company, Board of Directors and its Committees.

d. Management Discussion and Analysis: Forms part of the Annual Report, which is sent to the shareholders of the Company.

e. Stock Exchange filings: The quarterly results, shareholding pattern, quarterly compliances and all other corporate communications to BSE are filed electronically. The Company has complied with filing submissions through BSE Listing Centre.

E-mail: The Company has a designated e-mail ID info@aerpace.com exclusively for investor services.

J. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Date, Time & Venue	September 30, 2026 at 03:30 P.M. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
Dates of Book Closure	24th September, 2026 to 30th September, 2026 (both days inclusive)

Financial Calendar (Tentative)	2026-2027
Listing on Stock Exchanges	Bombay Stock Exchange Limited (BSE))
Stock Code	534733
Payment of Annual Listing Fees	Listing Fees have been paid to the Exchange
Corporate Identification Number (CIN)	L74110MH2011PLC214373

Note: The Company's equity shares are regularly traded on BSE.

8. Suspension of securities of the Company from trading: The equity shares of the Company were not suspended from trading on BSE Limited at any point during the financial year under review.

9. Registrar and Transfer Agents: All the functions related to share registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent ("RTA") as per the particulars mentioned hereunder:

Purva Sharegistry (India) Private Limited acted as the Registrar and Share Transfer Agent of the Company for handling all share transfer and related process.

Purva Sharegistry (India) Private Limited
9 Shiv Shakti Industrial Estate, J R Boricha Marg.
Opp. Lodha Excelus, Lower Parel (East), Mumbai - 4000 011.
E-mail Id: support@purvashare.com
Web Site: www.purvashare.com
Contact No: 022-2301 6761/8261

10. Share transfer system: During the financial year 2025-2026, the Registrar and Share Transfer Agent ("RTA") of the Company ensured compliance with all procedural requirements relating to transfer, transmission and transposition of securities, as well as other investor service requests such as deletion of name, sub-division, consolidation, renewal, exchange and endorsement of share certificates.

Pursuant to the SEBI Listing Regulations and SEBI circulars issued from time to time in this regard, requests for transfer of securities are processed only in dematerialised form. Shareholders holding shares in physical form are encouraged to dematerialise their holdings to mitigate risks associated with physical certificates, including loss, theft, mutilation and fraudulent transfers, and to avail the benefits of efficient and seamless investor services.

While shareholders are permitted to retain their existing holdings in physical form, any subsequent trading or transfer must be executed electronically. Share transfers in dematerialized form are highly streamlined; members simply need to instruct their respective Depository Participants (DPs), and transactions are processed directly through NSDL or CDSL without requiring separate communication or approval from the Company.

K. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2026

i. Distribution of Shareholding by value of shares:

No. of Equity shares held	No. of Shareholders	Percentage (%) of shareholders	Total number of shares held for the range	Percentage (%) of Shareholding
1 to 100	8562	40.63	302285	0.2
101 to 200	2057	9.76	336454	0.22
201 to 500	3018	14.32	1134491	0.74
501 to 1000	2377	11.28	1993566	1.3
1001 to 5000	3289	15.61	8107965	5.27
5001 to 10000	700	3.32	5298927	3.44
10001 to 100000	917	4.35	29264151	19.02
100001 to Above	151	0.72	107420143	69.82
Total	**21071**	**100.00**	**15,38,57,982**	**100.00**

ii. Shareholding Pattern as on 31st March 2026:

Name of Shareholder	No of Shares	Close
Indian Promoter	6,89,87,945	44.84
Indian Body Corporate Promoter	6,07,959	0.40
Trust	20,000	0.01

Directors and their relatives (excluding independent directors nominee directors)	-	-
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	5,15,76,066	33.52
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	2,39,32,665	15.55
Non Resident Indians (NRIs)	10,55,308	0.69
Bodies Corporate	24,44,869	1.59
HUF	35,75,134	2.32
Clearing Members	5,05,036	0.33
LLP	11,53,000	0.75
Total	**15,38,57,982**	**100.00**

iii. Dematerialization of shares and liquidity

The total shareholding of the Company held in the electronic form as on 31/03/2026 is 15,37,95,602 with NSDL and CDSL which amounts to 99.96% of the total paid up capital of the Company. The market lot of the Equity Share of your Company is 1 (One) Share, as the trading in the Equity shares of your Company is permitted only in the dematerialized format.

iv. Total number of shares in demat and physical holding as on 31.03.2026:

Particulars	No of Shares	% of Paid-Up Capital
NDSL	9,07,65,235	58.99
CDSL	6,30,30,367	40.97
Physical	62,380	0.04
Total	**15,38,57,982**	**100.00**

Shareholders who continue to hold shares in physical form are advised to dematerialize their shares at the earliest since it helps in immediate transfer without any payment of stamp duty. The risks pertaining to physical certificates like loss, theft, forgery, damage are eliminated when shares are held in electronic form.

For any clarification, assistance or information, relating to dematerialization of shares please contact the Company's RTA.

v. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on 31st March 2026, the company did not have any outstanding GDRs /ADRs /Warrants or any Convertible instruments

vi. Plant Locations: The Company is having its manufacturing plant located at Chakan, Pune, Maharashtra, which is engaged in the production and supply of the Company's products.

vii. Commodity price risk or foreign exchange risk and hedging activities: The Company does not deal in commodities and hence the disclosure pursuant to Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities is not required.

viii. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: During the year under review, the provisions relating to credit rating were not applicable to the Company, as the Company has neither issued any debt securities, including Non-Convertible Debentures (NCDs) or commercial papers, nor accepted any public deposits requiring such rating.

ix. Non-resident Shareholders: The non-resident Shareholders, if any, are requested to notify the following to the Company in respect of shares held in physical form and to their Depository Participants in respect of shares held in dematerialized form:

• Indian address for sending all communications, if not provided so far;
• Change in their residential status on return to India for permanent settlement;
• Particulars of Bank Account maintained with a Bank in India, if not furnished earlier;
• RBI permission reference number with date to facilitate credit of dividend in their bank account.

x. Address for Correspondence/ Communications details:

Company	Registrar and Share Transfer Agents
Aerpace Industries Limited A/1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri Kurla Road, Andheri (East), Mumbai-400093 Phone: 022-69245000 Website: www.aerpace.com E-mail: info@aerpace.com	**Purva Sharegistry (India) Private Limited** 9 Shiv Shakti Industrial Estate, J R Boricha Marg. Opp. Lodha Excelus, Lower Parel (East), Mumbai - 4000 011. E-mail Id: support@purvashare.com Web Site: www.purvashare.com Contact No: 022-2301 6761/8261

L. AFFIRMATIONS AND OTHER DISCLOSURES

i. Disclosure of Materially Significant Related Party Transactions
The Related Party Transactions ("RPTs") entered into during the financial under review, were on an arm's length basis and were carried out in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons which may have a potential conflict with the interest of the Company at large. Disclosures on transactions with related parties, as required under the Indian Accounting Standard 24, have been incorporated in the Notes to the Financial Statements.

The statement of RPTs, was placed before the Audit Committee and the Board on quarterly basis.

ii. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company save and except the payment of sitting fees to the Non-Executive and Independent Directors, and remuneration to Whole Time Director. The details of loans and advances made by the Company during the financial year under review are appropriately disclosed in the Notes forming part of the Financial Statements. The Company has formulated a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions the same have been uploaded on the website of the Company and can be accessed at www.aerpace.com.

iii. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during last three years:

No penalty or stricture was imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years, except as stated below:
Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets during the last three years is mentioned below: 1.BSE has imposed penalty of Rs. 2,72,100 for non-submission of Consolidated Cash Flow Statement for the year ended 31st March, 2024, in compliance with respect to Regulation 31 of SEBI (LODR) Regulations, 2015.

iv. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32: The Company has not raised find during the year.

v. Vigil Mechanism and Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Act and read with Regulation 22 of the SEBI Listing Regulations, the Company has established an effective Vigil Mechanism and Whistle Blower Policy. This mechanism enables Directors and Employees to report the instances of actual or suspected unethical behaviour, fraud or violation of Company's Code of Conduct or applicable laws. The Policy provides an adequate safeguard against victimization of Employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee and no personnel of the Company have been denied access to the Audit Committee.

Further, during FY 2025-2026, no cases under this mechanism were reported to the Company. The policy is available on the website of the Company and can be accessed at
https://www.aerpace.com/corporate-governance.

vi. Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

a. Mandatory requirements:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance as amended from time to time for FY 2025-2026.

b. Non-mandatory requirements:

The Company has also adopted the following non-mandatory requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

<u>Shareholders' Rights:</u> The quarterly, half yearly, and yearly financial performance are published in the newspapers and are also posted on the Company's website and can be accessed at
https://www.aerpace.com/financial-result.

Modified Opinion in Auditor's Report: The Company continues to maintain a regime of financial integrity resulting in an unmodified audit opinion; there are no qualifications or adverse remarks in the Auditor's Report for the year under review.

Reporting of Internal Auditor: The Internal Auditor reports to the Managing Director and CFO and has direct access to the Audit Committee. The internal audit observations and findings are presented directly before the Audit Committee at its meetings.

Non-Executive Chairperson's Office: The position of the Non-Executive Chairperson is separate from that of the Managing Director, ensuring a clear division of responsibility and a balanced governance architecture.

vii. Certificate of Non-Disqualification of Directors from CS Pravesh Palod, Practicing Company Secretary (Membership No. ACS 57964/ COP No. 26765), Proprietor of M/s. Pravesh Palod & Associates, Practicing Company Secretary, is attached herewith as "Annexure-C", confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

viii. There was no such instance during the financial year under review when the Board had not accepted any recommendation of any Committee of the Board.

ix. A Compliance certificate from CS Pravesh Palod, Practicing Company Secretary (Membership No. ACS 57964/ COP No. 26765), Proprietor of M/s. Pravesh Palod & Associates, Practicing Company Secretary, pursuant to Schedule V of the SEBI Listing Regulations regarding compliance of conditions of corporate governance is attached herewith as "Annexure-B".

x. Fees paid to Statutory Auditors

Total fees for all services paid by the listed entity to the Statutory Auditor are given below:

Payment to Statutory Auditors for the financial year: 2025-26	**FY 2025-2026 (Amount in INR exclusive of Goods and Services Tax).**
Statutory audit fees	6,00,000/-

xi. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Details of Complaints in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	FY 2025-26
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

xii. Disclosure by listed entity of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: The details of loans and advances made by the Company during the financial year under review are appropriately disclosed in the Note no. 07 forming part of the Financial Statements

xiii. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries
Policy on determining Material Subsidiary: Aerpace Supercars Private Limited is Material Subsidiary of the Company. The policy on determining material subsidiary is available on the website www.aerpace.com

xiv. Details of non-compliance of any requirement of Corporate Governance report of sub-paras (2) to (10) of Schedule V(c) of the SEBI Listing Regulations: Not applicable

xv. Extent to which the discretionary requirements specified in Part E of Schedule II of the SEBI Listing Regulations have been adopted: Given in Point iv.: Not applicable

xvi. The Company has duly complied with the requirements specified in Regulations 17 to 27 and of Regulation 46(2) and 62(1) of the SEBI Listing Regulations.

M. GOVERNANCE THROUGH MANAGEMENT PROCESS

i. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Directors and Senior Management Personnel of the Company in compliance with Regulation 17(5) of the SEBI Listing Regulations and the same has been posted on the website of the Company and can be accessed at
https://www.aerpace.com/corporate-governance.

All the Board Members and Key Managerial Personnel of the Company have affirmed compliance with the Code of Conduct framed by the Board of Directors and A declaration signed by the Managing Director of the Company to this effect is annexed and form part of this report. This code is available on the Company's website at www.aerpace.com.

ii. Insider Trading

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("PIT Code") to regulate and monitor trading by Designated Persons ("DPs") and their immediate relatives. The PIT Code, inter-alia, lays down the procedures to be followed by DPs while trading/dealing in Company shares and while sharing Unpublished Price Sensitive Information ("UPSI"). The PIT Code includes, inter-alia, the obligations and responsibilities of DPs, obligations and responsibilities of the Company to maintain a structural digital database, a mechanism for prevention of insider trading and handling of UPSI, process to familiarise the DPs with the sensitivity of UPSI, educate the DPs in relation to transactions which are prohibited and manner in which permitted transactions shall be carried out.

iii. Board Diversity Policy

The Board Diversity Policy casts responsibility on the Nomination and Remuneration Committee to review the structure, size and composition of the Board and the appointment of new Directors for ensuring that the Board has a balanced composition of skills, experience and expertise, appropriate to the requirements of the business of the Company.
The Company has uploaded the Board Diversity Policy on its website, accessible at https://www.aerpace.com/policies-and-documents.html.

iv. Disclosure Policy

In line with requirements under Regulation 30 of the SEBI Listing Regulations, the Company has formulated a policy on disclosure of material events and information, which is available on our website and can be accessed at https://www.aerpace.com/corporate-governance.
The objective of the Policy is to ensure timely, adequate, uniform and accurate disclosure of material events and information to the stock exchange and stakeholders in compliance with the applicable provisions of the SEBI Listing Regulations.

v. CFO Certification

The certificate pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs duly signed by the Managing Director and CFO was submitted to the Board of Directors and the same is annexed to this Report as "Annexure-B".

vi. Corporate Policies

In compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has adopted various policies and codes as part of its governance framework. The Website links of key policies/codes adopted by the Company are provided in https://www.aerpace.com/policies-and-documents.html.

N. SUBSIDIARY COMPANY

The minutes of the meetings of the Board of Directors and the Financial Statements for the year ended 31st March, 2026 of subsidiaries of the Company were placed before the Board and the Audit Committee for their information and review.

O. UNCLAIMED DIVIDEND/SHARES

The Company does not have Equity Shares lying unclaimed under its "Unclaimed Share Suspense Account". Further, as required under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the details of the shares in the Unclaimed Share Suspense Account are as follows:

Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the share
(1)	(2)	(3)	(4)	(5)
NA	NA	NA	NA	NA

P. MARKET PRICE DATA FOR FY 2025-26

The Company's shares are regularly traded on BSE Limited. The monthly high/low and volume of shares of the company from 1st April, 2025 to 31st March, 2026 is given below:

Month	BSE		
	High	Low	Close
April - 2025	27.25	19.84	24.95
May - 2025	24.46	20.80	22.96
June - 2025	30.80	23.41	27.86
July - 2025	28.99	21.68	22.87
August - 2025	26.35	19.60	23.26
September - 2025	26.84	21.12	21.44
October - 2025	23.30	19.20	21.08
November - 2025	21.68	16.70	19.36
December - 2025	29.89	18.12	29.25
January – 2026	32.50	24.80	25.99
February - 2026	27.60	23.65	23.76
March - 2026	25.09	20.14	23.62

Q. COMPLIANCE OFFICER

The Company Secretary is the Compliance Officer for complying with the requirements of the SEBI Listing Regulations and other applicable Securities Laws.

Prem Singh Rawat

Director

DIN: 01423453

Anand Manoj Shah

Manging Director & CFO

DIN: 11709310

Date: August 11, 2026
Place: Mumbai

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with Clause D of Schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, I, Mr. Anand Manoj Shah, Managing Director of the Company, hereby declare that the Members of the Board of Director and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management for the year ended 31st March, 2026.
For and on behalf of the Board of Directors

Anand Manoj Shah
Manging Director & CFO
DIN: 11709310

Date: August 11, 2026
Place: Mumbai

CEO AND CFO CERTIFICATION

The Board of Directors,
Aerpace Industries Limited

We, Milan B Shah (Managing Director) and Mr. Anand Manoj Shah (Chief Financial Officer), hereby certify that:

A. We have reviewed the financial statement and the cash flow statements for the year ending March 31, 2026 and to the best of our knowledge and belief:

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

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

B. There are, to the best of our knowledge and belief, no transaction entered into by the company during the period ending 31st March, 2026 which are fraudulent, illegal or violation of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal controls and that we have taken the required steps to rectify these deficiencies.

D. We have indicated the Auditors and Audit Committee that:

1. There have been no significant changes in the internal control over financial reporting during the year.

2. There have been no significant changes in the accounting policies except Ind-As adoption this year and that the same have been disclosed in the notes to the financial statements.

3. There have been no instances of significant fraud of which we have become aware and 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

Mr. Anand Manoj Shah
Managing Director & CFO
DIN: 11709310

Mr. Milan Shah
Director
DIN: 08163535

Date: May 11, 2026
Place: Mumbai

INDEPENDENT AUDITOR'S CERTIFICATE

ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Aerpace Industries Limited,

We have examined the compliance of conditions of Corporate Governance by Aerpace Industries Limited ("the Company") for the year ended 31st March, 2026, as specified in Regulation 17 to 27, 46(2)(b) to (i) and Para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Compliance of conditions of Corporate Governance is the responsibility of the management.

Our examinations have been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended 31st March, 2026 except for the matters mentioned in the Secretarial Audit Report in Form MR-3 annexed to the Directors' Report.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
For M/s. Pravesh Palod & Associates

Practicing Company Secretaries

Pravesh Palod
M. No: A57964 C.P. No. 26765
Peer Review Certificate: 7406/2025

Place: Indore
Date: August 11, 2026
UDIN: A057964H001079237

Annexure C
NON – DISQUALIFICATION OF DIRECTORS

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

To,
Aerpace Industries Limited
A-1005, Kanakia Wall Street, Office No. 1005,
10th floor, A Wings, Andheri - Kurla Road,
Andheri (East), Mumbai, Maharashtra, 400093

We have examined the relevant register, records, forms, return and disclosures received from the Directors of Aerpace Industries Limited having CIN: L29109MH2011PLC214373 and having registered office Kanakia Wall Street, Office No. 1005, 10th floor, A Wings, Andheri - Kurla Road, Andheri (East), Mumbai, Maharashtra, 400093 (hereinafter referred to as '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 obligation & Disclosure Requirements) Regulation, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as consider necessary and explanation 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 or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry Corporate Affairs or any such other Statutory Authority.

Name of Director	DIN	Date of Appointment
Mr. Milan Shah	08163535	09-03-2022
Mr. Prem Singh Rawat	01423453	02-09-2023
Mr. Ravi Chhedilal Soni	02151813	14-05-2024
Mr. Sanjay Ram Takale	07111445	04-05-2022
Mr. Virendra Singh Verma	07843461	04-05-2022
Mrs. Akanksha Sunny Bilaney	07093148	09-03-2022
Mr. Prakash Gaur	02246745	26-09-2025
Ms. Darshana Avadhoot Sawant	10130596	26-09-2025

For M/s. Pravesh Palod & Associates.
Practicing Company Secretaries

Pravesh Palod
M. No: A57964 C.P. No. 26765
Peer Review Certificate: 7406/2025

Place: Indore
Date: August 11, 2026
UDIN: A057964H001079182

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND OUTLOOK

India is undergoing a significant transformation in the way it approaches transportation, logistics, energy, defence technology and advanced manufacturing. Rapid urbanisation, expanding economic activity, increasing movement of people and goods, pressure on existing infrastructure and the need for cleaner and more efficient systems are creating opportunities for new mobility architectures and supporting technologies.

Transportation continues to be one of the fundamental enablers of economic and social development. The strength of a country's mobility infrastructure directly affects productivity, accessibility to employment, healthcare and education, movement of goods, industrial competitiveness and the ability of businesses to reach markets efficiently. India has invested considerably in highways, railways, airports, ports, metro systems and regional connectivity.

These investments have strengthened the country's transportation backbone. At the same time, growing cities, increasing vehicle density, longer commuting times and rising logistics requirements are creating the need for additional modes of transportation capable of complementing existing infrastructure.

This is creating an important opportunity for technologies associated with Advanced Air Mobility (AAM).

Across the world, aviation and technology companies are advancing the development of next-generation vertical take-off and landing aircraft, autonomous aerial systems, air taxis and unmanned cargo platforms. The sector is gradually progressing from research and demonstrator programmes towards aircraft certification, manufacturing readiness, operating infrastructure and commercial deployment.

India has also begun developing the regulatory foundation required for Advanced Air Mobility. The evolving aviation framework around vertical take-off and landing capable aircraft, unmanned aerial systems and future airspace integration demonstrates increasing institutional recognition of aerial mobility as a potential component of the country's future transportation architecture.

The development of this industry will require considerably more than the aircraft itself. A viable aerial mobility network will depend upon docking and landing infrastructure, energy availability, airspace management, maintenance systems, communication networks, fleet intelligence, passenger and cargo handling, digital connectivity and integration with existing road, rail and aviation networks.

Consequently, the opportunity is progressively evolving from the development of individual aircraft towards the creation of complete mobility ecosystems.

This evolution is closely aligned with the approach adopted by aerpace Industries Limited.
Alongside Advanced Air Mobility, several adjacent sectors relevant to the Company's strategy are also undergoing structural transformation.

India is witnessing rapid growth in renewable-energy deployment and domestic solar manufacturing as industries, governments and infrastructure developers increasingly adopt cleaner sources of energy. The energy transition is creating demand across utility-scale, commercial, industrial and infrastructure applications, while the domestic manufacturing ecosystem is being strengthened to reduce dependence on imported technologies and components.

Defence and unmanned systems represent another area of significant technological change. Modern defence requirements increasingly involve unmanned aerial platforms, autonomous systems, intelligent surveillance, precision systems, specialised logistics and software-defined capabilities. The Government's emphasis on indigenous design, domestic manufacturing, technology transfer and Make in India is creating opportunities for Indian companies capable of developing strategic technologies and progressively localising critical systems.

The convergence of these sectors — **mobility, aerospace, autonomous systems, renewable energy, defence, software and advanced manufacturing — forms the larger industry environment in which aerpace is building its business.**

BUSINESS OVERVIEW

aerpace Industries Limited is developing an integrated technology, mobility and infrastructure ecosystem designed around the future movement of people, goods and essential services.

The Company's approach has evolved from its original research into inter-city and interstate transportation towards a broader architecture that integrates aerial mobility, terrestrial mobility, infrastructure, renewable energy, intelligent software and autonomous systems.

This integrated architecture is represented through aerVerse.

At its centre is aerWing, the Company's proposed aerial mobility platform with applications envisaged across passenger transportation, logistics, emergency response and specialised mobility.

The aerWing architecture includes aerTaxi for passenger transportation, aerCargo for cargo and logistics, aerCare for medical and emergency applications and aerDrive as part of the Company's wider integrated mobility proposition.

Supporting this aerial architecture is aerDock, envisioned as the physical infrastructure required for future aerial operations. aerDock is intended to progressively integrate passenger and cargo movement, platform operations, energy infrastructure, fleet servicing and associated mobility requirements.

The Company's renewable-energy capability is being developed through aerVolt, while aerOS represents the software and intelligence architecture intended to progressively support autonomous navigation, platform management, mission intelligence and future fleet operations.

The wider ecosystem also extends into terrestrial mobility through aerCar.

Through aerShield, the Company is developing capabilities in unmanned aerial technologies and associated systems for strategic and defence applications.

Together, these businesses represent aerpace's objective of building an ecosystem in which the vehicle, infrastructure, energy, software and operating architecture are developed as interconnected capabilities.

REVIEW OF FY2025–26

FY2025–26 represented an important development period for aerpace as the Company continued moving from conceptual research towards the creation of physical, technological and institutional capability required for future execution.

The focus during the year remained on strengthening the Company's engineering foundation, developing the manufacturing ecosystem, progressing renewable-energy capabilities, advancing unmanned and defence technologies, expanding technology relationships and creating structures capable of supporting future domestic and international business.

Development of Manufacturing and R&D Capability

During FY2025–26, the Company continued development of its manufacturing and R&D infrastructure at Chakan, Pune.

The facility is strategically important because several aerpace businesses require extensive engineering, prototyping, testing, product development, manufacturing and validation capability before they can progress towards commercial scale.

The Company's objective is to progressively bring these capabilities within a common industrial environment rather than develop completely independent infrastructure for every vertical.

This approach also supports greater vertical integration. As aerpace develops capabilities across renewable energy, unmanned platforms, propulsion, electronics, avionics, software and future mobility, a common engineering and manufacturing foundation can improve knowledge transfer across businesses and provide greater control over critical areas of technology development.

FY2025–26 therefore represented a period of building this physical foundation and preparing individual businesses for their respective stages of manufacturing and execution.

aerVolt AND THE RENEWABLE-ENERGY OPPORTUNITY

Renewable energy became an increasingly important part of the aerpace business architecture during the year.

The decision to develop aerVolt originated from two complementary considerations.

The first is the independent commercial opportunity created by India's rapidly expanding renewable-energy market and the growing requirement for domestically manufactured solar photovoltaic modules.
The second is strategic to aerpace itself.

Future mobility systems will require energy at scale. Aerial platforms, autonomous systems, docking infrastructure, charging requirements, digital systems and associated facilities will depend upon a reliable energy architecture. aerpace therefore considers the source and management of energy to be an important part of future mobility infrastructure.

This led to the development of aerVolt as both an independent renewable-energy business and a potential enabling layer of aerVerse.

Solar manufacturing forms an integral component of the manufacturing infrastructure being developed at Chakan. The Company has been progressing capabilities for high-efficiency solar photovoltaic module manufacturing, including advanced module technologies appropriate for commercial and infrastructure applications.

As renewable-energy adoption expands across India, the Company sees opportunities across industrial, commercial and infrastructure requirements. At the same time, the longer-term aerpace architecture envisages renewable energy progressively contributing towards the operating requirements of aerDock and associated infrastructure.

This creates an important internal convergence: an energy technology developed as a commercial business can, over time, also support the infrastructure requirements of other aerpace businesses.

The Company's strategy is therefore to develop aerVolt with commercial discipline while preserving its strategic role within the wider aerVerse.

ADVANCED AIR MOBILITY AND aerWing

During FY2025–26, the global Advanced Air Mobility industry continued to progress towards increasingly

For aerpace, these developments reinforce an important principle on which the Company has based its strategy: successful aerial mobility will ultimately depend upon an ecosystem rather than an aircraft operating in isolation.

Accordingly, the Company's long-term development remains centred upon the relationship between aerWing, aerDock, aerVolt and aerOS.

aerWing is intended to address more than passenger transportation. aerCargo expands the architecture towards logistics and freight movement, while aerCare addresses medical and time-sensitive mobility requirements. This multi-application approach has the potential to improve utilisation of common infrastructure and create applications across passenger mobility, industrial logistics, agricultural supply chains, emergency response and healthcare.
India's geography and economic structure create particular relevance for these applications. Dense urban corridors require new approaches to congestion, while industrial clusters, ports, regional cities, agricultural regions and remote locations create requirements for faster and more direct movement of goods and essential services.

The Company's strategy is therefore to continue the staged engineering and development of its aerial mobility architecture while recognising that commercialisation will require extensive testing, validation, certification, regulatory engagement, infrastructure development and capital.

architecture while recognising that commercialisation will require extensive testing, validation, certification, regulatory engagement, infrastructure development and capital.

DEFENCE, UNMANNED SYSTEMS AND aerShield

Defence technology emerged as an increasingly important strategic area for aerpace during FY2025–26.
The global defence environment is undergoing rapid technological transformation, with unmanned systems becoming increasingly important across reconnaissance, surveillance, tactical operations, border monitoring, precision engagement and defence logistics.

India's parallel emphasis on indigenous defence technology, domestic manufacturing and supply-chain security creates a significant long-term opportunity for Indian technology and engineering companies.

Through aerShield, aerpace is developing an ecosystem of unmanned aerial technologies and associated systems for specialised defence applications.
The Company's approach extends across multiple UAV architectures rather than a single drone platform.

Development and technology relationships are being pursued across areas including fixed-wing unmanned aerial platforms, delta-wing platforms and other mission-specific aerial architectures.

The Company's broader technology roadmap also extends towards specialised precision systems, propulsion technologies, compact missile systems and jet-engine technologies relevant to unmanned aerial applications. During the year, aerpace continued to work through specialised technology collaborations intended to accelerate access to engineering expertise and platform technologies. The strategic intent behind these relationships extends beyond procurement. The Company seeks to progressively build domestic engineering, integration and manufacturing capability around these technologies.

Software represents another important component of this strategy.

Modern unmanned systems increasingly derive their capability from navigation intelligence, flight-control architecture, sensor integration, mission planning, target detection and tracking, communication systems and autonomous decision support.

Through aerOS and the associated software stack, the Company intends to progressively strengthen its capability in these areas.
The longer-term roadmap extends further into electronics and avionics. aerpace intends to progressively develop greater internal capability across flight electronics, control systems, navigation technologies, communication architecture, avionics and associated sub-systems.

This forms part of the Company's wider strategy of vertical integration and supply-chain resilience.
For strategic technologies, dependence upon fragmented or overseas supply chains can affect availability, maintenance, upgrades and long-term control over critical systems. aerpace therefore intends to increase the proportion of the airframe, software, propulsion, electronics, avionics, navigation, communication and mission technologies that can eventually be developed, manufactured or sourced within India.

The objective is to progressively build an Indian technology and manufacturing ecosystem aligned with the country's Make in India and indigenous defence manufacturing objectives

.

STRATEGIC COLLABORATIONS AND TECHNOLOGY DEVELOPMENT

aerpace operates in sectors where the development cycle is highly specialised and capital intensive.
Advanced mobility, unmanned aviation, defence systems and precision engineering require expertise across multiple disciplines.
The Company's collaboration strategy is therefore designed to combine internal research and development with specialised external expertise wherever such partnerships can accelerate engineering maturity.
During FY2025–26, the Company continued developing technology relationships across areas relevant to aerospace engineering, unmanned systems, platform development, precision engineering and associated technologies.
The Company's long-term objective is to progressively transfer knowledge into the aerpace ecosystem, build internal engineering capability and increase localisation as programmes mature.
This strategy seeks to balance speed of development with the Company's longer-term objective of building

intellectual property, engineering knowledge and manufacturing capability within India.

INTERNATIONAL BUSINESS DEVELOPMENT

During FY2025–26, aerpace also took a step towards creating a platform for future international business. The Company acquired a 75% holding in Aerpace General Trading LLC in the United Arab Emirates during the year.

The investment has been undertaken with the objective of establishing an international presence and enabling future business operations as the Company's different technology and commercial verticals mature. The UAE and the wider Middle East represent important markets across infrastructure, renewable energy, logistics, advanced mobility and emerging technologies. Establishing an international corporate presence provides aerpace with a structure through which future commercial and strategic opportunities can progressively be evaluated.
As at the reporting date, the subsidiary had not commenced operations.

aerpace RACERS AND ENGINEERING CULTURE

The Company's association with motorsport through aerpace Racers also continued during FY2025–26. The participation of aerpace Racer Sanjay Takale in international endurance motorsport and the Dakar environment provides aerpace with exposure to a field in which engineering reliability, navigation, vehicle dynamics, endurance, decision-making and human-machine interaction are continuously tested under demanding conditions.

The Company views motorsport as relevant to its larger mobility philosophy because several principles that determine performance in motorsport — efficiency, reliability, vehicle behaviour, thermal management, durability, control and rapid decision-making — are also relevant to future vehicle and mobility engineering.

TECHNOLOGY CONVERGENCE ACROSS aerVerse

A central part of aerpace's strategy is the potential for technology developed within one vertical to strengthen another.Autonomy, navigation, lightweight structures, propulsion, communications, electronics and software developed for unmanned systems can create knowledge relevant to future civilian aerial platforms.

Renewable-energy capability developed through aerVolt can contribute towards the future energy requirements of aerDock and other infrastructure.

Software architecture developed through aerOS can progressively support multiple autonomous platforms.

Engineering knowledge emerging from mobility and motorsport can contribute to future terrestrial and aerial vehicle development. This convergence is fundamental to aerVerse.

The Company believes that developing common capabilities across multiple applications can, over time, create greater technological depth than operating each vertical as an unrelated business.

KEY BUSINESS STRENGTHS

Integrated Ecosystem Approach

The Company's principal strategic differentiation lies in its integrated approach. aerpace is developing mobility platforms together with the infrastructure, energy and software systems required to support them.

Diversified Technology Applications

The Company's technologies have potential applications across passenger mobility, cargo logistics, medical response, renewable energy, autonomous systems and defence, creating multiple potential pathways for commercialisation.

Growing Manufacturing and R&D Foundation

The development of the Chakan manufacturing and R&D infrastructure provides a physical foundation for greater engineering, testing, manufacturing and localisation across the Company's businesses.

Technology Collaboration Model

Specialised collaborations provide the Company access to knowledge and technologies across multiple engineering disciplines while the organisation progressively builds internal capability.

Focus on Vertical Integration

The long-term objective of developing greater capability across software, electronics, avionics, propulsion, energy and manufacturing can strengthen the Company's control over critical technologies and supply chains.

Alignment with National Priorities
energy, domestic manufacturing, autonomous systems, defence indigenisation, logistics and future mobility. Several aerpace verticals operate in sectors that are strategically important to India, including renewable energy, domestic manufacturing, autonomous systems, defence indigenisation, logistics and future mobility.

BUSINESS STRATEGY AND OUTLOOK

The next phase of aerpace's development will focus on execution, engineering maturity, manufacturing readiness, localisation and commercial discipline.

The Company intends to continue strengthening the Chakan manufacturing and R&D ecosystem so that it can progressively support a larger proportion of aerpace's technology and manufacturing requirements.
Within aerVolt, the focus will be on advancing manufacturing readiness, developing commercial relationships, fulfilling applicable certification and operational requirements and building the renewable-energy business as an independent revenue opportunity.

Within aerShield, the Company intends to deepen development across UAV platforms, software, propulsion, electronics and avionics while progressively expanding domestic engineering capability and localising the supply chain.

Within aerWing, the strategy will remain centred upon engineering, validation and development of the larger aerial mobility architecture. The Company will continue to evaluate the infrastructure, regulatory, energy and technological requirements that will ultimately be necessary for commercial Advanced Air Mobility operations.
Within aerOS, aerpace intends to strengthen its software and intelligence capabilities across autonomy, navigation, platform management and future fleet operations.

The Company will continue evaluating strategic collaborations, technology transfers, acquisitions and joint ventures where such relationships can provide complementary technology, engineering knowledge, market access or manufacturing capability.

The international presence created during FY2025–26 will also be progressively evaluated for future business opportunities as individual verticals reach appropriate commercial maturity.

Underlying each of these priorities will be a greater focus on commercialisation.

As aerpace transitions from research-led development towards execution, the Company intends to increasingly evaluate individual projects through the lenses of technical feasibility, regulatory readiness, market demand, capital requirement, potential revenue generation and long-term return on investment.

The strategic objective for the coming years is therefore to convert the technological breadth created within aerVerse into progressively stronger operating capabilities and sustainable businesses.

OPPORTUNITIES

The Company's addressable opportunities span several rapidly evolving sectors.

Advanced Air Mobility has the potential to create a new transportation layer complementing road, rail and conventional aviation.

Cargo and emergency aerial mobility can create applications in industrial logistics, ports, agricultural supply chains, healthcare and regions constrained by conventional infrastructure.

The growth of renewable energy creates commercial opportunities for aerVolt while simultaneously strengthening aerpace's ability to develop cleaner infrastructure within its own ecosystem.

Defence indigenisation and growing demand for unmanned technologies create opportunities for domestic UAV platforms, autonomous systems, mission software, electronics, avionics and associated technologies.

Government emphasis on Make in India and localisation provides an environment in which the Company's long-term vertical-integration strategy can potentially create strategic value.

International markets create another opportunity as several countries increase investment in future mobility, renewable energy, unmanned systems and specialised logistics.

The convergence of these sectors provides aerpace with the opportunity to build common technologies capable of serving multiple applications.

SWOT ANALYSIS

Strengths

aerpace's strengths lie in its integrated ecosystem vision, diversified technology portfolio, focus on research and development, expanding manufacturing foundation, specialised technology collaborations and ability to develop common capabilities across mobility, energy, software and autonomous systems.

Weaknesses

Several of the Company's programmes remain in development and therefore require continued investment before commercial scale can be achieved. The breadth of the aerpace ecosystem also creates complexity in execution, requiring specialised talent, significant engineering coordination, capital allocation and disciplined prioritisation.

Opportunities

The growth of Advanced Air Mobility, renewable energy, autonomous systems, defence indigenisation, domestic manufacturing and intelligent logistics provides significant long-term opportunities. The Company's technology portfolio also creates opportunities for localisation, international expansion and cross-utilisation of engineering capabilities.

Threats

The businesses in which aerpace operates are characterised by rapid technological evolution, significant competition, changing regulatory requirements and long development cycles. Availability of capital, certification timelines, technology obsolescence, dependence on competition, changing regulatory requirements and long development cycles. Availability of capital, certification timelines, technology obsolescence, dependence on specialised suppliers, geopolitical developments and the ability of emerging markets to adopt new mobility technologies may influence the pace of commercialisation.

RISKS AND CONCERNS

The Company's activities involve technologies and industries with inherently long development and commercialisation cycles.

Technology and Development Risk

Advanced aerospace, autonomous and defence platforms require extensive engineering, testing and validation. Development schedules may be affected by technical challenges or changing performance requirements.

Regulatory and Certification Risk

Aerial mobility, unmanned systems and defence technologies are subject to regulatory approvals and certification. Changes in regulation or extended approval timelines may affect development and deployment schedules.

Commercialisation Risk

Certain aerpace businesses are developing markets in which commercial models are still evolving. Market adoption may occur at a different pace from that anticipated by the Company.

Capital Requirement

Developing manufacturing, aviation, defence and infrastructure capabilities can require substantial capital. The Company will need to balance investment in technology development with commercial priorities and prudent capital allocation.

Supply-Chain Risk

Specialised electronics, avionics, propulsion and aerospace components may be exposed to supply-chain constraints, import dependence and geopolitical factors. The Company's localisation and vertical-integration strategy is intended progressively to mitigate this risk.

Technology Obsolescence

The sectors in which aerpace operates are developing rapidly. Continued investment in research, engineering and software will be required to ensure that the Company's technologies remain relevant.

Execution Risk
The simultaneous development of multiple interconnected businesses creates execution complexity. Effective programme management, prioritisation, recruitment and internal controls will remain important as

the organisation grows.

Competitive Risk

Advanced mobility, renewable energy, drones and defence technology are attracting significant domestic and international investment. The Company will therefore need to continuously strengthen technology, cost competitiveness, execution capability and differentiation.

The Company continues to review risks associated with its operations and strategy and seeks to develop appropriate mitigation measures as individual businesses progress.

INTERNAL CONTROLS AND OPERATIONAL SYSTEMS

As the scale and complexity of aerpace's activities increase, strengthening internal systems and operating processes remains an important management priority
.
The Company continues to develop processes around financial controls, procurement, project management, technology development, regulatory compliance and information management.

The nature of the Company's businesses requires close coordination between engineering, manufacturing, finance, procurement, legal, compliance and commercial functions.

Management intends to progressively strengthen digital systems, project visibility and internal reporting so that decision-making can increasingly be supported by timely information, accountability and measurable project progress.

The Company believes that strong internal systems will become increasingly important as its businesses move from development towards manufacturing and commercial operations.

FINANCIAL PERFORMANCE

FY2025–26 continued to reflect the Company's development-stage investment in technology, infrastructure, people and future operating capability.

On a standalone basis, revenue from operations stood at approximately ₹213.60 lakh during FY2025–26, compared with approximately ₹161.86 lakh in the preceding year. Total income stood at approximately ₹403.96 lakh, compared with approximately ₹302.06 lakh in FY2024–25.

The Company reported a loss before tax of approximately ₹1,222.55 lakh for FY2025–26 compared with approximately ₹495.69 lakh in the preceding year, while the loss for the year stood at approximately ₹1,200.29 lakh, compared with approximately ₹483.67 lakh in FY2024–25.

The increase in expenditure should be viewed in the context of the Company's continuing development phase, including investment in human resources, technology, physical infrastructure and other capabilities required for future operations.

Property, plant and equipment increased to approximately ₹190.44 lakh as at 31 March 2026, compared with approximately ₹42.06 lakh as at 31 March 2025.

Capital work-in-progress stood at approximately ₹2,612.99 lakh as at 31 March 2026, compared with approximately ₹1,341.79 lakh a year earlier, reflecting the continued development of physical and manufacturing infrastructure.
Internally generated intangible assets under development stood at approximately ₹587.95 lakh, compared with approximately ₹283.62 lakh in the preceding year, reflecting continued investment in technology and development programmes.
The financial statements should therefore be read in the context of a Company that continues to build technological and manufacturing capability ahead of the commercial maturity of several of its businesses.

HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

aerpace's future businesses require specialised capabilities across engineering, aerospace, software, renewable energy, manufacturing, design, programme management, finance, commercial operations and corporate functions.

During the year, the Company continued strengthening its organisational capability to support an increasingly diversified technology portfolio.

As projects progress towards manufacturing and commercialisation, aerpace expects the requirement for specialised technical and managerial talent to increase.

The Company has also implemented the Aerpace Industries Limited Restricted Stock Unit Plan, 2024, designed to align eligible employees with the Company's longer-term growth and value-creation objectives. Management recognises that the Company's ability to attract, develop and retain capable people will remain an important factor in successfully executing its long-term strategy.

SOCIAL AND ECONOMIC IMPACT

The long-term aerpace architecture has been conceived with the potential to create value beyond transportation alone.

Improved mobility can increase accessibility to employment, healthcare, education and markets.
aerCargo has the potential to support agricultural and industrial supply chains by enabling faster transportation of goods and perishables.

aerCare is intended to address time-sensitive medical and emergency requirements, particularly where geography or infrastructure affects response time.

The renewable-energy capabilities being developed through aerVolt can contribute towards cleaner energy adoption.

The Company's defence and autonomous-system programmes can contribute towards domestic technology development, skilled employment and greater localisation of strategic technologies.

Manufacturing and infrastructure development can also create employment opportunities and support ancillary industries across engineering, electronics, software, energy and specialised manufacturing.

For aerpace, the larger objective remains to use technology to improve the manner in which society utilises time, energy, infrastructure and resources.

MANAGEMENT OUTLOOK

FY2025–26 was principally a year of building capability.
The coming phase must increasingly become one of converting capability into execution.

The Company's focus will therefore progressively shift towards completing manufacturing readiness, strengthening product development, validating technologies, fulfilling applicable regulatory requirements, developing commercial relationships and prioritising projects capable of creating sustainable revenue.
Management remains conscious that several aerpace businesses operate in sectors with extended development cycles and significant regulatory and capital requirements. The Company therefore intends to pursue growth in a phased and disciplined manner.

The long-term strategy remains centred upon creating an integrated ecosystem in which mobility, logistics, infrastructure, renewable energy, autonomous systems and intelligent technology operate together.
The Company's philosophy continues to be defined by Make Time — building today the technologies and infrastructure that can address the requirements of tomorrow.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, plans or outlook may constitute forward-looking statements within the meaning of applicable laws and regulations

Actual results may differ materially from those expressed or implied due to various factors including economic conditions, changes in government policies and regulations, technological developments, availability of capital, regulatory approvals, market conditions, competitive developments, supply-chain conditions and other factors affecting the Company's businesses.

The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events, except as may be required under applicable law.

KEY FINANCIAL RATIOS

Ratio	As at March 31, 2026	As at March 31, 2025
Current Ratio	0.74	0.46
Debt-Equity Ratio	0.60	-
Debt Service Coverage Ratio	0.60	(1.43)
Return on Equity Ratio	(0.26)	(0.15)
Trade Receivable Turnover Ratio	2.52	2.75
Trade Payable Turnover Ratio	0.19	0.02
Net Capital Turnover Ratio	-0.23	-0.61
Net Profit Ratio	(5.62)	(2.99)
Return on Capital Employed	(23.78)	(14.36)

About aerpace Industries Limited

Building an Integrated Ecosystem for the Future of Mobility

aerpace Industries Limited is a BSE-listed technology, mobility, and infrastructure company working towards creating an integrated ecosystem for the movement of people, goods, and essential services.

The foundation of aerpace began with a fundamental observation: transportation has evolved considerably, yet the challenges surrounding it continue to grow. Increasing congestion, longer travel times, pressure on existing infrastructure, dependence on conventional fuels, and inefficient utilisation of land are becoming increasingly significant concerns as cities and economies expand.

aerpace began studying these challenges through the lens of inter-city and interstate transportation. Its research explored how the advantages of road and aerial transportation could be combined to create a mobility system that could improve accessibility while reducing travel time, congestion, and pressure on conventional infrastructure.

Over time, this thinking evolved beyond the development of a single mode of transportation.

It became aerVerse — the larger aerpace ecosystem.

From a Mobility Idea to an Ecosystem

The aerpace philosophy is built on the belief that the future of mobility cannot be addressed by developing another vehicle in isolation. The vehicle, its operating infrastructure, energy requirements, software intelligence, logistics network, and last-mile connectivity must ultimately function as parts of the same system.

This thinking has shaped the development of aerpace across multiple interconnected areas.
At the centre of the ecosystem is aerWing, the Company's proposed aerial mobility platform. The platform is being developed with applications extending across passenger mobility, cargo transportation, emergency response, and other time-sensitive services.

The infrastructure required to support this future network is envisioned through aerDock — strategically developed operating nodes intended to support aerial movement and associated passenger, cargo, energy and operational requirements.

Complementing this infrastructure is aerVolt, the renewable-energy vertical of aerpace.

The Company's long-term vision is to progressively integrate renewable energy into the infrastructure supporting its mobility ecosystem, creating a closer relationship between transportation and the energy required to operate it.

Connecting these physical systems is aerOS, the technology and intelligence layer being developed for the aerpace ecosystem. As autonomous mobility becomes increasingly dependent on software, navigation, data, fleet intelligence, and real-time decision-making, aerOS is intended to form an important technological foundation across multiple aerpace platforms.

The ecosystem also extends to terrestrial mobility through aerCar, reflecting aerpace's belief that the future of transportation will increasingly be defined by the intelligent integration of different modes of mobility.ttTogether, these platforms form a larger architecture in which mobility, infrastructure, energy and technology are developed as interconnected capabilities rather than independent businesses.

From a Mobility Idea to an Ecosystem

The global mobility sector is entering a significant period of transformation. AAM, including electric and next-generation vertical take-off and landing aircraft, is progressively moving from research and prototype development towards certification, infrastructure planning, and eventual commercial deployment.

Across the world, several aviation and technology companies are developing air-taxi and AAM platforms. Significant investments are being directed towards aircraft engineering, propulsion, battery and alternative-energy systems, autonomous flight technologies, certification, and manufacturing capability.

The industry is also beginning to recognise that the future of AAM extends considerably beyond the aircraft itself.For aerial mobility to operate at scale, an entire supporting ecosystem will be required — including landing and docking infrastructure, energy availability, maintenance and servicing networks, airspace management, digital fleet control, passenger and cargo handling, safety systems, and integration with existing road, rail, and aviation networks.

This evolution is particularly relevant for India.

Rapid urbanisation, increasing pressure on metropolitan infrastructure, expanding regional economies, and the geographical scale of the country are creating a growing requirement for additional layers of transportation. AAM has the potential, over time, to complement existing road, rail, and conventional aviation networks by creating faster connections across congested urban corridors and improving accessibility to regions where conventional infrastructure is difficult or time-intensive to develop.

India has also begun establishing the regulatory foundation for this emerging sector. The Directorate General of Civil Aviation has developed certification guidance for Vertical Take-Off and Landing-capable aircraft intended for AAM, while the wider civil aviation framework continues to evolve around emerging aviation technologies. These developments indicate increasing institutional recognition of AAM as a potential component of India's future transportation architecture.

As the sector develops, competition is increasingly moving beyond the question of who can build an air taxi towards the larger question of who can build a commercially viable ecosystem around aerial mobility.
This distinction is central to aerpace's approach.

The aerpace Approach to Aerial Mobility

Through aerWing, aerpace is developing an aerial mobility platform intended to address multiple transportation requirements rather than a single passenger application.

The Company's longer-term architecture envisages applications across aerTaxi for passenger mobility, aerCargo for logistics and freight movement, aerCare for medical and emergency applications, and aerDrive as part of its wider integrated mobility proposition.

The significance of this approach lies in the infrastructure being developed around the platform.

Through aerDock, aerpace is conceptualising the physical network required to support future aerial operations. Through aerVolt, the Company is developing renewable-energy capabilities that can progressively contribute towards the energy requirements of that infrastructure. Through aerOS, aerpace is developing the software and intelligence architecture required for increasingly autonomous operations, navigation, and future fleet management.

The Company's proposition therefore extends beyond building an aircraft.
It is about developing the vehicle, infrastructure, energy and intelligence architecture together, so that each component can ultimately support the other.

For India, such a network could potentially create applications across metropolitan passenger transportation, airport connectivity, intercity movement, industrial logistics, port connectivity, agricultural supply chains, healthcare access, and emergency response.

aerCargo is intended to explore the logistics opportunity within this network, particularly where speed, terrain or conventional infrastructure create limitations. aerCare extends the same mobility architecture into time-critical applications such as emergency evacuation, medical transportation and essential healthcare logistics.

The long-term opportunity for aerial mobility is therefore much larger than replacing a road journey with an air journey. It lies in creating an additional transportation layer capable of operating alongside India's existing infrastructure and connecting into it intelligently.

That is the space in which aerpace intends to build.

Extending Technology into Strategic and Defence Applications

Alongside civilian mobility, defence technology has emerged as an increasingly important area of development for aerpace.

Modern defence environments are undergoing rapid technological transformation. Unmanned systems, autonomous platforms, precision technologies, intelligent surveillance, and software-defined capabilities are becoming increasingly important across reconnaissance, border surveillance, tactical operations, logistics, and precision engagement.

Recent global developments have also demonstrated another critical reality: technology sovereignty and supply-chain security are becoming inseparable from national security.

For India, this has accelerated the requirement to develop domestic capabilities across platforms as well as the critical technologies that operate within them.

The Government of India's defence indigenisation framework increasingly encourages domestic design, development and manufacturing. Current programmes include indigenous development pathways for unmanned combat systems, autonomous surveillance and armed drone swarms, runway-independent remotely piloted aircraft, navigation technologies and other advanced systems.

The Government's Make framework also creates different pathways for indigenous development and technology transfer into Indian manufacturing.

The Government has simultaneously expanded its Positive Indigenisation Lists to include strategically important sub-systems, components, defence electronics and other technologies, reinforcing the broader direction towards greater domestic capability.

It is within this larger environment that aerShield, aerpace's defence technology vertical, is being developed.

BUILDING CAPABILITY ACROSS THE UNMANNED SYSTEMS ARCHITECTURE

aerShield is being developed as an ecosystem of unmanned aerial technologies intended for specialised defence applications, including reconnaissance, surveillance, tactical operations and defence logistics Rather than concentrating on a single drone configuration, aerpace is developing and accessing capabilities across multiple classes of unmanned platforms through internal engineering and specialised technology collaborations.

These include fixed-wing unmanned aerial platforms, designed for missions requiring endurance, range, and efficient flight characteristics, as well as delta-wing platforms, where speed, manoeuvrability, and specialised mission requirements influence the aircraft architecture.

The Company's technology roadmap also extends into specialised precision systems, including micro-missile technologies, together with propulsion capabilities such as jet engines for unmanned aerial applications.

These developments form part of a wider strategy: to progressively acquire and develop expertise across the principal technologies required to build increasingly sophisticated unmanned aerial systems.

From the Platform to the Intelligence Within It

The modern defence UAV is considerably more than an airframe.

Its capability is increasingly determined by what operates inside it — its navigation systems, sensors, communications, flight-control architecture, mission intelligence, software, avionics, and the ability to process information and respond to changing operational conditions.

For this reason, software forms an important part of aerpace's defence technology roadmap.

Through aerOS and its associated software stack, the Company intends to progressively build capabilities across autonomous navigation, flight and mission management, sensor integration, target detection and tracking, communication between platforms, and intelligent decision support.

Over time, aerpace intends to extend this development deeper into the physical intelligence of the aircraft through electronics and avionics.

The Company's longer-term roadmap envisages building greater internal capability across flight electronics, control systems, navigation technologies, communication architecture, avionics, and associated electronic sub-systems.

This represents an important step towards vertical integration.

Vertical Integration and Securing the Supply Chain

For aerpace, vertical integration is not simply an operational strategy. Within defence, it is closely connected to technology independence, supply-chain resilience and long-term strategic capability.

A sophisticated, unmanned platform depends upon multiple critical systems. If important components such as propulsion, electronics, avionics, navigation technologies, or software remain dependent on external supply chains, the availability and evolution of the complete platform can remain exposed to factors outside the manufacturer's control.

The Company's long-term strategy is therefore to progressively increase control across the technology stack. The intention is to build an ecosystem in which an increasing proportion of the airframe, propulsion, software, electronics, avionics, navigation, communication and mission systems can be developed, manufactured or sourced within India.

Technology collaborations form an important part of this journey. Rather than treating collaboration purely as procurement, aerpace intends to use specialised partnerships as a means of accelerating access to engineering knowledge and technologies while progressively developing domestic capability around them.

The objective is ultimately to create a stronger Indian supply chain capable of supporting development, manufacturing, maintenance, upgrades, and future innovation within the country.This approach aligns closely with the Government of India's wider defence manufacturing strategy, which prioritises indigenous design and development, domestic procurement, private-sector participation, technology transfer, and greater localisation of critical defence systems.

For aerpace, this creates the foundation for an increasingly integrated defence technology business operating within the larger Make in India and Aatmanirbhar Bharat ecosystem.

Technology Convergence Across aerVerse

An important advantage of building multiple technology verticals within aerpace is the potential for knowledge developed in one area to strengthen another.

Research undertaken for defence applications across autonomy, propulsion, navigation, software, electronics, avionics, communications, and lightweight

structures can potentially contribute to the technological understanding of future civilian aerial platforms.Similarly, experience developed through aerWing, aerOS, and the Company's broader mobility research can contribute to the development of autonomous and unmanned systems.

This technological convergence is fundamental to the aerVerse philosophy.

Rather than creating isolated businesses, aerpace intends to build common technological capabilities that can progressively serve multiple applications across mobility, defence, logistics and infrastructure.

MOVING FROM RESEARCH TOWARDS EXECUTION

For aerpace, the development of this ecosystem has required substantial research, engineering and technology development before commercial-scale implementation can be achieved.

During this period, the Company has continued to invest in both physical and intellectual infrastructure.

The financial statements for FY2025–26 reflect this transition. Capital work-in-progress increased from approximately ₹1,341.79 lakh as at 31 March 2025 to approximately ₹2,612.99 lakh as at 31 March 2026, reflecting the Company

The Company's auditors have also recognised internally generated intangible assets under development as a key audit matter, including consideration of technical feasibility. the Company's intention and ability to complete the assets, and their potential to generate future economic benefits.

This represents an important stage in the evolution of aerpace — the gradual movement from research and conceptual development towards engineering, infrastructure, manufacturing capability and execution.

Building a Physical Foundation

As aerpace's technology portfolio has expanded, establishing physical capability has become increasingly important.

The Company's manufacturing and R&D development at Chakan, Pune, represents part of this transition. The objective is to create an environment in which engineering, prototyping, product development, testing, and manufacturing capabilities can increasingly be brought together.

This physical infrastructure is particularly relevant as aerpace develops businesses across renewable energy, autonomous systems, defence technologies and future mobility sectors in which the journey from an idea to commercial deployment requires extensive engineering, validation, certification and manufacturing readiness.

The facility is also important to aerpace's longer-term vertical-integration strategy. As the Company's capabilities across software, propulsion, electronics, avionics, renewable energy, autonomous systems, and manufacturing mature, greater localisation can progressively reduce dependence on fragmented external supply chains and provide greater control over critical technologies.Rather than viewing these capabilities independently, aerpace intends to develop a common engineering and manufacturing foundation capable of supporting multiple businesses within the ecosystem.

Creating an International Footprint

Alongside the development of its domestic capabilities, aerpace has begun establishing a platform for future international business. During FY2025–26, the Company invested in Aerpace General Trading LLC in the United Arab Emirates, acquiring a 75% holding. The objective of the investment is to establish an international presence and undertake future business operations.

This represents another step in preparing the organisation for opportunities beyond the Indian market as its technologies and businesses progress towards commercial maturity.The international presence is particularly relevant across areas such as future mobility, defence technology, renewable energy, and specialised logistics, where international markets, technology relationships, and deployment opportunities can play an important role in scaling.

Engineering Beyond the Laboratory

aerpace has also chosen to associate its mobility journey with one of the most demanding environments for automotive engineering motorsport. Through aerpace Racers, the Company is building a platform that connects motorsport, engineering exposure, and future talent development.

The involvement of aerpace Racer Sanjay Takale brings extensive experience from international rallying and endurance motorsport into the aerpace environment.His participation in the Dakar Rally represents an important sporting milestone while also providing exposure to environments where

endurance, navigation, reliability, vehicle behaviour, and human-machine interaction are continuously tested under extreme conditions.

For aerpace, this creates another dimension to its mobility philosophy:

understanding movement through research, engineering, and simulation while simultaneously learning from machines and people operating in demanding real-world environments.

The longer-term intention is also to develop aerpace Racers as a platform through which experienced motorsport professionals can mentor emerging racers and contribute towards strengthening India's motorsport ecosystem.

The Road Ahead

The next phase of aerpace's journey is centred on progressively moving its individual technologies and businesses towards greater maturity, localisation, and, ultimately, deeper integration.

Within AAM, the focus remains on continuing the development of aerWing while simultaneously progressing the infrastructure, energy and intelligence architecture required around future aerial operations.

Within defence, aerpace intends to deepen its capabilities from complete unmanned platforms into the critical technologies that enable them — propulsion, software, electronics, avionics, navigation, communications, and mission systems — with the longer-term objective of strengthening vertical integration and developing a more resilient domestic supply chain.

Through aerVolt, the Company intends to strengthen its renewable-energy capabilities and support the longer-term objective of integrating cleaner energy into the wider aerpace infrastructure.

Through aerOS, aerpace intends to continue building the intelligence layer connecting its various platforms.

Through aerDock, the Company's longer-term vision remains the creation of a physical network capable of supporting a new generation of aerial mobility and associated services.

These programmes will necessarily progress through multiple stages of research, engineering, testing, validation, certification, regulatory engagement, infrastructure development, and commercialisation.

The emerging global AAM industry itself demonstrates that developing the aircraft is only one part of the challenge. Across the sector, companies are investing simultaneously in aircraft certification, manufacturing, propulsion, infrastructure, energy, software, and operating networks.

The next phase of the industry will therefore increasingly be about building the ecosystem that allows AAM to function at scale.

That is the direction aerpace has chosen.

As individual verticals progress, the larger objective remains unchanged: to create an ecosystem in which mobility, logistics, infrastructure, renewable energy, autonomous systems and intelligent technology ultimately operate together.

The scale of that ambition means that aerpace's development cannot be measured by a single product launch or milestone. Building a new mobility and technology architecture involves research, engineering, infrastructure, manufacturing, regulation, certification, validation, localisation, and ultimately commercial deployment.

Each stage builds the foundation for the next.

MAKETIME

At the centre of the aerpace philosophy is time.

Technology has continuously made machines faster, communication instantaneous, and information more accessible. Yet for millions of people, an increasing amount of time continues to be lost simply moving from one place to another.

aerpace therefore approaches mobility not merely as a transportation problem, but as a time problem.

The Company's ambition is to create systems that make movement more intelligent, infrastructure more efficient, and resources more effectively utilised, while developing today the technologies and infrastructure that future generations will require.

In this context, Make Time carries a meaning greater than reducing the duration of a journey.

It represents the Company's philosophy of anticipating tomorrow's requirements and building the technology, infrastructure, and sustainable systems required to meet them. It is about creating greater efficiency in how society uses time, energy, land, and resources, while building systems capable of supporting progress over the long term.

That philosophy continues to define the larger aerpace journey:
This, to me, is now the right tone and depth for the 'About aerpace' chapter — it explains the company, gives the reader genuine industry context, establishes why AAM matters, gives defence the weight it deserves, explains the logic behind vertical integration, and still keeps aerpace at the centre of every section rather than turning the Annual Report into a comparison with other companies.

INDEPENDENT AUDITOR’S REPORT

To the Members of Aerpace Industries Limited (formerly known as Supremex Shine & Steels Limited)
Report on the Audit of the Ind AS Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Aerpace Industries Limited (the “Company”), which comprise the standalone balance sheet as at March 31, 2026, and the standalone statement of Profit and Loss (including other comprehensive income), and the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “ Standalone Financials Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 of the current year. Those matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the Key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors’ Responsibilities for the audit of the 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 risk of material misstatement of the financial statements.

The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Key Audit Matters	How our audit addressed the key audit matter
Intangible assets under development	**Intangible assets under development**
The company has various internally generated intangible assets under development. Initial recognition of the expenditure under these projects are based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. In addition, the management also assess indication of impairment of the carrying value of assets which requires management judgement and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development recognized and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets has been considered as a key audit matter.	Our audit procedures included the following: • We read the company's research and development expenditure accounting policies to assess compliance with Ind AS 38 "Intangible Assets". • We performed test of control over management process of identifying and capitalizing the development expenditure in accordance with the accounting principles of capitalization of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, the intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure cost reliably. • We performed test of details of development expenditure capitalized by reviewing the key assumptions including authorization of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset. In addition, we considered whether any indicators of impairment were present by understanding the business rationale for the projects.
Investment in Foreign Subsidiary	**Investment in Foreign Subsidiary**
The Company has invested in a foreign subsidiary incorporated in UAE, representing a significant strategic investment. The investment is carried at cost in the standalone financial statements. Considering that the subsidiary has not commenced operations and there is limited financial information available, significant judgement is involved in assessing whether there are any indicators of impairment under Ind AS 36 – Impairment of Assets.	Our audit procedures included, among others: • Obtained an understanding of management's process for identification of impairment indicators. •Verified shareholding documents, incorporation records, and investment agreements to confirm existence and ownership. • Reviewed the financial position of the subsidiary to assess whether any adverse indicators exist. • Evaluated management's assessment that the subsidiary has not commenced operations and there are no external or internal indicators of impairment. • Assessed the adequacy of disclosures made in the standalone financial statements. Based on the procedures performed, we did not identify any material exceptions.

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the Ind AS standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as required under the applicable laws and regulations. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 State of Affairs, loss and Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. 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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern the basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors 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 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 standalone financial statements in place and the operating effectiveness of such controls.

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

• Conclude on the appropriateness of the 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatement in the standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year 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 A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2.(A) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(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.

(c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors 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 over financial reporting of the Company with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

(B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company did not have any pending litigations to be disclosed on its financial statements.

ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a)The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(“Ultimate Beneficiaries”), or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or

invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

(C) With respect to the matter to be included in the Auditor's Report under Section197(16) of the Act: In our opinion, according to the information and explanation given to us, remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

Place: Mumbai

For Ramanand & Associates
Chartered Accountants
Firm's Registration No. 117776W

CA Ramanand Gupta
Partner
Membership No. 103975

UDIN: 26103975LFGOWD6055
Place: Mumbai
Date: 11th May, 2026

Annexure A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report to the members of Aerpace Industries Limited of even date)

To the best of our information and according to the explanations provided to us by the company and the books of accounts and records examined by us in the normal course of audit, 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, Capital work-in-progress and relevant details of right–of-use assets.

(B.) The Company does not have any intangible assets during the year and accordingly, the reporting requirements under clause 3(i) (a) (B) are not applicable.

(b) All the property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification at reasonable intervals. According to the information and explanations given to us, the frequency of verification is reasonable having regard to the size of company and nature of assets and no material discrepancies were noticed on such verification.

c) The Company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, reporting under clause 3(i) (c) of the Order is not applicable.

d) The Company has not revalued its Property and Plant and Equipment (including Right of Use assets) during the year.

(e) No proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by management at reasonable intervals. In our opinion and according to the information and explanations given to us, the frequency of such verification was reasonable and the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such physical verification.

(b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, this clause is not applicable to the Company.

(iii) The Company has granted unsecured loans to its subsidiary and other entities and has also made investments in its subsidiary during the year.

(a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has provided loans to subsidiaries and other entities and has also made investments in subsidiaries during the year, details of which are as below:

Particulars	Investment	Loans
A. Aggregate amount during the year		
-Subsidiary	28.58	604.91
-Associate of a subsidiary	-	-
-Others	-	8.75
B. Balance Outstanding as at Balance sheet Date		
-Subsidiary	28.58	2376.20
-Associate of a subsidiary	-	-
-Others	-	-

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the terms and conditions of the loans granted, and investments made by the Company are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of the loans granted by the Company, the terms of repayment of principal and payment of interest have been stipulated and the repayment of principal and receipt of interest have generally been regular in accordance with such terms.

(d) According to the information and explanations given to us and based on the audit procedures performed, in respect of the loans granted by the Company, no amount of principal or interest was overdue for more than 90 days as at the balance sheet date. Further, the parties have generally been regular in repayment of principal and payment of interest in accordance with the stipulated terms and conditions.

(e) According to the information and explanations given to us and based on our examination of the records of the Company, no loan or advance in the nature of loan granted by the Company which fell due during the year has been renewed or extended, nor have any fresh loans been granted to settle the overdues of existing loans given to the same parties. Further, the Company has not granted any advance in the nature of loan to any party during the year.

(f) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has complied with the provisions of section 185 and 186 of the Act, in respect of the loan granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited by the company with the appropriate authorities though there has been a slight delay in few cases.

There was no undisputed amount payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues which have not been deposited on account of any dispute with appropriate authorities.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year, in the tax assessment under the Income Tax Act, 1961(43 of 1961).

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to lender.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us by the management, 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, we report that, prima-facie, no funds raised on a short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has taken funds from following entities and persons on account of or to meet the obligations of its subsidiaries, as per details below:

Nature of loan taken	Name of Lender	Rs. In Lakhs	Name of subsidiary	Nature of transaction for which loan utilized
Loan from Related party	Aerpace Robotics Private Limited	560.90	Aerpace Supercars Private Limited	Fund taken to grant a loan to the subsidiary to meet its obligations for working capital and capital projects (CWIP and Intangible Assets).

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures and associate companies (as defined under the act).

(x) (a) The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) In respect of frauds, as per the information and explanations given to us and procedures performed by us, no fraud by the company or any fraud on the company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) As per the information and explanations given to us by the management, the company has not received any whistle blower complaints during the year.

(xii) The Company is not a Nidhi Company. Accordingly, hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the transactions entered with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date for the period under audit.

(xv) In our opinion, the Company has not entered any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3 (xvi)(a) (b) and (c) of the order is not applicable.

(b) In our opinion, the company is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi) (d) of the order is not applicable.

(xvii) The Company has incurred cash losses of Rs. 582.73 lakhs in the current financial year and Rs. 382.04 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 the 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.

Also refer to the other information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of the auditor's report.

(xx) Company is not required to comply with the CSR provision as per section 135(5) of the Companies Act 2013. Accordingly, paragraph 3(xx) of the Companies (Auditor's Report) Order (CARO) is not applicable.

(xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Ramanand & Associates
Chartered Accountants
Firm's Registration No. 117776W

CA Ramanand Gupta
Partner
Membership No. 103975

UDIN: 26103975LFGOWD6055
Place: Mumbai
Date: 11th May, 2026

Annexure B

TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 2 (A) (f) under 'Report on other Legal and Regulatory Requirements' section of our report on even 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing (SA), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Aerpace Industries Ltd ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For Ramanand & Associates
Chartered Accountants
Firm's Registration No. 117776W

CA Ramanand Gupta
Partner
Membership No. 103975

UDIN: 26103975LFGOWD6055
Place: Mumbai
Date: 11th May, 2026

Standalone Balance Sheet

Standalone Balance Sheet as at March 31, 2026

(Amount in lakhs)

Particulars	Notes	As at Mar 31, 2026	As at Mar 31, 2025
I. Assets			
1 Non current assets			
(a) Property, Plant and Equipment	3	190.44	42.06
(b) Capital Work in Progress	3	2,612.99	1,341.79
(c) Intangible Assets under Development	4	587.95	283.62
(d) Right to Use Asset	5	1,126.49	1,453.80
(e) Financial Assets			-
(i) Investments	6	828.59	800.01
(ii) Loans & Advances	7	2,376.20	2,468.11
(iii) Other Financial Assets	8	104.40	101.66
(f) Deferred Tax Assets (Net)	9	38.44	16.54
(g) Other Non Current Assets	10	97.89	68.85
		7,963.38	**6,576.24**
2 Current assets			
(a) Inventories	11	48.46	2.26
(b) Financial Assets			
(i) Trade Receivables	12	71.97	97.27
(ii) Cash and Cash Equivalents	13	2.23	9.30
(iii) Other Financial Assets	14	-	4.32
(c) Current Tax Assets	15	19.91	16.79
(d) Other Current Assets	16	399.31	94.91
Sub Total		**541.88**	**224.85**
Total		**8,505.26**	**6,801.09**
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	17	1,538.58	1,538.58
(b) Other Equity	18	2,721.61	3,513.50
Sub-Total		**4,260.19**	**5,052.08**

2. . Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,568.92	-
(ii) Lease Liabilities	20	914.37	1,245.77
(b) Long Term Provisions	21	30.77	12.09
Sub-Total		**3,514.06**	**1,257.86**
3. Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	22	326.15	251.41
(ii) Trade Payables			
-Total Outstanding dues to Micro and Small Enterprises	23	2.47	19.41
-Total Outstanding due to creditors other than Micro and Small Enterprises	23	295.86	158.98
(iii) Other Financial Liabilities	24	83.04	49.06
(b) Other Current Liabilities	25	22.33	12.25
(c) Short Term Provisions	26	1.17	0.04
Sub-Total		**731.01**	**491.15**
Total		**8,505.26**	**6,801.09**

See accompanying notes to the financial statements 1 to 54

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: 11th May, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Director
DIN:08163535

Anand Shah
Chief Financial Officer

Place: Mumbai
Date: 11th May, 2026

Standalone Statement of Profit & Loss

Standalone Statement of Profit and Loss for the year ended March 31, 2026 (Amount in lakhs)

Particulars	Notes	As at Mar 31, 2026	As at Mar 31, 2025
Income			
Revenue from Operations	27	213.60	161.86
Other Income	28	190.36	140.20
Total income		**403.96**	**302.06**
Expenses		-	-
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods and Stock-in-Process		-	-
Cost of material consumed	29	-	-
Employee Benefits Expenses	30	975.59	323.25
Finance Costs	31	115.45	41.04
Depreciation & Amortization Expenses	32	210.19	113.57
Other Expenses	33	325.29	319.89
Total expenses		**1,626.51**	**797.75**
PROFIT / (LOSS) BEFORE TAX		**(1,222.55)**	**(495.69)**
LESS : Tax Expenses			
- Current Tax		-	-
- Taxes for Earlier Period		(0.07)	(0.08)
- Deferred Tax		(22.19)	(11.94)
PROFIT / (LOSS) FOR THE YEAR (A)		**(1,200.29)**	**(483.67)**
OTHER COMPREHENSIVE INCOME			
a) (i) Items that will not be reclassified to profit or loss	34	1.14	3.18
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.29)	(0.80)
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME (B)		**0.85**	**2.38**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		**(1,199.44)**	**(481.29)**
Earnings per Equity Share	35		
Basic Earnings Per Share (of Rs. 1/- each)		(0.78)	(0.33)
Diluted Earnings Per Share (of Rs. 1/- each)		(0.78)	(0.33)

See accompanying notes to the financial statements 1 to 54

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: 11th May, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Director
DIN:08163535

Anand Shah
Chief Financial Officer

Place: Mumbai
Date: 11th May, 2026

Standalone Cash flow statement

Standalone Statement of Cash Flow for the Year ended March 31, 2026

Particulars	Year End Mar31, 2026	Year End Mar 31, 2025
A. Cash flow from operating activities		
Net Profit/(Loss) Before Tax	(1,222.55)	(495.69)
Adjustments for:		
Depreciation and amortization Expenses	210.19	113.57
Rights issue Expenses	-	-
Interest Income	(189.93)	(140.19)
Increase in Right to Use Assets	(20.97)	-
Expenses recognised for ESOP	407.55	-
Expense recognised in OCI	1.14	-
Remeasurement of Defined Benefit Obligation	-	-
Provision for Expected Credit Loss	-	0.12
Finance Cost	115.45	41.04
Other expenses	-	-
Operating profit before working capital changes	**(699.13)**	**(481.15)**
Adjustment for :		
(Increase)/Decrease in Other Financial Assets	1.58	(93.47)
(Increase)/Decrease in Inventories	(46.20)	(2.26)
(Increase)/Decrease in other current assets	(29.24)	(72.62)
(Increase)/Decrease in other Non current assets	(304.40)	
(Increase)/Decrease in Trade Receivable	25.30	(76.78)
Increase/(Decrease) in Provisions	19.81	8.96
Increase/(Decrease) in Trade Payable	119.93	102.28
Increase/(Decrease) in Other Current Liabilities	10.08	4.75
Increase/(Decrease) in Current Financial Liabilities- Others	33.98	28.97
Cash Flow From Operation	**(868.29)**	**(581.32)**
Tax Paid (Net)	(3.03)	(11.28)
Net Cash inflow from/ (outflow) from Operating activities	**(871.32)**	**(592.60)**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(1,435.85)	(1,388.49)
Investment in Subsidiary	(28.58)	-

Intercorporate Deposits (Given)	91.91	(2,864.88)
Intercorporate Deposits Repaid	-	857.20
Purchase of Intangibles under Development	(149.97)	(187.61)
Interest received	189.93	11.97
Net Cash Inflow / (Outflow) from Investing Activities	**(1,332.56)**	**(3,571.81)**
C. Cash Flow from Financing Activities		
Increase / (Decrease) in Borrowings	2,568.92	-
Payment of Lease Liability	(256.66)	(113.65)
Issue of Right shares (net of expenses)	-	4,254.30
Finance Cost	(115.45)	-
Net Cash inflow from/ (outflow) from Financing activities	**2,196.81**	**4,140.65**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(7.07)**	**(23.76)**
Cash and Cash Equivalents at the Beginning of the year	9.30	33.06
Cash and Cash Equivalents at the end of the year	**2.23**	**9.30**

1.Cash Flow statement has been prepared under "Indirect Method", set out in Ind AS 7, notified under the Companies (Indian Accounting Standard) Rules, 2015.

2. Cash and cash Equivalents Represent Cash, Cash deposit with bank

3. Changes in liability arising from financing activities.

Sr No	Particulars	April 01, 2025	Cash Flow (net)	Non Cash Changes	March 31, 2026
1	Lease Liability	1,497.18	(256.66)	-	1,240.52

4. Previous year's figures have been regrouped and rearranged wherever necessary in order to conform to current year's presentation.

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Managing Director
DIN:08163535

Date: 11th May, 2026
Place: Mumbai

Anand Shah

Chief Financial Officer

Place: Mumbai
Date: 11th May, 2026

Standalone Changes In Equity

Standalone Statement Of Changes In Equity for the year ended March 31, 2026 (Amount in lakhs)

Particulars	No. of shares	Amount
A) Equity Share Capital		
As at March 31, 2024	**13,66,73,333**	**1,366.73**
Equity Share Capital issued during the year	1,71,84,649	171.85
As at March 31, 2025	**15,38,57,982**	**1,538.58**
Equity Share Capital issued during the year	-	-
As at March 31, 2026	**15,38,57,982**	**1,538.58**

Particulars	Capital Reserve	Retained Earnings	Securities Premium	Employee stock Option reserve	Other Comprehensive Income	Total
B) Other Equity						
Balance as at April 1, 2024	0.17	(87.62)	-	-	(0.24)	**(87.69)**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	**0.17**	**(87.62)**	-	-	**(0.24)**	**(87.69)**
Profit/(Loss) for the year	-	(483.64)	-	-	-	(483.64)
Other Comprehensive Income for the year	-	-	-	-	2.38	2.38
Received on issue of Equity Shares			4,082.45	-		4,082.45
Total Comprehensive Income for the year	-	**(483.64)**	**4,082.45**	-	**2.38**	**3601.18**
Movement for the year	-					-
Balance as at March 31, 2025	**0.17**	**(571.26)**	**4082.45**	-	2.14	**3513.50**
Balance as at April 1, 2025	0.17	(571.26)	4082.45	-	2.14	**3513.50**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	**0.17**	**(571.26)**	**4,082.45**	-	**2.14**	**3,513.50**

Profit/(Loss) for the year	-	(1200.29)	-	-	-	**(1200.29)**
Other Comprehensive Income for the year	-	-	-	-	0.85	**0.85**
Received on issue of Equity Shares	-	-	-	-		**-**
Addition / (Deletion)	-	-	-	407.55	-	**407.55**
Total Comprehensive Income for the year	**0.17**	**(1200.29)**	**4,082.45**	**407.55**	**0.85**	**(791.89)**
Movement for the year	-					
Balance as at March 31, 2026	**0.17**	**(1771.56)**	**4,082.45**	**407.55**	**3.00**	**2721.61**

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of Reserves:

(i) Capital Reserve: The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to Capital Reserve.

(ii) Retained earnings: This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

(iii) Securities premium: The Company has recognised securities premium as the amount received over and above the face value of shares and utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Employee Stock Option Reserve: The Company has implemented an employee share-based payment scheme in the form of Restricted Stock Units (RSUs) for eligible employees in accordance with Ind AS 102 – Share-based Payment. RSUs entitle employees to receive equity shares upon vesting, subject to specified conditions.The fair value of RSUs granted is recognised as an employee benefit expense over the vesting period, with a corresponding credit to the Employee Stock Option Reserve under Other Equity. (For details refer note 19)

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: 11th May, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Managing Director
DIN:08163535

Anand Shah
Chief Financial Officer

Place: Mumbai
Date: 11th May, 2026

Notes

Accompanying notes to Standalone financial statements for the year ended 31st March, 2026

CIN - L74110MH2011PLC214373

1. Corporate information

Aerpace Industries Limited ('the Company') (Formerly known as Supremex Shine Steels Limited) is a Public Limited Company incorporated on 04th March, 2011 and domiciled in India and has its registered office at 1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri Kurla Road, Andheri (East), Mumbai-400093. The Company has its primary listing on the Bombay Stock Exchange (BSE). The company is engaged into business of renewable energy and infrastructure.

2. Material Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

2.1. Basis of Preparation of standalone financial statements

The Company's Financial Statement for the year ended March 31, 2026 have been prepared in accordance with provisions of the Indian Accounting Standards(Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.
All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/ non- current classification of assets and liabilities.

These financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, the Statement of Cash flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

Accounting policies have been consistently applied except where a newly-issued Indian accounting standard is initially adopted or a revision to an existing Indian accounting standard requires a change in the Indian accounting policy hitherto in use.

The Ind AS financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 1,00,000), except when otherwise indicated. Earnings per share data are presented in Indian Rupees up to two decimal places.

2.2. Revenue recognition

Revenue from sale of goods is recognised when the significant risks and reward of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured at fair value net of returns, trade discounts, volume rebates and taxes or duties.Revenue from services rendered is recognised as and when the services are rendered and related costs are incurred in accordance with the contractual agreement.

Interest income
Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Other Income
Other income is recognised when no significant uncertainty as to its determination or realisation exists.

Dividend
Dividend income is recognised when to right to receive payment has been established.

Commission Income
Commission Income is accounted when it becomes due as per contract.

2.3. Property, Plant and Equipment

Property, Plant and Equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as “Capital Work-in-Progress”. 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.
An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the property, plant and equipment is de-recognised.Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on WDV basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

2.4. Depreciation

Depreciation is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life ofthe assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale. Thecarrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairmentloss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

2.5. Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any

Intangible assets Under Development
The costs incurred by the company during the research phase are charged to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

2.6. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time.Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

2.6. Employee Benefit Expenses

All employee benefits payable within a period of twelve months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

Defined Contribution plans

Provident Fund
The Company is a member of the Government Provident Fund which is operated by the office of the Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid /provided for during the period in which the employee renders the related service.

Defined Benefits plans

Gratuity
In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, covering eligible employees. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

2.7. Accounting for Taxes of Income

Current Taxes
Current Tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively exacted by the end of the reporting period.

Deferred Taxes
Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilitiesand their respective tax bases. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability issettled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Themeasurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the endof the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets including that on unused tax losses and unused tax credits are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and Deferred Tax for the Year
Current and deferred tax are recognised in the profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.8. 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 readyfor 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. Borrowingcosts consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences tothe extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

2.9. Financial instruments

Financial Assets

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss.

However trade receivables that do not contain a significant financing component are measured at transaction price.

Investments and other financial assets

ii. Classification and Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Financial Assets:

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial assets into following categories:

1. Amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

2 . Fair value through other comprehensive Income

Financial assets with a business model:

(A) Whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and

(B) where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the assets are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

3. Fair value through Profit and Loss:

Financial assets which are not classified in any of the categories above are fair value through profit or loss.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. The investment in subsidiaries, associates and joint ventures are measured at cost.

iii. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

i.The contractual rights to cash flows from the financial asset expires;

ii.The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;

iii.The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a ‘pass-through’ arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv.The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

Financial liabilities:

i. Measurement
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

ii. De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liabilityis replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such anexchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respectivecarrying amounts is recognised in the statement of profit or loss.

Derivative financial Instrument
A derivative is a financial instrument which changes in value in response to changes in an underlying asset and is settled at a future date. Derivativesare initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The methodof recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the itembeing hedged. The Company designates certain derivatives as either:

(a) Hedges of the fair value of recognised assets or liabilities (fair value hedge); or
(b) Hedges of a particular risk associated with a firm commitment or a highly probable forecast transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its riskmanagement objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedgeinception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flowsof hedged items. Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes inequity. The full fair value of a hedging derivative is classified as a noncurrent asset or liability when the remaining maturity of hedged item is morethan 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives areclassified as a current asset or liability.

i . Fair value hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

ii. Cash Flow Hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the Statement of Profit and Loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the Statement of Profit and Loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to Statement of Profit and Loss when the forecasted cash flows affect profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the Statement of Profit and Loss.

2.10. Impairment of financial assets & non-financial assets

a.Financial assets
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

b.Non-financial assets
Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.
Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

2.10. Fair value measurement

The Company measures financial instruments, such as, derivatives and investments at fair value as per IND AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

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.

2.11. Key Accounting Estimates And Judgments

The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accountingpolicies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlyingassumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments inapplying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the standalone financialstatements are included in the following notes:

i. Useful lives of property, plant and equipment
The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Impairment of non - financial assets
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 five years and do not include restructuring activities that the Company 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 disclosure of fair value of investment property recorded by the Company.

(iii) Provision for Contingent Liabilities
On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in standalone financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the standalone financial statements. Contingencies the likelihood of which is remote are not disclosed in the standalone financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(iv) Valuation of deferred tax assets
The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note above.

(v)Defined benefit plans
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.

2.12.Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the functional currency using exchange rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer policy on Derivative Financial Instruments and Hedge Accounting).

2.13.Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which 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 for the amount of the obligation.
Contingent Liabilities are disclosed by way of notes to standalone financial statements. Contingent assets are

not recognised in the standalone financial statements but are disclosed in the notes to the standalone financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

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.

2.14.Earnings Per Share (EPS)

Basic Earnings per Share
Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings per Share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.15.Cash and cash equivalents

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 equivalents consist of cash and short-term deposits.

2.16.Share-based payments

The Company operates equity-settled share-based payment arrangements in the form of Restricted Stock Units (RSUs). The fair value of RSUs granted is recognised as an employee benefit expense with a corresponding increase in equity over the vesting period. The total expense is determined based on the grant date fair value of the RSUs, adjusted for estimated forfeitures. At each reporting date, the Company revises its estimates of the number of RSUs expected to vest and recognises the impact in the Statement of Profit and Loss with a corresponding adjustment to equity.

Notes

Particulars	Leasehold Improvements	Plant & Machinery	Computer	Office Equipment	Furniture and fixture	Total	Capital Work-in Progress	Grand Total
Note 3 : Property Plant & Equipment								
Gross Carrying Amount as at April 1, 2024	**-**	**-**	**2.08**	**0.66**		**2.74**	**-**	**2.74**
Additions	20.00	19.58	7.12			46.70	1,341.79	1,388.49
Disposals								
As at March 31, 2025	**20.00**	**19.58**	**9.20**	**0.66**		**49.44**	**1,341.79**	**1,391.23**
Accumulated Depreciation as at April 1, 2024	**-**	**-**	**0.63**	**0.32**		**0.95**	**-**	**0.95**
Depreciation charge during the year	1.99	0.89	3.39	0.16		6.43	-	6.43
Adjustments made during the Year								
Accumulated Depreciation as at March 31, 2025	**1.99**	**0.89**	**4.02**	**0.48**		**7.38**	**-**	**7.38**
Net carrying amount as at March 31, 2025	**18.01**	**18.69**	**5.18**	**0.18**		**42.06**	**1,341.79**	**1,383.85**
Gross Carrying Amount as at April 1, 2025	**20.00**	**19.58**	**9.20**	**0.66**	**-**	**49.43**	**1,341.79**	**1,391.22**
Additions	-	76.57	3.46	77.23	7.39	164.65	1,271.20	1,435.85
Disposals								-
As at March 31, 2026	**20.00**	**96.15**	**12.66**	**77.89**	**7.39**	**214.08**	**2,612.99**	**2,827.07**
Accumulated Depreciation as at April 1, 2025	**1.99**	**0.89**	**4.02**	**0.48**	**-**	**7.38**	**-**	**7.38**
Depreciation charge during the year	4.00	4.70	4.30	2.80	0.46	16.26	-	16.26
Accumulated depreciation on deletions								
Adjustments made during the Year								
Accumulated Depreciation as at March 31, 2026	**5.99**	**5.58**	**8.32**	**3.28**	**0.46**	**23.64**	**-**	**23.64**
Net carrying amount as at March 31, 2026	**14.01**	**90.56**	**4.34**	**74.61**	**6.93**	**190.44**	**2,612.99**	**2,803.43**

Ageing Schedule

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026					
Projects in Progress	1,271.20	1,341.79	-	-	**2,612.99**
Total	**1,271.20**	**1,341.79**	**-**	**-**	**2,612.99**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in Progress	1,341.79	-	-	-	**1,341.79**
Total	**1,341.79**	**-**	**-**	**-**	**1,341.79**

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 4 : Intangible Assets under Development		
Intangible Asset Under Development	587.95	283.62
	587.95	**283.62**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Ageing Schedule					
As at March 31, 2026					
Projects in Progress	304.33	187.61	96.01		**587.95**
Total	**304.33**	**187.61**	**96.01**		**587.95**
As at March 31, 2025					
Projects in Progress	187.61	96.01	-	-	**283.62**
Total	**187.61**	**96.01**	**-**	**-**	**283.62**

Particulars	Building	Total
Note 5 : Right to Use Asset		
Gross Carrying Amount as at April 1, 2024	**149.90**	**149.90**
Additions	1,543.64	1,543.64
Deletion	-	-
As at March 31, 2025	**1,693.53**	**1,693.53**
Accumulated amortisation and impairment as at April 1, 2024	**55.41**	**55.41**
Amortisation charge during the year	184.33	184.33
Deletion	-	-
As at March 31, 2025	**239.74**	**239.74**
Gross Carrying Amount as at April 1, 2024	**1,693.53**	**1,693.53**
Additions	20.97	20.97
Deletion	-	-
As at March 31, 2026	**1,714.51**	**1,714.51**
Accumulated amortisation and impairment as at April 1, 2025	**239.74**	**239.74**
Amortisation charge during the year	348.28	348.28
Deletion	-	-
As at March 31, 2026	**588.02**	**588.02**
Net carrying amount as at March 31, 2025	**1,453.80**	**1,453.80**
Net carrying amount as at March 31, 2026	**1,126.49**	**1,126.49**

During the year, the Company modified its lease agreement with the lessor effective 30 June 2026, resulting in a change in lease rentals. In accordance with Ind AS 116, the lease liability was remeasured using a revised discount rate, and a corresponding increase in the Right-of-Use (ROU) asset of ₹20,44,292 has been recognized.

Further, the Company paid an additional refundable security deposit of ₹4,70,082 on 17 January 2026. In accordance with Ind AS 109, the security deposit has been recognized at its fair value, and the difference of ₹53,153 between the transaction value and fair value has been treated as a lease prepayment and accordingly added to the ROU asset.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Noted 6 : Investments		
Investment in equity instruments of Subsidiary Company at cost (Unquoted and Fully Paid up) aerpace Supercars Private Limited	800.01	800.01
[40,85,144 (PY 40,85,144) Equity shares of Rs. 10/- each fully paid up]		
Investment in Aerpace General Trading LLC [75 (PY Nil) Equity shares of AED 1,12,500 /- each fully paid up]	28.58	-
Total	**828.59**	**800.01**
Aggregate Amount of quoted Investments	-	-
Market Value of quoted Investments	-	-
Aggregate Amount of unquoted Investments	828.59	800.01
Aggregate Amount of provision for diminution in value of investment	-	-

The Company has made an investment in equity shares of Aerpace General Trading LLC, a foreign entity incorporatedin th United Arab Emirates (UAE), with the objective of establishing an international presence and undertaking future business operations

Particulars	Amount
Number of shares acquired	75 shares
Date of acquisition	19-Jan-26
Total consideration	AED 1,12,500
Equivalent INR (at transaction date)	2,858,010
Percentage holding	75%

The above entity qualifies as a subsidiary in accordance with Ind AS 110 Consolidated Financial Statements. The investment is carried at cost in the standalone financial statements in accordance with the Company's accounting policy for investments in subsidiaries. Since the subsidiary has not commenced operations as at the reporting date and there are no significant changes in its underlying net assets, management has assessed that the carrying value of the investment approximates its fair value.

Accordingly, no impairment is considered necessary. The investment is denominated in foreign currency (AED) and is a non-monetary item measured at historical cost hence, it is not restated at the closing exchange rate in accordance with Ind AS 21 – The Effects of Changes in Foreign Exchange Rates.

Particulars	As at Ma 31, 2026	As at Mar 31, 2025
Note 7 : Loans & Advances		
Unsecured-Considered good	**-**	**-**
Loan to Related Parties*	2,376.20	2,459.39
Loan to Others **	-	8.72
Total	**2,376.20**	**2,468.11**

*The Company had granted a loan to Aerpace Robotics Private Limited, a related party, during the year. The said loan, including the balance outstanding from the previous year, was fully repaid during the current financial year. Subsequently, the Company availed a loan from the same related party within the same financial period (Refer note 20 for details).
*Loan to related parties includes loan given to an entity in which Director is interested as Director.
**During the previous year, the Company had granted a loan to SSK Scripts Pvt Ltd, which has been fully repaid during the current financial year. Accordingly, no balance remains outstanding as at the reporting date. The said loan was granted and recovered in accordance with the terms agreed between the parties. There are no amounts overdue as at the balance sheet date.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 8 : Other Financial Assets (Unsecured, Considered Good)		
Security deposit	104.40	101.66
Total	**104.40**	**101.66**
Note 9 : Deferred Tax Assets (Net)		
Deferred Tax Assets arising due to temporary differences pertaining to		
Property, Plant & Equipment - Depreciation & Amortisation	(1.25)	(0.66)
Right to Use Asset - Depreciation & Amortisation	29.65	11.80
Provision for Employee Benefits	8.04	3.05
Provision for Employee Benefits - OCI	(0.29)	-
Expected Credit Loss	2.29	2.35
Total	**38.44**	**16.54**
Note 10 : Other Non Current Assets		
Capital Advances	69.31	31.92
Prepaid Lease rental	28.57	36.73
Total	**97.89**	**68.65**
Note 11 : Inventories		
Raw Materials	48.46	2.26
Total	**48.46**	**2.26**
Note 12 : Trade Receivables (Unsecured, Considered good)		
Trade Receivable considered good	81.07	106.60
Less: Allowance for Expected Credit Loss	(9.10)	(9.33)
Total	**71.97**	**97.27**

(Amount in lakhs)

As at March 31, 2026

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
	Outstanding for following periods from due date of payment						
Undisputed Trade Receivables – considered	-	71.97	-	-	-	-	71.97
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	9.10	9.10
Unbilled dues	-	-	-	-	-	-	-
Total	-	71.97	-	-	-	9.10	81.07

As at March 31, 2025

Undisputed Trade Receivables – considered	-	97.50	-	-	-	-	97.50
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	9.10	-	9.10
Unbilled dues	-	-	-	-	-	-	-
Total	**-**	**97.50**	**-**	**-**	**9.10**	**-**	**106.60**

Note: The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables on the basis of ECL matrix. The ECLs are calculated on outstanding balances of trade receivables as at the year end.

Notes

(Amount in lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 13 : Cash and cash equivalents		
Balance With Banks		
Current Accounts	2.17	9.24
Cash in hand	0.06	0.06
Other Bank Balances		
Fixed Deposit (Maturity less than 3 months)	-	-
Total	**2.23**	**9.30**
Note 14 : Other Financial Assets		
Fixed Deposits with Bank	-	4.32
Total	**-**	**4.32**
Note 15 : Current Tax Assets		
Advance Tax (Net of Provision for tax)	19.91	16.79
Total	**19.91**	**16.79**
Note 16 : Other Current Assets		
Prepaid Expenses	5.45	4.52
Balance with Government Authorities	393.43	89.94
Advance to Creditors	0.43	0.45
Total	**399.31**	**94.91**
Note 19 : Borrowings		
Unsecured		
- Loan from related parties	2,568.92	-
Total	**2,568.92**	**-**

During the year, the Company has availed borrowings from a Aerpace Robotics Private Limited which is a Related party as defined under Ind AS 24. The loan has been obtained in the ordinary course of business and is repayable as per the terms mutually agreed between the parties. The borrowing carries an interest rate of 9% per annum, which, based on management's assessment, is commensurate with prevailing market rates for similar instruments and credit risk profiles. In accordance with Ind AS 109, the Company has initially recognised the borrowing at its fair value.

Given that the transaction has been undertaken at market terms, the fair value of the loan at initial recognition approximates its transaction value. Accordingly, no significant adjustment has been made on initial recognition. Subsequently, the borrowingis measured at amortised cost using the effective interest rate (EIR) method. Interest expense is recognised in the Statement of Profit and Loss over the tenure of the borrowing. The above borrowing has been classified under "Borrowings" in the financial statements in accordance with the presentation requirements of Schedule III to the Companies Act, 2013. Necessary disclosures relating to related party transactions, including outstanding balances and terms thereof, have been disclosed separately in the related party disclosure note."

Notes

(Amount in lakhs)

Particulars	FY 2025-26	FY 2025-26	Terms
Aerpace Robotics Private Limited (Loan from Related Party)	2,568.92	-	Interest @ 9% p.a., unsecured, repayable as per agreement

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 20 : Lease Liabilities (Non-Current)		
Lease Liabilities	914.37	1,245.77
Total	**914.37**	**1,245.77**
Note 21 : Long Term Provisions		
Provision for Gratuity	22.78	12.09
Leave Encashment	7.98	-
Total	**30.77**	**12.09**
Note 22 : Lease Liabilities (Current)		
Lease Liabilities - Current	326.15	251.41
Total	**326.15**	**251.41**
Note 23 : Trade Payables (Undisputed)		
Total Outstanding due to Micro & Small Enterprises	2.47	19.41
Total Outstanding due to creditors other than Micro & Small Enterprises	295.86	158.98
Total	**298.33**	**178.39**

	Outstanding for following periods from the due date of payment				
Particulars	Not due	Less than 1 year	1-2 year	2-3 years	Total
Trade Payables Ageing Schedule					
As at March 31, 2026					
i. MSME	-	2.47	-	-	2.47
ii. Others	-	219.91	75.95	-	295.86
iii. Disputed dues -MSME	-	-	-	-	-
iv. Disputed dues -Others	-	-	-	-	-
v. Unbilled Dues	-	-	-	-	-
Total	**-**	**222.37**	**75.95**	-	**298.33**
As at March 31, 2025					
i. MSME	-	19.41	-	-	19.41
ii. Others	-	158.98	-	-	158.98
iii. Disputed dues -MSME	-	-	-	-	-
iv. Disputed dues -Others	-	-	-	-	-
v. Unbilled Dues	-	-	-	-	-
Total	**-**	**178.39**	-	-	**178.39**

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 24 : Other Financial Liabilities		
Provision for Expenses	72.00	48.82
Book Overdraft	11.04	-
Excess Share Application Money Refundable	-	0.24
Total	**83.04**	**49.06**
Note 25 : Other Current Liabilities		
Statutory Dues payable	22.33	12.25
Total	**22.33**	**12.25**
Note 26 : Short Term Provisions		
Provision for Gratuity - Short Term	0.08	0.04
Provision for Leave Encashment - Short Term	1.09	-
Total	**1.17**	**0.04**

Notes

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 17 : Equity Share Capital		
a. Details of authorised, issued and subscribed share capital		
Authorised		
16,00,00,000 (PY 16,00,00,000) Equity Shares of Rs. 1 each	4,000.00	4,000.00
	4,000.00	**4,000.00**
Issued, Subscribed and Paid up		
15,38,57,982 (PY 15,38,57,982) Equity Shares of Rs 1 each	1,538.58	1,538.58
Total	**1,538.58**	**1,538.58**
b. Terms & Conditions		

The Company has only one class of equity shares having a par value of Rs. 1/- per share. Each equity shareholder to have voting rights in proportion to the number of equity shares held by him.

In the event of liquidation of the Company, the holder of equity shares 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.

Notes

(Amount in lakhs)

c. Reconciliation of number of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	March 31, 2026 Number of shares	Amount	March 31, 2025 Number of shares	Amount
Equity shares				
Shares outstanding at the beginning of the year	153,857,982	1,538.58	136,673,333	1,366.73
Shares issued during the year	-	-	17,184,649	171.85
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	15,38,57,982	1,538.58	153,857,982	1,538.58

d. Details of shareholders holding more than 5% shares in the company

Name of shareholder	March 31, 2026 Numbers	% holding in the class	March 31, 2025 Numbers	% holding in the class
Equity Shares of Rs.1/- each fully paid up	-	-	-	-
Kaushal Anand Shah	3,01,79,234	19.61%	3,01,79,234	19.61%
Anand Manoj Shah	29,070,566	18.89%	29,070,566	18.89%

Notes

(Amount in lakhs)

e. Details of shares held by promoters
As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 1 each fully paid up					
Kaushal Anand Shah	3,01,79,234	-	3,01,79,234	19.61%	0.00%
Anand Manoj Shah	2,90,70,566	-	2,90,70,566	18.89%	0.00%
Milan B Shah	56,23,035	-1,300,000	43,23,035	2.81%	-23.12%
Hasmukh Karman Gala	28,32,340	-	28,32,340	1.84%	0.00%
Amisha Milan Shah	5,05,604	-	5,05,604	0.33%	0.00%
Aerpace Robotics Private Limited	1,550,000	-942,041	607,959	0.40%	-60.78%
Jayshree Bhupendra Shah	-	1,300,000	1,300,000	0.84%	100.00%
Nayna P Kampani	-	777,166	777,166	0.51%	100.00%
Shah Family Private Trust	-	10,000	10,000	0.01%	100.00%
Total	**69,760,779**	**-2,242,041**	**69,605,904**		

As at March 31, 2025

Equity shares of Rs. 1 each fully paid up					
Kaushal Anand Shah	30,179,234	-	3,01,79,234	19.61%	0.00%
Anand Manoj Shah	28,875,066	195,500	29,070,566	18.89%	0.68%
Milan B Shah	4,941,535	681,500	5,623,035	3.65%	13.79%
Hasmukh Karman Gala	2,832,340	-	2,832,340	1.84%	0.00%
Amisha Milan Shah	505,604	-	505,604	0.33%	0.00%
Aerpace Robotics Private Limited	1,300,000	250,000	1,550,000	1.01%	19.23%
Total	**6,86,33,779**	**1127,000**	**6,97,60,779**	-	-

Particulars		As at Mar 31, 2026	As at Mar 31, 2025
Note 18 : Other Equity			
Capital Reserve			
Opening Balance		0.17	0.17
Closing Balance	A	**0.17**	**0.17**
Retained Earnings			
Opening Retained Earnings		(571.26)	(87.62)
Add : Profit/(Loss) for the year		(1,200.29)	(483.67)
Closing Balance	B	**(1,771.56)**	**(571.26)**
Other comprehensive income	C		
Balance at the beginning of the year		2.14	(0.24)
Re-measurement gains/ (losses) on defined benefit plans		1.14	3.18
Deferred Tax Asset/Liability		(0.29)	(0.80)
Closing balance		**3.00**	**2.14**
Securities Premium			
Opening Balance		4,082.45	-
Add: Received on issue of Equity Shares		-	4,289.25
Less : Share Issue Expenses		-	(206.80)
Closing Balance	D	**4,082.45**	**4,082.45**
Employee Stock Option Reserve			
Opening Balance		-	-
Add: Expense Incurred (Refer Note)		407.55	-
Less : Transferred to Security Premium / Reversal of Expenses		-	-
Closing Balance	E	**407.55**	-
Total (A+B+C+D+E)		**2,721.61**	**3,513.50**

Notes :
1. Share-based payment – Restricted Stock Units (RSUs)
The Company has granted Restricted Stock Units (RSUs) to eligible employees under the “Aerpace Industries Limited Restricted Stock Unit Plan, 2024”. The RSUs vest over a period ranging from one to four years, subject to the employees’ continued employment with the Company.
The fair value of RSUs is determined at the grant date using the Black-Scholes valuation model. The cost of such equity-settled share-based payments is recognised in the Statement of Profit and Loss over the vesting period, with a corresponding credit to equity.
During the year, the Company has recognised an expense of ₹407.55 lakhs (Previous year: Nil) under employee benefits expense in respect of these RSUs.
The scheme is administered by the Nomination and Remuneration Committee of the Board.

A. Quantitative Disclosure – Movement of RSUs

Grant date: August 1, 2025
Restricted Stock Units (RSUs) granted: 67,00,530
Vesting period: 1–4 years
Exercise price: ₹1 per option
Maximum contractual life : As per Plan
Settlement: Equity shares
Vesting conditions: Continued employment

Particulars	No. of Options
B. Movement of Stock Options	
Outstanding at beginning of year	67,00,530
Granted during the year	67,00,530
Vested during the year	-
Forfeited / Lapsed	-
Exercised	-
Expired	-
Outstanding at end of year	67,00,530
Exercisable at end of year	-
C. Exercise Price & Life	
Range of exercise price: ₹1	
Weighted average remaining contractual life: 1.83 years	

D. Fair Value Measurement Disclosure

Particulars	March 31,2026
The fair value of RSUs granted during the year has been estimated using the Black-Scholes option pricing model with the following assumptions:	
Share Price as on Valuation date (in INR)	23.62
Exercise Price (in INR)	1
Expected Life of Options (in Years)	3.35
Expected Risk Free Interest Rate (in %) p.a.	7.58%
Expected Volatility of Share Price (in %)	50.00 % p.a.
Dividend Yield (in %)	0.00 % p.a.
Attrition Rate (in %)	0.00 % p.a.
E. Employee Compensation Expense	
RSUs expense recognised during the year	407.55
Previous year	Nil

The above expense has been recognised under Employee Benefits Expense in the Statement of Profit and Loss.

Particulars	Amount
F. Share-Based Payment Reserve (Equity)	
Opening balance	-
Add: Expense during the year	407.55
Less: Transferred on vesting/exercise	-
Closing balance	**407.55**
G. Earnings Per Share (EPS)	

The total number of shares that may be issued under RSUs represents 4.36 % of total outstanding equity hares as at reporting date.

H. Other Disclosures

No material modifications/cancellations during the year
No cash-settled share-based payments

Notes

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 27 : Revenue from Operations		
Other Operating Revenue		
Technical & Consultancy Charges	213.60	161.86
Total	**213.60**	**161.86**
Revenue disaggregation is as follows:		
Disaggregation based on geography		
India	213.60	161.86
Outside India	-	-
Total	**213.60**	**161.86**
Note 28 : Other Income		
Discount Received	0.43	0.01
Interest Income		
From Others	181.54	123.82
On Fixed deposit	0.01	11.97
On unwinding of financial assets carried at amortised cost	8.38	4.40
Total	**190.36**	**140.20**
Note 29 : Cost of Material Consumed		
Opening stock	2.26	-
Add: Purchases of material	46.21	2.26
Less: Closing stock	(48.46)	(2.26)
Total	**-**	**-**
Note 30 : Employee Benefits Expenses		
Salary & Wages	491.16	310.43
Contribution to PF and other funds	4.85	0.08
Gratuity	11.87	8.95
Leave Encashment Expenses	9.08	-
Directors Remuneration	42.07	-
Employee Stock Option Plan Expense	407.55	-
Staff Welfare Expenses	9.00	3.79
Total	**975.59**	**323.25**

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 31: Finance Costs		
Interest on Lease Liability	65.58	41.04
Interest On Loan	86.12	-
Less: Interest capitalised	(36.25)	-
Total	**115.45**	**41.04**
Note 32 : Depreciation & Amortization Expenses		
Depreciation on tangible assets	16.26	6.43
Amortization of right to use	193.92	107.14
Total	**210.19**	**113.57**
Note 33 : Other Expenses		
Direct Expenses		
Freight Charges	0.23	-
Indirect Expenses		
Electricity Expenses	57.46	22.19
Advertisement Expenses	4.66	3.04
Business Promotion Expenses	5.02	17.19
Professional Fees	80.24	73.47
Director Seating fees	3.78	5.46
Auditors Remuneration (Refer Note below)	6.00	5.41
Annual Listing Fees	4.36	4.28
Printing & Stationery	1.05	1.02
Provision for Expected Credit Loss	-	0.12
Insurance Charges	0.30	-
Telephone & Internet Expenses	1.69	1.49
Commission & Brokerage	0.17	1.72
Software Expenses	4.41	5.67
Travelling and Conveyance Expenses	60.68	31.66
House Keeping Expenses	8.14	1.69
Sponsorship Fees	24.81	84.76
Membership and Subscription Expenses	3.34	0.12

Stamp Duty Expenses	0.24	4.90
ROC Filing Fees	-	19.49
Rent Expenses	18.00	12.02
Repairs and Maintenance	2.60	1.02
Security Guard Services	8.40	2.90
Labour Charges	5.70	-
Clearing and forwarding Charges	2.60	-
Unrealised Forex Loss	0.07	-
Rates And Taxes	7.77	6.39
Miscellaneous Expenses	13.58	13.88
Total	**325.29**	**319.89**

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Auditor remuneration includes :		
As Auditor	6.00	5.41
For Taxation Matters	-	-
For Other Services	-	-
Total	**6.00**	**5.41**
Note 34 : Items that will not be Reclassified to Profit & Loss		
Gratuity through OCI	(1.14)	(3.18)
Total	**(1.14)**	**(3.18)**
Note 35 : Earnings per Equity Share		
Profit/(Loss) as per Statement of Profit and Loss	(1,200.29)	(483.67)
Weighted Average Number of Shares for Basic & Diluted EPS	153,857,982	14,82,24,143
Face value per Share	1.00	1.00
Basic Earnings Per Share (Restated for Rights)	(0.78)	(0.33)
Diluted Earnings Per Share	(0.78)	(0.33)

The Company has incurred a loss during the year. Accordingly, potential equity shares have not been considered for the purpose of calculation of diluted earnings per share, as their inclusion would be anti-dilutive. Therefore, diluted EPS is the same as basic EPS.

Note 36 :- Leases

In current year, the Company has recognised Interest on Lease Liability and Amortization of Right of use Asset as per IndAS 116 'Lease' in the statement of Profit and Loss as under :-

- 'Finance Cost' in Note no. 31. Interest on Lease Liability of Rs. 65.58 lakhs (PY Rs. 41.04lakhs)
- 'Depreciation and Amortization expense' in Note no. 32. Amortization of Lease Liability of Rs. 193.82 lakhs (PY Rs.107.14 lakhs)
- The total outstanding cash outflow for lease as per the agreement is Rs. 1443.44 lakhs (PY Rs. 1822.41 lakhs).
- There has been addition to right of use asset in the current year is 20.97 (PY Rs. 1543.64 lakhs).
- There has been no deletion to right of use asset in the current year.

The Company has taken premises under leave and license agreement, the rent and escalation depends upon the lease agreement entered by the Company. The Company has entered into an lease agreement for the period of 5 years, with escalation clause.

The disclosure requirement and maturity analysis of lease liability and asset as per IndAS 107 'Financial Instrument : Disclosures' are as follows:

a) The net carrying amount of Right of use asset :

	March 31, 2025	Addition	Deletion / Amortization	March 31, 2026
Right of Use Asset	1,453.80	20.97	348.28	1,126.49

b) A reconciliation between the total minimum lease payment as on 31st March,2025 and their present value:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Lease Liability as at balance sheet date	1,240.52	1,497.18
Add: Interest on above		
Minimum Lease Payment	**1,240.52**	**1,497.18**

The rate of interest taken is 8.50% p.a.

c) Maturity Analysis of the Minimum lease payment for the following years are as follow:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Before 3 months	103.29	95.69
3 – 6 months	103.29	95.69
6 – 12 months	216.41	200.59
1 – 3 years	1,020.08	1,219.80
3 – 5 years	-	210.36
Above 5 years	-	
Total	**1,443.44**	**1,822.41**

Note 37 :- Related Party Disclosure

Nature of Relationship	Party Name
a. Key Managerial Personnels (as per Companies Act, 2013)	Milan Shah (Managing Director with effect from 09th March, 2022)
	Amisha Shah (Director upto 30th June 2024)
	Anand Shah (CFO with effect from 10th March, 2023)
	Shalaka Modi (Company Secretary upto 8th December, 2023)
	Neha Mankame (Company Secretary upto 27th February 2026)
b. Key Managerial Personnels (as per Ind AS 24)*	Akanksha Bilaney (Independent Director with effect from 09th March, 2022)
	Sanjay Takale (Independent Director with effect from 04th May, 2022)
	Virendra Verma (Independent Director with effect from 04th May, 2022)
	Prem Singh Rawat (Director with effect from 02nd September 2023)
	Ravi Chedilal Soni (Additional Director with effect from 14th May, 2024
	Prakash Gaur (Non Executive Director with effect from 26th Sep, 2025)
	Darshana Sawant (Non Executive Director with effect from 26th Sep, 2025)
c. Subsidiary	Aerpace Supercars Private Limited (with effect from 05 Jan, 2024)
	Investment in Aerpace General Trading LLC
d. Entity where KMP/Relative of KMP exercise significant infiuence	Aerpace Communication Private Limited upto 15th October 2025
	Aerpace Robotics Private Limited

In addition to those that have been disclosed in (a) above

Name of Party	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
b. Transaction with Related parties			
Anand Shah	Salary	35.78	26.54
Ravi Chhedilal Soni	Director Remunreration	18.04	4.50
Prem Singh Rawat	Director Remunreration	24.04	6.00
Neha Mankame	Salary	1.65	1.50
Prakash Gaur	Salary	6.00	-
Akanksha Bilaney	Director Sitting Fees	2.25	2.10
Virendra Verma	Director Sitting Fees	1.53	2.46

Aerpace Robotics Private Limited	Loan Given	8.75	1,446.00
	Loan Received back	844.44	839.20
	Interest Income	11.90	41.87
	Loan taken	2,617.13	-
	Loan Repaid	115.00	-
	Interest Expense	86.12	-
Aerpace Supercars Private Limited	Technical Fees Income	213.60	161.86
	Loan Given	604.91	1,549.25
	Loan Received back	3.81	1.00
	Interest Income	168.23	80.79
Aerpace General Trading LLC	Investment in subsidiary	28.58	-

c. Balances Outstanding of Related parties

Anand Shah	Salary Payable	2.42	2.33
Ravi Chhedilal Soni	Director Remunreration	1.50	1.50
Prem Singh Rawat	Director Remunreration	2.00	2.00
Neha Mankame	Salary Payable	0.30	0.44
Prakash Gaur	Salary	1.50	-
Aerpace Robotics Private Limited	Loan Receivable (including interest)	-	835.69
	Loan Receivable (including interest)	2,568.92	-
Aerpace Supercars Private Limited	Loan Receivable	2,207.98	1,548.25
	Interest Receivable	168.23	75.45
	Investment in Subsidiary	800.01	800.01
	Trade Receivable	71.97	97.50
Aerpace General Trading LLC	Investment in Subsidiary	28.58	-

Note

1. Reimbursement in ordinary course of business are not included above.

2. Transaction reported does not include post employment benefits and employee contribution to PF & ESIC.

Note 38 :- Fair Value Management (Amount in lakhs)

Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

i)The carrying value and fair value of financial instruments by categories as of 31 March 2026 are as follows:

	Carrying amount				Fair value			
Particulars	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	828.59	828.59	-	-	-	828.59
Security Deposits	-	-	104.40	104.40	-	-	-	104.40
Trade Receivables	-	-	71.97	71.97	-	-	-	71.97
Cash and Cash Equivalents	-	-	2.23	2.23	-	-	-	2.23
Loans and Advances	-	-	2,376.20	2,376.20	-	-	-	2,376.20
Other financials assets	-	-	104.40	104.40	-	-	-	104.40
Total financial assets	-	-	**3,487.79**	**3,487.79**	-	-	-	**3,487.79**
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Lease Liability	-	-	1,240.52	1,240.52	-	-	-	1,240.52
Trade payables	-	-	298.33	298.33	-	-	-	298.33
Other financial liabilities	-	-	83.04	83.04	-	-	-	83.04
Total financial liabilities	-	-	**1,621.89**	**1,621.89**	-	-	-	**1,621.89**

ii) The carrying value and fair value of financial instruments by categories as of 31 March 2025 are as follows:

Particulars	Carrying amount				Fair value			
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	800.01	800.01	-	-	-	800.01
Security Deposits	-	-	101.66	101.66	-	-	-	101.66
Trade Receivables	-	-	97.27	97.27	-	-	-	97.27
Cash and Cash Equivalents	-	-	9.30	9.30	-	-	-	9.30
Loans and Advances	-	-	2,468.11	2,468.11	-	-	-	2,468.11
Other financials assets	-	-	105.98	105.98	-	-	-	105.98
Total financial assets	-	-	**3,582.33**	**3,582.33**	-	-	-	**3,582.33**
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Lease Liability	-	-	1,497.18	1,497.18	-	-	-	1,497.18
Trade payables	-	-	178.39	178.39	-	-	-	178.39
Other financial liabilities	-	-	49.06	49.06	-	-	-	49.06
Total financial liabilities	-	-	**1,724.63**	**1,724.63**	-	-	-	**1,724.63**

The management assessed that the fair value of cash and cash equivalent, and other current financial assets and liabilities approximate their carrying amounts largelydue to the short term maturities of these instruments.

Level 1: The fair value of financial instruments traded in active markets (such as equity securities), if any, is based on quoted market prices at the end of the reportingperiod. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observablemarket data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument isincluded in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equitysecurities and investment in private equity funds, real estate funds.

ii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of unquoted equity instruments has been measured on the basis of their networth and valuation of their shares.
- the fair value of equity shares of group companies are measured at cost.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

Note 39 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.
The Company 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 Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	March 31, 2026	March 31, 2025
A) Debts		
Borrowings (Current and Non-Current)	2,568.92	-
Debt (A)	**2,568.92**	**-**
B) Equity		
Equity Share Capital	1,538.58	1,538.58
Other Equity	2,721.61	3,513.50
Total Equity (B)	**4,260.19**	**5,052.08**
Gearing Ratio (Debt / Capital) i.e. (A/B)	**0.60**	-

Note 40 : Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
-Market Risk;
-Credit Risk; and
-Liquidity Risk

(A) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk.

(i) Foreign currency risk
Foreign currency risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

(ii) 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 interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates as the Company doesn't have any major interest bearing borrowings.

(B) 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 and other financial instruments.

Trade Receivable
Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each re-equipmenting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers. The movement of allowance for impairments of trade receivables are as follows :

	Carrying Amount	(Rs. in Lakhs)
Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Opening Balance	9.33	9.20
Add: Impairment Loss recognized	-	0.12
Less: Impairment Loss reversed during the year	0.23	-
Closing Balance	**9.10**	**9.33**

Note 40: Financial Risk Management (Contd…..)

Financial Instrument and cash deposits
Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amounts as stated in balance sheet.

(C) Liquidity risk
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

Contractual maturities of financial liabilities

Particulars	Less than 1 year	1 to 5 years	More than 5 years
As at March 31, 2026			
Trade payables	222.37	75.95	-
Other financial liabilities	83.04	-	-
Lease liabilities	326.15	914.37	-
Total Financial Liabilities	**631.56**	**990.32**	**-**
As at March 31, 2025			
Trade payables	178.39	-	-
Other financial liabilities	49.06	-	-
Lease liabilities	251.41	1,245.77	-
Total Financial Liabilities	**478.86**	**1,245.77**	**-**

Note 41 : Disclosure Pursuant to Indian Accounting Standard 19-Employee Benefits

The company has accounted for gratuity and has provided the same on the basis of actuarial valuation in order to comply with the Indian Accounting Standard (IND AS) 19 “Employee Benefits”.

i.) The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Present Value of Obligation at the beginning of the year	12.13	6.35
Current service cost	11.05	8.49
Interest expense/(income)	0.82	0.46
Expenses of Discontinued operations taken over	-	-
Total amount recognised in profit or loss	**11.87**	**8.95**
Components of acturial gain/losses on obligations:		
(Gain)/Loss from change in financial assumptions)	0.34	0.58
Experience (gains)/losses	0.80	(3.76)
Total amount recognised in other comprehensive income	**1.14**	**(3.18)**
Present Value of Obligation at the end of the year	**25.14**	**12.13**
ii) Amount Recognized in the Balance Sheet are as follows		
Present Value of Benefit Obligation at the end of the period	25.14	12.13
Less : Benefits Paid	-	-
Net (Liability)/Assets Recognized in the Balance Sheet	**25.14**	**25.14**
iii) Expenses Recognized in the Statement of Profit or Loss		
Current Service Cost	11.05	8.49
Net Interest Cost	0.82	0.46
Net Effect of Changes	**11.87**	**8.95**
iv) Expenses Recognized in the Other Comprehensive Income (OCI)		
Actuarial (Gain)/Losses on Obligation for the period	1.14	(3.18)
Less : Remeasurement Gain /loss of Discontinued Operations	-	-
Net (Income)/Expenses For the Period Recognized in OCI	**1.14**	**(3.18)**
v) Balance Sheet Reconciliation		
Opening Net Liability	12.13	6.35
Expenses Recognized in Statement of Profit and Loss	11.87	8.95
Expenses Recognized in OCI	1.14	(3.18)
Net liability /(Asset) Transfer In	-	-
Net liability /(Asset) Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
Less : Transferred to Discontinued Operations	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	**25.14**	**12.13**

b) The significant actuarial assumptions were as follows:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
The significant actuarial assumptions were as follows:		
Interest/Discount Rate	6.95%	6.80%
Salary Growth Rates	7.00%	7.00%
Withdrawal Rates		
Age 25 & Below	10% p.a.	10% p.a.
25 to 35	8% p.a.	8% p.a.
35 to 45	6% p.a.	6% p.a.
45 to 55	4% p.a.	4% p.a.
55 & Above	2% p.a.	2% p.a.

c) A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is shown below:

Particulars	As at Mar 31, 2026		As at Mar 31, 2025	
		%change		%change
Discount Rate Sensitivity				
Increase by 0.5%	21.70	(5.06%)	11.48	(5.30%)
Decrease by 0.5%	24.11	5.46%	12.82	5.73%
Salary growth rate Sensitivity				
Increase by 0.5%	23.67	3.52%	12.43	2.51%
Decrease by 0.5%	22.25	(2.65%)	11.73	(3.32%)
Withdrawal rate (W.R.) Sensitivity				
W.R. x 110%	22.90	0.19%	12.12	(0.10%)
W.R. x 90%	22.72	(0.63%)	12.11	(0.12%)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

d) The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Expected Payout Year one	0.08	0.04
Expected Payout Year two	0.40	0.04
Expected Payout Year three	1.47	0.27
Expected Payout Year four	1.69	0.99
Expected Payout Year five	1.76	1.06
Expected Payout Year six and above	12.63	5.01
Total expected payments	**18.024**	**7.414**

Note 42 :- Income Taxes

The Major Components for Income Tax Expenses for the year ended March 31, 2026

Particulars	Year end Mar 31, 2026	Year end Mar 31, 2025
A) Components of Tax Expenses/(Income) includes the following		
Current Income Tax		
Current Income Tax charge	-	-
Deferred Tax:		
Relating to original and reversal of temporary differences	(22.19)	(11.94)
Short/(Excess) Provision for earlier years	(0.07)	(0.08)
Income Tax Expenses reported in the statement of profit and Loss	**(22.26)**	**(12.02)**
B)Income Tax Relating to Other Comprehensive Income		
Net Loss/(gain) on remeasurement of Defined Benefit Plans	(0.29)	(0.80)
Income Tax Expenses charged to other comprehensive Income	**(0.29)**	**(0.80)**
C) Reconciliation of Tax Expense and the accounting profit multiplied by India's domestic tax rate for year ended March 31,2025		
Accounting Profit/(Loss) Before Income Tax	(1,222.55)	(495.69)
India's statutory Income Tax Rate	25.17%	25.17%
Computed Tax Expenses	-	-
Adjustments recognised in current year in relation to the current tax of prior years	-	-
Effect of Expenses/allowances that are not deductible in determining taxable profit	(22.19)	(11.94)
Other Adjustments	-	-
Income Tax Expenses Reported in Profit and Loss	(22.19)	(11.94)
Effective Income Tax Rate	**1.81%**	**2.41%**

D) Movements in Deferred Tax

Particulars	As at Mar 31, 2025	Charged (Credited) P&L	Charged (Credited) OCI	As at Mar 31,2026
Deferred Tax Assets				
Property, Plant & Equipment, Right to Use Asset Depreciation & Amortisation	(0.66)	(0.60)	-	(1.25)
Right to Use Asset - Depreciation & Amortisation	11.80	17.86	-	29.65
Provision for Employee Benefits	3.05	4.99	(0.29)	7.75
Allowance for Doubtful Receivable	2.35	(0.06)	-	2.29
Total	**16.54**	**22.19**	**(0.29)**	**38.44**

Note 43 : Ratio Analysis and its element

Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% change	Reason for variance (where the change in the ratio is more than 25% as compared to the preceding year)
Current Ratio	Current Assets	Current Liabilities	0.74	0.46	-61.92%	Due to increase in Current Liabilities as compared to current assets in urrent year
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.60	-	100.00%	Due to increase in debt
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Noncash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.60	(1.43)	142.22%	There has been an increase in losses this year compared to last year
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.26)	(0.15)	-68.72%	There has been an increase in losses this year compared to last year
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.52	2.75	8.08%	NA
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payable	0.19	0.02	-991.59%	Due to increase in purchases
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-0.23	-0.61	62.62%	Due to greater increase in working capital as compared to Sales
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	(5.62)	(2.99)	-88.05%	There has been an increase in losses this year compared to last year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt +	(23.78)	(14.36)	-65.55%	There has been an increase in losses this year compared to last year.

The following Ratios are not disclosed since the corresponding previous year's ratios are not available for comparison.

- Inventory Turnover Ratio

Note 44 : The Company has only one reportable segment and accordingly, no separate segment disclosures have been made, as per Ind AS 108

Note 45 : Contingent Liability as on March 31, 2026 - Rs. Nil (P.Y. Rs. Nil)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 46 : Value of Imports on CIF basis in respect of		
Raw Materials	13.74	-
Components & Spare parts	-	-
Capital goods	112.59	-
Total	**126.33**	-
Note 47 : Expenditure in Foreign currency		
Travelling expenses	11.32	-
Total	**11.32**	**-**

Note 48 :-Other Statutory Information

i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

ii. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period

iii. The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders

iv. During the year, the Company has not revalued its Property, Plant and Equipment.

v. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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 have not any such 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 theIncome Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

ix. Based on the information available with the Company, the Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 ofCompanies Act, 1956.

Note 49 : Disclosures with regards to regulation 34 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

During the previous year, the Company has granted Unsecured loan to the following parties for General Corporate Purposes, details as stated below

(Amount in Lakhs)

	Balance As On		Maximum Amount Outstanding	
Ratio	Mar 31,2026	Mar 31, 2025	2025-26	2024-25
a)Loans and Advances in the Nature of Loans:-				
i)To Subsidiary Company - Aerpace Supercars Private Limited	2,376.20	1,623.70	2,393.03	1,623.70
ii)To Associates	-	-	-	-
iii)Where there is :	-	-	-	-
-No repayment schedule or repayment beyond 7 years	-	-	-	-
-No Interest or Interests below section 186 of the Companies Act, 2013	-	-	-	-
iv)To Firm/Companies in which Directors are interested - Aerpace Robotics Private Limited	-	835.69	835.69	835.69
v)To Others	-	8.72	9.20	8.72

Note 50: In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note 51: The Company does not fall within the criteria mentioned in Section 135 of the Companies Act, 2013 and hence the provisions of Corporate Social Responsibility are not applicable

Note 52: The Code on Social Security, 2020 has been enacted and notified by the Government of India. Based on the Company's assessment of the provisions of the Code, including the revised definition of wages, and considering guidance issued by the Institute of Chartered Accountants of India, the existing compensation structure is broadly aligned and no material impact on employee benefit obligations is currently expected.

As at the balance sheet date, certain rules and clarifications are yet to be finalised. The Company will continue to monitor further developments and will recognise the impact, if any, in the period in which the same becomes applicable and can be reliably measured.

Notes

Note 53 : The Company had changed its name from Supremex Shine Steels Limited to Aerpace Industries Limited in the financial year 2022-23 and fresh certificate of incorporation dated August 30, 2022 had been received by the Company from Registrar of Companies, Mumbai.

Note 54: Previous year figures have been regrouped, rearranged wherever considered necessary to confirm with current years presentation

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: May 11, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Director
DIN:08163535

Anand Shah
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

INDEPENDENT AUDITOR’S REPORT

To the Members of Aerpace Industries Limited (formerly known as Supremex Shine & Steels Limited)

Report on the Audit of the Ind AS Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Aerpace Industries Limited (hereinafter referred to as the “Holding Company”) and its subsidiary (Holding Company and its subsidiary together referred to as “the Group”), which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statement of Profit and Loss (including other comprehensive income), and the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2026, and its consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section143(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 in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India(“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the 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 risk of material misstatement of the 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 financial statements.

The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

Key Audit Matters	How our audit addressed the key audit matter
Intangible assets under development	**Intangible assets under development**
The company has various internally generated intangible assets under development. Initial recognition of the expenditure under these projects is based on assessing each project in relation to specific recognition criteria that needs to be met for capitalization. In addition, the management also assesses indication of impairment of the carrying value of assets which requires management judgement and assumptions as affected by future market or economic developments. Due to the materiality of the assets under development recognized and the level of management judgement involved, initial recognition and measurement of internally generated intangible assets has been considered as a key audit matter.	Our audit procedures included the following: • We read the company's research and development expenditure accounting policies to assess compliance with Ind AS 38 "Intangible Assets" • We performed test of control over management process of identifying and capitalizing the development expenditure in accordance with the accounting principles of capitalization of expenditure on internally generated intangible assets as per Ind AS 38 such as technical feasibility of the project, the intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure cost reliably. • We performed test of details of development expenditure capitalized by reviewing the key assumptions including authorization of the stage of the project in the development phase, the accuracy of costs included and assessing the useful economic life attributed to the asset. In addition, we considered whether any indicators of impairment were present by understanding the business rationale for the projects.
Investment in Foreign Subsidiary	**Investment in Foreign Subsidiary**
The consolidated financial statements include a foreign subsidiary incorporated in UAE, which has not commenced operations during the year. The consolidation involves significant judgement in assessing control, completeness of financial information, and accuracy of consolidation adjustments, particularly in respect of a foreign entity with limited financial activity.	Our audit procedures included, among others: • Evaluated the Group's assessment of control over the subsidiary in accordance with Ind AS 110 – Consolidated Financial Statements. • Verified shareholding structure and supporting documentation to confirm ownership and control. • Obtained and reviewed the financial information of the subsidiary as provided by management. • Tested the consolidation process, including elimination entries and translation of foreign operations, where applicable. • Assessed whether the subsidiary's financial information has been appropriately included in the consolidated financial statements. • Evaluated the adequacy of disclosures relating to the subsidiary in the consolidated financial statements. Based on the procedures performed, we did not identify any material exceptions.

Information other than the Financials Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information but does not include the Ind AS consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we 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 the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibilities and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are responsible and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively

For ensuring the accuracy and completeness that give a true and fair view and are free from material misstatements, 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 a aforesaid.

In preparing the consolidated financial statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process of the Group.

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 consolidated financial statements in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of the 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 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 Company 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.

Materiality is the magnitude of misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Consolidated financial statements.

We communicate with those charged with governance of Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

We did not audit the financial statements of one subsidiary included in the consolidated financial statements, whose financial statements reflect total assets of Rs.37.90 Lakhs as at 31 March 2026 and total revenues of Rs. Nil and net cash flows amounting to Rs. 34.11 Lakhs for the year then ended. These financial statements are unaudited and have been furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1.As required by Section 143(3) of the Act, based on our audit we report that:

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

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS consolidated financial statements have been kept so far as it appears from our examination of those books.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated statement of changes in equity and the Consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of the consolidated financial statement.

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

e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors of the Holding company, and report of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of Group 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 as on March 31, 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure 1 wherein we have expressed an unmodified opinion.

g. With respect to the adequacy and the internal financial controls with reference to these Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report which is based on the auditors' reports of the Company and its subsidiary company incorporated in India.

h. With respect to the matter to be included in the Auditor's Report in accordance with requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the information and explanation give to us, the remuneration paid/payable by the Holding Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act,

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule11 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 and based on the consideration of the report of the other auditors on separate financial statements as also the financial information

i. The Group do not have any pending litigation which would impact its financial position.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India.

iv. (a)The respective management of the Holding Company and its subsidiary which are companies incorporated India, whose financial statement have been audited under this act, have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries from any person or entity, including foreign entity("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

(b)The respective management of the Holding Company and its subsidiary which are company incorporated India, whose financial statement have been audited under this act, have represented, that, to the best of its .

Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(“Ultimate Beneficiaries”),or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective management of the Holding Company and its subsidiary which are company incorporated India, whose financial statement have been audited under this act, have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities (“Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

j) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act: In our opinion, according to the information and explanation given to us, remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report)

Order, 2020 (the “Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports.

For Ramanand & Associates
Chartered Accountants
Firm’s Registration No: 117776W

CA Ramanand Gupta
Partner
Membership No: 103975

UDIN: 26103975BANKMM5329
Place: Mumbai
Date: 11th May 2026

Annexure -1

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Member of Aerpace Industries Limited of even date)

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness.

Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining and understanding of internal financial control with reference to Consolidated Financial Statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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 the 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 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In conjunction with our audit of consolidated financial statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statement of Aerpace Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

In our opinion to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate 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 with reference to Consolidated Financial Statements established by the respective 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 ICAI.

For Ramanand & Associates
Chartered Accountants
Firm's Registration No: 117776W

CA Ramanand Gupta
Partner
Membership No: 103975

UDIN: 26103975BANKMM5329
Place: Mumbai
Date: 11th May 2026

Consolidated Balance Sheet

Consolidated Balance Sheet as at March 31, 2026

(Amount in lakhs)

Particulars	Notes	As at Mar 31, 2026	As at Mar 31, 2025
I. Assets			
1 Non current assets			
(a) Property, Plant and Equipment	3	200.59	65.16
(b) Capital Work in Progress	3	2,903.02	1,631.82
(c) Intangible Assets under Development	4	2,766.84	2,024.05
(d) Right to Use Asset	5	1,126.49	1,453.80
(e) Goodwill on Consolidation		421.23	421.23
(e) Financial Assets			
(i) Investments			
(ii) Loans & Advances	6	-	844.41
(iii) Other Financial Assets	7	104.40	101.66
(g) Deferred Tax Assets (Net)	8	42.02	17.80
(h) Other Non Current Assets	9	97.89	85.09
		7,662.47	**6,645.02**
2 Current assets			
(a) Inventories	10	48.46	2.26
(b) Financial Assets			
(i) Trade Receivables	11	-	-
(ii) Cash and Cash Equivalents	12	39.71	13.21
(iii) Loans & Advances	13	-	-
(iv) Other Financial Assets	14	2.89	4.32
(c) Current Tax Assets	15	19.91	16.79
(d) Other Current Assets	16	611.70	252.08
Sub Total		**722.67**	**288.66**
Total		**8,385.14**	**6,933.68**
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	17	1,538.58	1,538.58
(b) Non-Controlling Interest		149.24	272.88
(b) Other Equity	18	2,220.95	3,330.48
Sub-Total		**3,908.78**	**5,141.94**

2. . Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,568.92	-
(ii) Lease Liabilities	20	914.37	1,245.76
(b) Long Term Provisions	21	38.25	13.89
Sub-Total		**3,521.55**	**1,259.65**
3. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	142.00	-
(ii) Lease Liabilities	23	326.15	251.41
(iii) Trade Payables	24		
-Total Outstanding dues to Micro and Small Enterprises		2.82	27.18
-Total Outstanding due to creditors other than Micro and Small Enterprises		330.64	165.14
(iv) Other Financial Liabilities	25	109.56	63.86
(b) Other Current Liabilities	26	42.21	24.46
(c) Short Term Provisions	27	1.43	0.04
Sub-Total		**954.82**	**532.09**
Total		**8,385.14**	**6,933.68**

See accompanying notes to the financial statements 1 to 51

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: May 11, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Director
DIN:08163535

Anand Shah
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

Consolidated Statement of Profit & Loss

Standalone Statement of Profit and Loss for the year ended March 31, 2026 (Amount in lakhs)

Particulars	Notes	Year end Mar 31, 2026	Year end Mar 31, 2025
Income			
Revenue from Operations		-	-
Other Income	28	22.13	59.44
Total income		**22.13**	**59.44**
Expenses			
Cost of Material Consumed	29	-	-
Employee Benefits Expenses	30	778.60	175.88
Finance Costs	31	115.45	41.04
Depreciation & Amortization Expenses	32	224.75	124.81
Other Expenses	33	578.30	469.33
Total Expenses		**1,697.10**	**811.06**
PROFIT / (LOSS) BEFORE TAX		**(1,674.97)**	**(751.62)**
LESS : Tax Expenses			
- Current Tax		-	-
- Taxes for Earlier Period		(0.07)	(0.08)
- Deferred Tax		(24.60)	(12.11)
PROFIT / (LOSS) FOR THE YEAR BEFORE PRE-ACQUISITION PROFIT / (LOSS)		**(1,650.30)**	**(739.43)**
PROFIT / (LOSS) FROM 'DISCONTINUED OPERATIONS			
Less : Tax on discontinuing operation			
PROFIT/(LOSS) FROM DISCONTINUING OPERATION AFTER TAX (B)		-	-
PROFIT / (LOSS) FOR THE YEAR (A+B)		**(1,650.30)**	**(739.43)**
ADD : Pre-acquisition Loss			
Less :			
PROFIT / (LOSS) FOR THE YEAR (A)		**(1,650.30)**	**(739.43)**
OTHER COMPREHENSIVE INCOME			
a) (i) Items that will not be reclassified to profit or loss		1.56	3.10
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.39)	(0.78)

See accompanying notes to the financial statements 1 to 52

b) (i) Items that will not be reclassified to profit or loss-discontinued Operations			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
b) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
TOTAL OTHER COMPREHENSIVE INCOME (B)		**1.17**	**2.32**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		**(1,649.13)**	**(737.11)**
Net Profit/(Loss) attributable to			
(a) Net Profit/(Loss) attributable to			
Owners of the Company		(1,517.35)	(657.38)
Non- Controlling Interest		(132.95)	(82.05)
		(1,650.30)	**(739.43)**
(b) Other Comprehensive Income attributable to			
Owners of the Company		1.17	2.32
Non- Controlling Interest			
		1.17	**2.32**
(c)Total Comprehensive Income attributable to			
Owners of the Company		(1,516.18)	(655.06)
Non- Controlling Interest		(132.95)	(82.05)
		(1,649.13)	**(737.11)**
Earnings per Equity Share	34		
Basic & Diluted Earnings Per Share (of Rs. 1/- each)		(1.07)	(0.50)
Basic & Diluted Earnings Per Share -(Continuing & Discontinued Operations)		(1.07)	(0.50)

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: May 11, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat
Director
DIN:01423453

Mr. Milan Shah
Managing Director
DIN:08163535

Anand Shah
Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

Consolidated Cash flow statement

Standalone Statement of Cash Flow for the Year ended March 31, 2026

Particulars	Year End Mar 31, 2026	Year End Mar 31, 2025
A. Cash flow from operating activities		
Net Profit/(Loss) Before Tax	(1,674.97)	(751.62)
Adjustments for:		
Depreciation and amortization Expenses	224.75	124.81
Increase in Right to Use Assets	(20.97)	-
Interest Income	(21.70)	(59.43)
Provision for Expected Credit Loss	(9.10)	
Expenses recognised for ESOP	407.55	-
Income Considered in OCI	1.56	-
Finance Cost	115.45	41.04
Operating profit before working capital changes	**(977.44)**	**(645.20)**
Adjustment for :		
(Increase)/Decrease in Other Financial Assets	(1.31)	(89.07)
(Increase)/Decrease in Inventories	(46.20)	(2.26)
(Increase)/Decrease in Short Term Loan & Advances	-	-
(Increase)/Decrease in Short Term Loan & Advances	844.41	
(Increase)/Decrease in other current assets	(359.62)	94.80
(Increase)/Decrease in Trade Receivable	-	-
Increase/(Decrease) in Provisions	25.76	10.17
Increase/(Decrease) in Trade Payable	141.14	72.09
Increase/(Decrease) in Other Current Liabilities	17.75	13.43
Increase/(Decrease) in Current Financial Liabilities- Others	45.70	42.62
(Increase)/Decrease in other Non current assets - Capital Advances	-	-
Cash Flow From Operation	**(309.81)**	**(503.42)**
Tax Paid (Net)	(3.04)	(11.11)
Net Cash inflow from/ (outflow) from Operating activities	**(312.85)**	**(514.53)**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(1,437.46)	(1,691.70)
Increase in Intangibles under Development	(588.33)	(1,625.73)
Intercorporate Deposits (Given) / Repaid	-	(1,256.00)
Interest received	21.70	11.97

Net Cash Inflow / (Outflow) from Investing Activities	**(2,004.09)**	**(3,705.26)**
C.Cash Flow from Financing Activities		
Increase / (Decrease) in Borrowings	2,710.92	(2.91)
Payment of Lease Liability	(256.65)	(113.65)
Issue of Right shares (Net of Expenses)	-	4,254.30
Proceeds from issue of shares of Subsidiary	4.63	
Preferential Issue of Equity Shares	-	
Finance Cost	(115.45)	-
Net Cash inflow from/ (outflow) from Financing activities	**2,343.45**	**4,137.74**
Net Increase / (Decrease) in Cash and Cash Equivalents	**26.50**	**(82.05)**
Cash and Cash Equivalents at the Beginning of the Year	13.21	95.26
Cash and Cash Equivalents at the end of the Year	**39.71**	**13.21**

See accompanying notes to the financial statements

1.Cash Flow statement has been prepared under "Indirect Method", set out in Ind AS 7, notified under the Companies (Indian Accounting Standard) Rules, 2015.

2. Cash and cash Equivalents Represent Cash, Cash deposit with bank and Fixed Deposits having maturity less than 3 months which are considered to be highly liquid.

3. Changes in liability arising from financing activities.

Sr No	Particulars	April 01, 2025	Cash Flow (net)	Non Cash Changes	March 31, 2026
1	Lease Liability	1,497.18	(256.66)	-	1,240.52

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: May 11, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat

Director
DIN:01423453

Mr. Milan Shah

Director
DIN:08163535

Anand Shah

Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

Consolidated Changes In Equity

Consolidated Statement Of Changes In Equity for the year ended March 31, 2026 (Amount in lakhs)

Particulars	No. of shares	Amount
A) Equity Share Capital		
Balance as at April 1, 2024	**13,66,73,333**	**1,366.73**
Equity Share Capital issued during the year	1,71,84,649	171.85
As at March 31, 2025	**15,38,57,982**	**1,538.58**
Equity Share Capital issued during the year	-	-
As at March 31, 2026	**15,38,57,982**	**1,538.58**

Particulars	Capital Reserve	Retained Earnings	Securities Premium	Employee stock Option reserve	Foreign Currency Translation Reserve	Other Comprehensive Income	Total	Minority Interest
B) Other Equity								
Balance as at April 1, 2024	**0.17**	**(96.84)**	**-**	**-**	**-**	**(0.24)**	**(96.91)**	**354.93**
Changes in accounting policy/priorperiod errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	**0.17**	**(96.84)**	**-**	**-**	**-**	**(0.24)**	**(96.91)**	**354.93**
Profit/(Loss) for the year	-	(657.38)	-	-	-	-	(657.38)	(82.05)
Other Comprehensive Income for the year	-	-	-	-	-	2.32	2.32	-
Received on Issue of Equity Shares	**-**	**-**	**4,289.25**	**-**	**-**	**-**	**4,289.25**	**-**
Less : Adjusted for Issue Expenses	-	-	(206.80)	-	-	-	(206.80)	-
Total Comprehensive Income for the year	**-**	**(657.38)**	**4,082.45**	**-**	**-**	**2.32**	**3,427.39**	**(82.05)**
Movement for the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	**0.17**	**(754.22)**	**4,082.45**	**-**	**-**	**2.08**	**3,330.48**	**272.88**

Balance as at April 1, 2025	**0.17**	**(754.22)**	**4,082.45**	**-**	**-**	**2.08**	**3,330.48**	**272.88**
Changes in accounting policy/priorperiod errors	-	(1,517.35)	-	-	-	-	3,330.48	272.88
Restated balance at the beginning of the reporting period	**0.17**	**(754.22)**	**4,082.45**	**-**	**-**	**2.08**	**3,330.48**	**272.88**
Profit/(Loss) for the year	-	(1,517.35)	-	-	-	-	(1,517.35)	(132.95)
Other Comprehensive Income for the year	-	-	-	-	-	1.17	1.17	-
Received on Issue of Equity Shares	-	-	-	-	-	-	-	-
Addition / (Deletion)	-	-	-	407.55	(0.90)	-	406.65	-
Addition on acquisition of subsidiary	-	-	-	-	-	-	-	9.32
Total Comprehensive Income for the year	**-**	**(1,517.35)**	**-**	**407.55**	**(0.90)**	**1.17**	**(1,109.53)**	**123.64)**
Movement for the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2026	**0.17**	**(2,271.57)**	**4,082.45**	**407.55**	**-0.90**	**3.25**	**2,220.95**	**149.24**

Pursuant to the requirements of Division II to Schedule III, below is the nature and purpose of Reserves:

(i) Capital Reserve: The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to Capital Reserve.

(ii) Retained earnings: This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

(iii) Securities premium: The Company has recognised securities premium as the amount received over and above the face value of shares and utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Employee Stock Option Reserve: The Company has implemented an employee share-based payment scheme in the form of Restricted Stock Units (RSUs) for eligible employees in accordance with Ind AS 102 – Share-based Payment. RSUs entitle employees to receive equity shares upon vesting, subject to specified conditions.The fair value of RSUs granted is recognised as an employee benefit expense over the vesting period, with a corresponding credit to the Employee Stock Option Reserve under Other Equity. (For details refer note 18)

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants
Firm Registration No 117776W

Ramanand Gupta
Partner
Membership No. 103975

Date: May 11, 2026
Place: Mumbai

For and on behalf of the Board of Directors of

Mr Prem Singh Rawat

Director
DIN:01423453

Mr. Milan Shah

Director
DIN:08163535

Anand Shah

Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

Notes

Note 1 : Corporate information

aerpace Industries Limited ('the Company') (Formerly known as Supremex Shine Steels Limited) is a Public Limited Company incorporated on 04th March, 2011 and domiciled in India and has its registered office at 1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri Kurla Road, Andheri (East), Mumbai-400093. The Company has its primary listing on the Bombay Stock Exchange (BSE). The company is engaged into business of renewable energy and infrastructure.

Note 2 : Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

Basis of Preparation of standalone financial statements

The Company's Financial Statement for the year ended March 31, 2025 have been prepared in accordance with provisions of the Indian AccountingStandards("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to theCompanies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cashequivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/ non- current classification of assets and liabilities.

These financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss, the Statement of Cash flows andNotes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the precedingperiod.

Accounting policies have been consistently applied except where a newly-issued Indian accounting standard is initially adopted or a revision to an existing Indianaccounting standard requires a change in the Indian accounting policy hitherto in use.

The Ind AS financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 1,00,000), except when otherwise indicated. Earnings per share data are presented in Indian Rupees up to two decimal places.

Revenue recognition

Revenue from sale of goods is recognised when the significant risks and reward of ownership and effective control on goods have been transferred to the buyer. Sales revenue is measured at fair value net of returns, trade discounts, volume rebates and taxes or duties.Revenue from services rendered is recognised as and when the services are rendered and related costs are incurred in accordance with the contractual agreement.

Interest income
Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

Other Income
Other income is recognised when no significant uncertainty as to its determination or realisation exists.

Dividend
Dividend income is recognised when to right to receive payment has been established.

Commission Income
Commission Income is accounted when it becomes due as per contract.

Property, Plant and Equipment

Property, Plant and Equipment is recognised when it is probable that future economic benefits associated with the item will flow to the Company and thecost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulativeimpairment. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated bythe management. Any trade discounts and rebates are deducted in arriving at the purchase price.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as "Capital Work-in-Progress". 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.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefitsare expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceedsand the carrying amount of the asset) is included in the income statement when the property, plant and equipment is de-recognised.Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included tothe extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on WDV basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost can be measured reliably.

Depreciation

Depreciation is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life ofthe assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale. Thecarrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairmentloss is recognised wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any

Intangible assets Under Development
The costs incurred by the company during the research phase are charged to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The effective date of the modification is the date when both the parties agree to the lease modification and is accounted for in that point in time.Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Employee Benefit Expenses

All employee benefits payable within a period of twelve months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

Defined Contribution plans

Provident Fund
The Company is a member of the Government Provident Fund which is operated by the office of the Regional Provident Fund Commissioner (RPFC) and the contribution thereof is paid /provided for during the period in which the employee renders the related service.

Defined Benefits plans

Gratuity
In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, covering eligible

employees. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

Gratuity is provided as per actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan Assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is reclassified to Profit and Loss.

Accounting for Taxes of Income

Current Taxes

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively exacted by the end of the reporting period.

Deferred Taxes

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilitiesand their respective tax bases. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability issettled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Themeasurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the endof the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets including that on unused tax losses and unused tax credits are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and Deferred Tax for the Year

Current and deferred tax are recognised in the profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

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 readyfor 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. Borrowingcosts consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences tothe extent regarded as an adjustment to the borrowing costs.

Financial instruments

Financial Assets
The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.
Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss.

However trade receivables that do not contain a significant financing component are measured at transaction price.

Investments and other financial assets

ii. Classification and Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Financial Assets:

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial assets into following categories:

1. Amortised cost
Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

2 . Fair value through other comprehensive Income
Financial assets with a business model:
(A) Whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and
(B) where the Company has exercised the option to classify the investment as at fair value through other comprehensive income, all fair value changes on the assets are recognised in OCI. The accumulated gains or losses recognised in OCI are reclassified to retained earnings on sale of such investments.

3. Fair value through Profit and Loss:
Financial assets which are not classified in any of the categories above are fair value through profit or loss.

Equity instruments

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. The investment in subsidiaries, associates and joint ventures are measured at cost.

iii. De-recognition

Current and deferred tax are recognised in the profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Financial liabilities:

i. Measurement
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

ii. De-recognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liabilityis replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such anexchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respectivecarrying amounts is recognised in the statement of profit or loss.

Derivative financial Instrument

A derivative is a financial instrument which changes in value in response to changes in an underlying asset and is settled at a future date. Derivativesare initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The methodof recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the itembeing hedged. The Company designates certain derivatives as either:

(a) Hedges of the fair value of recognised assets or liabilities (fair value hedge); or
(b) Hedges of a particular risk associated with a firm commitment or a highly probable forecast transaction (cash flow hedge);

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its riskmanagement objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedgeinception and on an on-going basis, of whether the derivatives that are used in hedging transactions are effective in offsetting changes in cash flowsof hedged items. Movements in the hedging reserve are accounted in other comprehensive income and are shown within the statement of changes inequity. The full fair value of a hedging derivative is classified as a noncurrent asset or liability when the remaining maturity of hedged item is morethan 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives areclassified as a current asset or liability.

i . Fair value hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Company only applies fair value hedge accounting for hedging foreign exchange risk on recognised assets and liabilities.

ii. Cash Flow Hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The ineffective portion of changes in the fair value of the derivative is recognised in the Statement of Profit and Loss. Gains or losses accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the Statement of Profit and Loss.

When a hedging instrument expires or is swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any accumulated gain or loss in other equity remains there and is reclassified to Statement of Profit and Loss when the forecasted cash flows affect profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gains/losses that were reported in equity are immediately transferred to the Statement of Profit and Loss.

Impairment of financial assets & non-financial assets

<u>a. Financial assets</u>
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profitor loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all otherfinancial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initialrecognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at thereporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

<u>b. Non-financial assets</u>
Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by whichthe carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit andLoss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revisedrecoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulatedamortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

Fair value measurement

The Company measures financial instruments, such as, derivatives and investments at fair value as per IND AS 113 at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

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

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

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.

Key Accounting Estimates And Judgments

The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accountingpolicies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlyingassumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments inapplying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the standalone financialstatements are included in the following notes:

i. Useful lives of property, plant and equipment
The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(ii) Impairment of non - financial assets
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 five years and do not include restructuring activities that the Company 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 disclosure of fair value of investment property recorded by the Company.

(iii) Provision for Contingent Liabilities
On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in standalone financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the standalone financial statements. Contingencies the likelihood of which is remote are not disclosed in the standalone financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(iv) Valuation of deferred tax assets
The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under note above.

(v)Defined benefit plans
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.

Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the functional currency using exchange rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer policy on Derivative Financial Instruments and Hedge Accounting).

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which 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 for the amount of the obligation.
Contingent Liabilities are disclosed by way of notes to standalone financial statements. Contingent assets are not recognised in the standalone financial statements but are disclosed in the notes to the standalone financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

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.

Earnings Per Share (EPS)

Basic Earnings per Share
Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings per Share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Cash and cash equivalents

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 equivalents consist of cash and short-term deposits.

Share-based payments

The Company operates equity-settled share-based payment arrangements in the form of Restricted Stock Units (RSUs). The fair value of RSUs granted is recognised as an employee benefit expense with a corresponding increase in equity over the vesting period. The total expense is determined based on the grant date fair value of the RSUs, adjusted for estimated forfeitures. At each reporting date, the Company revises its estimates of the number of RSUs expected to vest and recognises the impact in the Statement of Profit and Loss with a corresponding adjustment to equity.

Particulars	Leasehold Improvements	Plant & Machinery	Computer	Office Equipment	Furniture and fixture	Total	Capital Work-in Progress	Grand Total
Note 3 : Property Plant & Equipment								
Gross Carrying Amount as at April 1, 2024	**-**	**-**	**29.76**	**0.66**	**-**	**30.42**	**7.93**	**38.35**
Additions	20.00	19.58	27.11	1.12	-	67.81	1,623.89	1,691.70
Transfer					-			
Disposals								
As at March 31, 2025	**20.00**	**19.58**	**56.87**	**1.78**	**-**	**98.24**	**1,631.82**	**1,730.05**
Accumulated depreciation as at March 31, 2024	**-**	**-**	**15.11**	**0.32**		**15.42**	**-**	**15.42**
Depreciation charge during the year	1.99	0.89	14.12	0.66		17.66	-	17.66
Accumulated depreciation on deletions								
Adjustment made during the Period								
As at March 31, 2025	**1.99**	**0.89**	**29.23**	**0.98**	**-**	**33.08**		**33.08**
Net carrying amount as at March 31, 2026	**18.01**	**18.69**	**27.64**	**0.80**		**65.16**	**1,631.82**	**1,696.96**
Gross Carrying Amount as at April 1, 2025	**20.00**	**19.58**	**56.87**	**1.78**		**98.24**	**1,631.82**	**1,730.05**
Additions		76.57	5.07	77.23	7.39	166.26	1,271.20	1,437.46
Transfer								
Disposals								
As at March 31, 2026	**20.00**	**96.15**	**61.94**	**79.01**	**7.39**	**264.50**	**2,903.02**	**3,167.51**
Accumulated Depreciation as at April 1, 2025	**1.99**	**0.89**	**29.23**	**0.98**	**-**	**33.09**	**-**	**33.09**
Depreciation charge during the year	4.00	4.70	18.58	3.08	0.46	30.82	-	30.82
Accumulated depreciation on deletions								
Adjustment made during the Period								
As at March 31, 2026	**5.99**	**5.58**	**47.81**	**4.06**	**0.46**	**63.91**	**-**	**63.91**
Net carrying amount as at March 31, 2026	**14.01**	**90.56**	**14.13**	**74.95**	**6.93**	**200.59**	**2,903.02**	**3,103.61**

Particulars	As at March 31, 2026	As at March 31, 2025
Note 4 : Intangible Assets under Development		
Opening Balance	2,024.05	398.32
Add : Additions during the year	742.79	1,625.73
Total	**2,766.84**	**2,024.05**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
CWIP Ageing for 2025 - 2026				
Projects in Progress	742.79	1,625.73	358.11	40.21
Projects temporarily suspended				
CWIP Ageing for 2024 - 2025				
Projects in Progress				
Projects temporarily suspended	1,625.73	358.11	40.21	-

Particulars	Building	Total
Note 5 : Right to Use Asset		
Gross Carrying Amount as at April 1, 2023	**149.90**	**149.90**
Additions	1,543.64	1,543.64
Deletion	-	-
As at March 31, 2025	**1,693.53**	**1,693.53**
Accumulated amortisation and impairment as at April 1, 2023	**55.41**	**55.41**
Amortisation charge during the year	184.33	184.33
Deletion	-	-
As at March 31, 2025	**239.74**	**239.74**
Net carrying amount as at March 31, 2025	**1,453.80**	**1,453.80**
Gross Carrying Amount as at April 1, 2025	**1,693.53**	**1,693.53**
Additions	20.97	20.97
Deletion	-	-
As at March 31, 2026	**1,714.51**	**1,714.51**
Accumulated amortisation and impairment as at April 1, 2025	**239.74**	**239.74**
Amortisation charge during the year	348.28	348.28
Deletion	-	-
As at March 31, 2026	**588.02**	**588.02**
Net carrying amount as at March 31, 2026	**1,126.49**	**1,126.49**

During the year, the Company modified its lease agreement with the lessor effective 30 June 2026, resulting in a change in lease rentals. In accordance with Ind AS 116, the lease liability was remeasured using a revised discount rate, and a corresponding increase in the Right-of-Use (ROU) asset of ₹20,44,292 has been recognized.

Further, the Company paid an additional refundable security deposit of ₹4,70,082 on 17 January 2026. In accordance with Ind AS 109, the security deposit has been recognized at its fair value, and the difference of ₹53,153 between the transaction value and fair value has been treated as a lease prepayment and accordingly added to the ROU asset.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 6 : Loans & Advances		
Unsecured-Considered good	-	-
Loan to Related Parties *	-	835.69
Loan to Others**	-	8.72
Total	**-**	**844.41**

*The Company had granted a loan to Aerpace Robotics Private Limited, a related party, during the year. The said loan, including the balance outstanding from the previous year, was fully repaid during the current financial year. Subsequently, the Company availed a loan from the same related party within the same financial period (Refer note 20 for details).

*Loan to related parties includes loan given to an entity in which Director is interested as Director:

**During the previous year, the Company had granted a loan to SSK Scripts Pvt Ltd, which has been fully repaid during the current financial year. Accordingly, no balance remains outstanding as at the reporting date. The said loan was granted and recovered in accordance with the terms agreed between the parties. There are no amounts overdue as at the balance sheet date.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 7 : Other Financial Assets		
Security Deposits	104.40	101.66
Total	**104.40**	**101.66**
Note 8 : Deferred Tax Assets (Net)		
Deferred Tax Assets arising due to temporary differences pertaining to		
Property, Plant & Equipment - Depreciation & Amortisation	0.47	0.15
Disallowance u/s. 40(a)	-	-
Right of Use Asset - Depreciation & Amortisation	29.65	11.79
Provision for Employee Benefits	9.99	3.51
Expected Credit Loss	2.29	2.35
Provision for Employee Benefits - OCI	(0.39)	-
Allowance for Doubtful Receivable	-	-
Total	**42.02**	**17.80**

Note 9 : Other Non Current Assets		
Capital Advances	69.31	48.36
Prepaid Lease rental	28.57	36.73
Total	**97.89**	**85.09**
Note 10 : Inventories		
Raw Materials	48.46	2.26
Total	**48.46**	**2.26**
Note 11 : Trade Receivables (Unsecured, Considered good)		
Trade Receivable	9.10	9.10
Less: Allowance for Expected Credit Loss	(9.10)	(9.10)
Total	**-**	**-**

	Outstanding for following periods from due date of payment						
Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
As at 31st March, 2026							
Undisputed Trade Receivables – considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	9.10	9.10
Unbilled dues	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**9.10**	**9.10**

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
	Outstanding for following periods from due date of payment						
As at 31st March, 2025							
Undisputed Trade Receivables – considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables – considered doubtful	-	-	-	-	9.10	-	9.10
Disputed Trade receivable – considered good	-	-	-	-	-	-	-
Disputed Trade receivable – considered doubtful	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**9.10**	**-**	**9.10**

Note: The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables on the basis of ECL matrix. The ECLs are calculated on outstanding balances of trade receivables as at the year end.

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 12 : Cash and cash equivalents		
Balance With Banks		
Current Accounts	39.65	13.15
Cash in hand	0.06	0.06
Cheques in Hand	-	
Other Bank Balances		
Fixed Deposit (Maturity less than 3 months)	-	57.67
Total	**39.71**	**13.21**
Note 13 : Loans & Advances		
Unsecured-Considered good		
Loan to Related Parties	-	-
Loan to Others	-	-
Advance receivable in cash or in kind	-	-
Advance to suppliers	-	-
Total	**-**	**-**
Note 14 : Other Financial Assets		
Share Subscription Receivable	2.89	-
Fixed Deposits with Bank	-	4.32
Total	**2.89**	**4.32**
Note 15 : Current Tax Assets		
Advance Tax & TDS (Net of Provision for tax)	19.91	16.79
Total	**19.91**	**16.79**
Note 16 : Other Current Assets		
Prepaid Expenses	10.81	6.26
Balance with Government Authorities	600.29	244.46
Advance to Creditors	0.60	1.36
Total	**611.70**	**252.08**

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 19 : Borrowings		
Unsecured		
- Loan from related parties	2,568.92	-
Total	**2,568.92**	-

During the year, the Company has availed borrowings from a Aerpace Robotics Private Limited which is a Related party as defined under Ind AS 24. The loan has been obtained in the ordinary course of business and is repayable as per the terms mutually agreed between the parties. The borrowing carries an interest rate of 9% per annum, which, based on management's assessment, is commensurate with prevailing market rates for similar instruments and credit risk profiles. In accordance with Ind AS 109, the Company has initially recognised the borrowing at its fair value.

Given that the transaction has been undertaken at market terms, the fair value of the loan at initial recognition approximates its transaction value. Accordingly, no significant adjustment has been made on initial recognition. Subsequently, the borrowing is measured at amortised cost using the effective interest rate (EIR) method. Interest expense is recognised in the Statement of Profit and Loss over the tenure of the borrowing. The above borrowing has been classified under "Borrowings" in the financial statements in accordance with the presentation requirements of Schedule III to the Companies Act, 2013. Necessary disclosures relating to related party transactions, including outstanding balances and terms thereof, have been disclosed separately in the related party disclosure note.

Particulars	FY 2025-26	FY 2024-25	Terms
Aerpace Robotics Private Limited (Loan from Related Party)	**2,568.92**	-	Interest @ 9% p.a., unsecured, repayable as per agreement

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 20 : Lease Liabilities (Non-Current)		
Lease Liabilities	914.37	1,245.76
Total	**914.37**	**1,245.76**
Note 21 : Long Term Provisions		
Provision for Gratuity	27.37	13.89
Provision for Leave Encashment	10.88	
Total	**38.25**	**13.89**

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 22 : Borrowings		
Unsecured		
- Loan from related parties	117.00	-
- Loan from Others	25.00	-
Bank Overdraft	-	-
Total	**142.00**	**-**
Note 23 : Lease Liabilities (Current)		
Lease Liabilities - Current	326.15	251.41
Total	**326.15**	**251.41**
Note 24 : Trade Payables (Undisputed)		
Total Outstanding due to Micro & Small Enterprises	2.82	27.18
Total Outstanding due to creditors other than Micro & Small Enterprises	330.64	165.14
Total	**333.46**	**192.32**
Note 25 : Other Financial Liabilities		
Provision for Expenses	98.52	63.62
Book Overdraft	11.04	
Excess Share Application Money Refundable	-	0.24
Total	**109.56**	**63.86**
Note 26 : Other Current Liabilities		
Statutory Dues payable	42.21	24.46
Other Payables	-	
Total	**42.21**	**24.46**
Note 27 : Short Term Provisions		
Provision for Gratuity - short term	0.09	0.04
Provision for Leave Encashment - short term	1.35	
Total	**1.43**	**0.04**

Particulars	Not due	Less than 1 year	1-2 year	2-3 years	Total
	Outstanding for following periods from the due date of payment				
Trade Payables Ageing Schedule					
As at March 31, 2026					
i. MSME	-	2.82	-	-	2.82
ii. Others	-	249.45	81.19	-	330.64
iii. Disputed dues -MSME	-	-	-	-	-
iv. Disputed dues -Others	-	-	-	-	-
Total	**-**	**252.27**	**81.19**	-	**333.46**
As at March 31, 2025					
i. MSME	-	27.18	-	-	27.18
ii. Others	-	165.14	-	-	165.14
iii. Disputed dues -MSME	-	-	-	-	-
iv. Disputed dues -Others	-	-	-	-	-
Total	**-**	**192.32**	-	-	**192.32**

Notes

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 17 : Equity Share Capital		
A. Details of authorised, issued and subscribed share capital		
Authorised		
16,00,00,000 (PY 16,00,00,000) Equity Shares of Rs. 1 each	1,600.00	1,600.00
	1,600.00	**1,600.00**
Issued, Subscribed and Paid up		
15,38,57,982 (PY 15,38,57,982) Equity Shares of Rs 1 each	1,538.58	1,538.58
	1,538.58	**1,538.58**

b. Terms & Conditions
The Company has only one class of equity shares having a par value of Rs. 1/- per share. Each equity shareholder to have voting rights in proportion to the number of equity shares held by him.

In the event of liquidation of the Company, the holder of equity shares 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

(Amount in lakhs)

c. Reconciliation of number of equity shares outstanding at the vbeginning and at the end of the reporting year

Particulars	March 31, 2026 Number of shares	March 31, 2026 Amount	March 31, 2025 Number of shares	March 31, 2025 Amount
Shares outstanding at the beginning of the year	15,38,57,982	1,538.58	13,66,73,333	1,366.73
Shares issued during the year	-	-	1,71,84,649	171.85
Shares outstanding at the end of the year	**15,38,57,982**	**1,538.58**	**15,38,57,982**	**1,538.58**

d. Details of shareholders holding more than 5% shares in the company

Name of shareholder	March 31, 2026 Numbers	March 31, 2026 % holding in the class	March 31, 2025 Numbers	March 31, 2025 % holding in the class
Equity Shares of Rs.1/- each fully paid up	-	-	-	-
Kaushal Anand Shah	3,01,79,234	19.61%	3,01,79,234	19.61%
Anand Manoj Shah	2,90,70,566	18.89%	2,90,70,566	18.89%

(Amount in lakhs)

e. Details of shares held by promoters
As at March 31, 2026

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs. 1 each fully paid up					
Kaushal Anand Shah	3,01,79,234	-	3,01,79,234	19.61%	0.00%
Anand Manoj Shah	2,90,70,566	-	2,90,70,566	18.89%	0.00%
Milan B Shah	56,23,035	-13,00,000	43,23,035	2.81%	-23.12%
Hasmukh Karman Gala	28,32,340	-	28,32,340	1.84%	0.00%
Amisha Milan Shah	5,05,604	-	5,05,604	0.33%	0.00%
Aerpace Robotics Private Limited	15,50,000	-9,42,041	6,07,959	0.40%	-60.78%
Jayshree Bhupendra Shah		13,00,000	13,00,000	0.84%	100.00%
Nayna P Kampani		7,77,166	7,77,166	0.51%	100.00%
Shah Family Private Trust		10,000	10,000	0.01%	100.00%
Total	**6,97,60,779**	**(22,42,041)**	**6,96,05,904**		

Notes

e. Details of shares held by promoters
As at March 31, 2025

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Kaushal Anand Shah	3,01,79,234	-	3,01,79,234	19.61%	0.00%
Anand Manoj Shah	2,88,75,066	1,95,500	2,90,70,566	18.89%	0.68%
Milan B Shah	49,41,535	6,81,500	56,23,035	3.65%	13.79%
Hasmukh Karman Gala	28,32,340	-	28,32,340	1.84%	0.00%
Amisha Milan Shah	5,05,604	-	5,05,604	0.33%	0.00%
Aerpace Robotics Private Limited	13,00,000	2,50,000	15,50,000	1.01%	19.23%
Total	**6,86,33,779**	**11,27,000**	**6,97,60,779**		

Notes

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Note 18 : Other Equity		
Capital Reserve		
Opening Balance	0.17	0.17
Closing Balance	**0.17**	**0.17**
Retained Earnings		
Opening Retained Earnings	(754.22)	(96.84)
Add : Profit/(Loss) for the year	(1,517.35)	(657.38)
Closing Balance	**(2,271.57)**	**(754.22)**
Other comprehensive income		
Balance at the beginning of the year	2.08	(0.24)
Re-measurement gains/ (losses) on defined benefit plans	1.56	3.10
Deferred Tax Asset/Liability	(0.39)	(0.78)
Closing balance	**3.25**	**2.08**
Securities Premium		
Opening Balance	**-**	
Add: Expense Incurred (Refer Note)	4,082.45	4,289.25
Less : Share Issue Expenses	-	206.80
Closing Balance	**4,082.45**	**4,082.45**
Employee Stock Option Reserve		
Opening Balance	-	-
Add: Expense Incurred (Refer Note)	407.55	-
Less : Transferred to Security Premium / Reversal of Expenses	-	-
Closing Balance	**407.55**	
Foreign Currency Translation Reserve		
Opening Balance	-	-
Add/ Less: Changes during the year	(0.90)	-
Closing Balance	**(0.90)**	**-**
Total	**2,220.95**	**3,330.48**

Notes:

1. Share-based payment – Restricted Stock Units (RSUs)
The Company has granted Restricted Stock Units (RSUs) to eligible employees under the “Aerpace Industries Limited Restricted Stock Unit Plan, 2024”. The RSUs vest over a period ranging from one to four years, subject to the employees’ continued employment with the Company.

The fair value of RSUs is determined at the grant date using the Black-Scholes valuation model. The cost of such equity-settled share-based payments is recognised in the Statement of Profit and Loss over the vesting period, with a corresponding credit to equity.

During the year, the Company has recognised an expense of ₹405.71 lakhs (Previous year: Nil) under employee benefits expense in respect of these RSUs.The scheme is administered by the Nomination and Remuneration Committee of the Board.

A. Quantitative Disclosure – Movement of RSUs

Grant date: August 1, 2026
Restricted Stock Units (RSUs) granted: 67,00,530
Vesting period: 1–4 years
Exercise price: ₹1 per option
Maximum contractual life : As per Plan
Settlement: Equity shares
Vesting conditions: Continued employment

Particulars	No. of Options
B. Movement of Stock Options	
Outstanding at beginning of year	67,00,530
Granted during the year	67,00,530
Vested during the year	-
Forfeited / Lapsed	-
Exercised	-
Expired	-
Outstanding at end of year	67,00,530
Exercisable at end of year	-

C. Exercise Price & Life

Range of exercise price: ₹1
Weighted average remaining contractual life: 1.83 years

Particulars	March 31, 2026
D. Fair Value Measurement Disclosure	
The fair value of RSUs granted during the year has been estimated using the Black-Scholes option pricing model with the following assumptions:	
Share Price as on Valuation date (in INR)	23.62
Exercise Price (in INR)	1
Expected Life of Options (in Years)	3.35
Expected Risk Free Interest Rate (in %) p.a.	7.58%
Expected Volatility of Share Price (in %)	50.00 % p.a.
Dividend Yield (in %)	0.00 % p.a.
Attrition Rate (in %)	0.00 % p.a.
E. Employee Compensation Expense	
RSUs expense recognised during the year	407.55
Previous year	Nil

The above expense has been recognised under Employee Benefits Expense in the Statement of Profit and Loss.

Particulars	Amount (₹)
F. Share-Based Payment Reserve (Equity)	
Opening balance	-
Add: Expense during the year	407.55
Less: Transferred on vesting/exercise	-
Closing balance	**407.55**
G. Earnings Per Share (EPS)	
The total number of shares that may be issued under RSUs represents 4.36 % of total outstanding equity shares as at reporting date.	
H. Other Disclosures	
No material modifications/cancellations during the year	
No cash-settled share-based payments	

Particulars	Year end Mar 31, 2026	Year end Mar 31, 2025
Note 28 : Other Income		
Discount Received	0.43	0.01
Interest Income	-	-
From Others	13.31	43.06
On Fixed deposit	0.01	**11.97**
On unwinding of financial assets carried at amortised cost	8.38	4.40
Miscellaneous Income	0.00	
Total	**22.13**	**59.44**
Note 29 : Cost of Material Consumed		
Opening stock	2.26	-
Add: Purchases of material	46.21	2.26
Less: Closing stock	(48.46)	(2.26)
Total	**-**	**-**
Note 30 : Employee Benefits Expenses		
Salary & Wages	287.76	161.70
Contribution to PF and other funds	4.85	0.08
Gratuity	15.08	10.17
Leave Encashment Expenses	12.23	
Directors Remuneration	42.07	
Staff Welfare Expenses	9.06	3.93
Employee Stock Option Plan Expense	407.55	
Total	**778.60**	**175.88**
Note 31 : Finance Costs		
Interest on Lease Liability	65.58	41.04
Interest on Loan	49.87	-
Total	**115.45**	**41.04**
Note 32 : Depreciation & Amortization Expenses		
Depreciation on tangible assets	30.82	17.67
Amortization of right to use	193.92	107.14
Total	**224.75**	**124.81**

Particulars	Year ended March 31, 2026	Year ended March 31, 2026
Note 33 : Other Expenses		
Direct Expenses		
Freight Inward Charges	0.22	
Indirect Expenses		
Electricity Expenses	57.46	22.19
Advertisement Expenses	4.66	3.04
Professional Fees	122.53	79.78
Auditors Remunaration (Refer note below)	7.25	6.57
Annual Listing Fees	4.36	4.28
Printing & Stationery	1.84	1.61
Insurance Charges	0.31	
Telephone & Internet Expenses	1.69	1.49
Commission & Brokerage	0.17	1.72
Rent Expenses	16.80	6.62
Business Promotion Expenses	170.13	147.39
House Keeping Expenses	8.14	-
Membership and Subscription Expenses	3.34	-
Repairs and Maintenance	2.60	-
Security Guard Services	8.40	-
Software Expenses	41.21	5.67
Freight & Transportation Expenses	-	3.08
Travelling and Conveyance Expenses	62.08	35.44
Sponsorship Fees	24.81	84.76
Stamp Duty Expenses	0.24	4.90
ROC Filing Fees	-	19.50
Director Seating fees	3.78	5.46
Unrealised Forex Loss	0.07	-
Labour Charges	5.70	-
Clearing and forwarding Charges	2.60	-
Rates And Taxes	8.96	6.39
Miscellaneous Expenses	18.95	29.38
Total	**578.30**	**469.33**

Particulars	Year end Mar 31, 2026	Year end Mar 31, 2025
Auditor remuneration includes :		
As Auditor	7.25	
For Taxation Matters	-	
For Other Services	-	
Total	**7.25**	
Note 34 : Earnings per Equity Share		
Profit/(Loss) as per Statement of Profit and Loss	(1,650.30)	
Weighted Average Number of Shares for Basic & Diluted EPS	15,38,57,982	14,82,24,143
Face value per Share	1.00	
Basic Earnings Per Share (Restated for Rights)	(1.07)	
Diluted Earnings Per Share	(1.07)	

The Company has incurred a loss during the year. Accordingly, potential equity shares have not been considered for the purpose of calculation of diluted earnings per share, as their inclusion would be anti-dilutive. Therefore, diluted EPS is the same as basic EPS.

Note 35 : Leases

In current year, the Company has recognised Interest on Lease Liability and Amortization of Right of use Asset as per IndAS 116 'Lease' in the statement of Profit and Loss as under :-

- 'Finance Cost' in Note no. 31. Interest on Lease Liability of Rs. 65.58 lakhs (PY Rs. 41.04lakhs)
- 'Depreciation and Amortization expense' in Note no. 32. Amortization of Lease Liability of Rs. 193.82 lakhs (PY Rs.107.14 lakhs)
- The total outstanding cash outflow for lease as per the agreement is Rs. 1443.44 lakhs (PY Rs. 1822.41 lakhs).
- There has been addition to right of use asset in the current year is 20.97 (PY Rs. 1543.64 lakhs).
- There has been no deletion to right of use asset in the current year.

The Company has taken premises under leave and license agreement, the rent and escalation depends upon the lease agreement entered by the Company. The Company has entered into an lease agreement for the period of 5 years, with escalation clause.
The disclosure requirement and maturity analysis of lease liability and asset as per IndAS 107 'Financial Instrument : Disclosures' are as follows:

Particulars	April 1, 2025	Addition	Deletion / Amortization	March 31, 2026
a) The net carrying amount of Right of use asset :				
Right of Use Asset	1,453.80	20.97	348.28	1,126.49

Particulars	April 1, 2024	Addition	Deletion / Amortization	March 31, 2025
a) The net carrying amount of Right of use asset :				
Right of Use Asset	94.48	1,543.64	184.33	1,453.80

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
b) A reconciliation between the total minimum lease payment as on 31st March,2026 and their present value:		
Lease Liability as at balance sheet date	1,240.53	1,497.18
Add: Interest on above *	124.49	325.23
Minimum Lease Payment	**1,365.02**	**1,822.41**
* The rate of interest taken is 8.50% p.a.		
c) Maturity Analysis of the Minimum lease payment for the following years are as follow:		
Before 3 months	103.29	95.69
3 – 6 months	103.66	95.97
6 – 12 months	216.41	200.59
1 – 3 years	1,020.08	1,219.80
3 – 5 years	-	210.36
Above 5 years	-	-
Total	**1,443.44**	**1,822.41**

Note 36: Related Party Disclosure

a.List of related parties

Nature of Relationship	Party Name
a. Key Managerial Personnels (as per Companies Act, 2013)	Milan Shah (Director of Aerpace Industries Limited from 09th March, 2022 and Director of Aerpace Supercars Private Limited from 11th November, 2020)
	Amisha Shah (Director upto 30th June 2024)
	Hasmukh Karman Gala (Director of Aerpace Supercars Private Limited from 11th November, 2020)
	Anand Shah (CFO of Aerpace Industries Limited from 10th March, 2023)
	Shalaka Modi (Company Secretary upto 8th December, 2023)
	Neha Mankame (Company Secretary upto 27th February 2026)
b. Key Managerial Personnels (as per Ind AS 24)*	Akanksha Bilaney (Independent Director of Aerpace Industries Limited from 09th March, 2022)
	Sanjay Takale (Director of Aerpace Industries Limited from 04th May, 2022)
	Virendra Verma (Independent Director of Aerpace Industries Limited from 04th May, 2022)
	Prem Singh Rawat (Director with effect from 02nd September 2023)
	Ravi Chedilal Soni (Additional Director with effect from 14th May, 2024)
	Prakash Gaur (Non Executive Director of Aerpace Industries Limited with effect from 26th September 2025)
	Darshana Sawant (Non Executive Director of Aerpace Industries Limited with effect from 26th September 2025)
c. Entity where KMP/Relative of KMP exercise significant infiuence	aerpace Communication Private Limited
	aerpace Robotics Private Limited

* In addition to those that have been disclosed in (a) above

Name of Party	Nature of Transaction	Year ended March 31, 2026	Year ended March 31, 2025
b. Transaction with Related parties			
Milan Shah	Loan repaid	-	0.17
Anand Shah	Salary	35.78	26.54
Ravi Chhedilal Soni	Director Remunreration	18.04	4.50
Prem Singh Rawat	Director Remunreration	24.04	6.00
Neha Mankame	Salary	1.65	1.50
Prakash Gaur	Salary	6.00	-
Akanksha Bilaney	Director Sitting Fees	2.25	2.10
Virendra Verma	Director Sitting Fees	1.53	2.46
Aerpace Robotics Private Limited	Loan Given	8.75	1,446.00
	Loan Received back	844.44	911.28
	Interest Income	11.90	41.87
	Loan taken	2,617.13	-
	Loan Repaid	115.00	-
	Interest Expense	86.12	-
c. Balances Outstanding of Related parties			
Anand Shah	Salary Payable	2.42	2.33
Neha Mankame	Salary Payable	0.30	0.44
Prakash Gaur	Salary	1.50	-
Aerpace Robotics Private Limited	Loan Receivable	-	835.69
	Loan Repayable (including interest)	2,568.92	-
Ravi Chhedilal Soni	Director Remunreration	1.50	1.50
Prem Singh Rawat	Director Remunreration	2.00	2.00

Note 37 :- Fair Value Management (Amount in lakhs)

i.Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

i)The carrying value and fair value of financial instruments by categories as of 31 March 2026 are as follows:

	Carrying amount				Fair value			
Particulars	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Security Deposits	-	-	101.66	101.66	-	-	-	101.66
Cash and Cash Equivalents	-	-	13.21	13.21	-	-	-	13.21
Loans and Advances	-	-	844.41	844.41	-	-	-	844.41
Other Financial Assets	-	-	4.32	4.32	-	-	-	4.32
Total financial assets	-	-	**963.60**	**963.60**	-	-	-	**963.60**
Financial liabilities								
Borrowings	-	-	-	-	-	-	-	-
Lease Liability	-	-	1,497.17	1,497.17	-	-	-	1,497.17
Trade payables	-	-	192.32	192.32	-	-	-	192.32
Other financial liabilities	-	-	63.86	63.86	-	-	-	63.86
Total financial liabilities	-	-	**1,753.35**	**1,753.35**	-	-	-	**1,753.35**

The management assessed that the fair value of cash and cash equivalent, and other current financial assets and liabilities approximate their carrying amounts largelydue to the short term maturities of these instruments.

Level 1: The fair value of financial instruments traded in active markets (such as equity securities), if any, is based on quoted market prices at the end of the reportingperiod. The quoted market price used for financial assets held by the company is the current bid price. These instruments are included in level 1.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observablemarket data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument isincluded in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equitysecurities and investment in private equity funds, real estate funds.

ii. Valuation technique used to determine fair value
Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of unquoted equity instruments has been measured on the basis of their networth and valuation of their shares.
- the fair value of equity shares of group companies are measured at cost.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iii. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

Note 38 :-Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company 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 Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(Amount in Lakhs)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
A) Debts		
Borrowings (Current and Non-Current)	2,710.92	-
Debt (A)	**2,710.92**	**-**
B) Equity		
Equity Share Capital	1,538.58	1,538.58
Other Equity	2,220.95	3,330.48
Total Equity (B)	**3,759.53**	**4,869.06**
Gearing Ratio (Debt / Capital) i.e. (A/B)	**72%**	**0%**

Note 39 : Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:
-Market Risk;
-Credit Risk; and
-Liquidity Risk

(A) Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk.

(i) Foreign currency risk
During the year, the company has not carried out any transaction in foreign currency, hence there is no foreign currency risk for the year.

(ii) 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 interest rate risk can also impact the provision for retiral benefits. The Company generally utilises fixed rate borrowings and therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in the market interest rates.

The Company is not exposed to significant interest rate risk as at the respective reporting dates as the Company doesn’t have any major interest bearing borrowings.

(B) 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 and other financial instruments.

Trade Receivable
Customer credit risk is managed by the Company’s established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each re-equipmenting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company’s historical experience for customers. The movement of allowance for impairments of trade receivables are as follows :

	Carrying Amount	(Rs. in Lakhs)
Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Opening Balance	-0.00	9.10
Add: Impairment Loss recognized	-	-0.00
Less: Impairment Loss reversed during the year	-	-
Closing Balance	**-**	**-0.00**

Note 39 :-Financial Risk Management

Financial Instrument and cash deposits
Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amounts as stated in balance sheet.

(C) Liquidity risk
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

Contractual maturities of financial liabilities

Particulars	Less than 1 year	1 to 5 years	More than 5 years
As at March 31st, 2026			
Borrowings	142.00	-	
Trade payables	252.27	81.19	-
Other financial liabilities	109.56	-	-
Lease liabilities	326.15	914.37	-
Total Financial Liabilities	**829.99**	**995.56**	**-**
As at March 31st, 2025			
Borrowings	-	-	-
Trade payables	192.32	-	-
Other financial liabilities	63.86	-	-
Lease liabilities	251.41	1,245.76	-
Total Financial Liabilities	**507.59**	**1,245.76**	**-**

Note 39 : Disclosure Pursuant to Indian Accounting Standard 19-Employee Benefits

Since all the employees have been appointed during the year, the company has accounted for gratuity and has provided the same on the basis of actuarial valuation in order to comply with the Indian Accounting Standard (IND AS) 19 “Employee Benefits”.

i.) The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows:

Particulars	March 31, 2026	March 31, 2025
Present Value of Obligation at the beginning of the year	13.93	6.86
Current service cost	14.14	9.68
Interest expense/(income)	0.95	0.50
Expenses of Discontinued operations taken over	-	-
Total amount recognised in profit or loss	**15.08**	**10.17**
Liability Transferred in/Acquisitions		
Liability Transferred out/Disinvestments)	-	-
Total Liability	**-**	**-**
Remeasurements	-	-
(Gain)/Loss from change in financial assumptions	0.64	0.66
(Gain)/Loss from change in demographic assumptions	-	-
Experience (gains)/losses	0.93	(3.76)
Total amount recognised in other comprehensive income	**1.57**	**(3.10)**
Less: Benefit paid		
Less : Transferred to Discontinued Operations	-	-
Present Value of Obligation at the end of the year	**30.58**	**13.93**
ii)Amount Recognized in the Balance Sheet are as follows		
(Present Value of Benefit Obligation at the end of the period	(30.58)	(13.93)
Funded Status (Surplus/Deficit)	(30.58)	(13.93)
Less : Transferred to Discontinued Operations		
Net (Liability)/Assets Recognized in the Balance Sheet	**(30.58)**	**(13.93)**
iii) Expenses Recognized in the Statement of Profit or Loss for Current Period		
Current Service Cost	14.14	9.68
Net Interest Cost	0.95	0.50
Expenses of Discontinued operations taken over		
Net Effect of Changes	**15.08**	**10.17**
iv) Expenses Recognized in the Other Comprehensive Income (OCI)		
Actuarial (Gain)/Losses on Obligation for the period	1.56	(3.09)
Less : Remeasurement Gain /loss of Discontinued Operations	-	-
Net (Income)/Expenses For the Period Recognized in OCI	**1.56**	**(3.09)**

v) Balance Sheet Reconciliation		
Opening Net Liability	13.93	6.86
Expenses Recognized in Statement of Profit and Loss	15.08	10.17
Expenses Recognized in OCI	1.56	(3.09)
Net liability /(Asset) Transfer In	-	-
Net liability /(Asset) Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
Less : Transferred to Discontinued Operations	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	**30.57**	**13.93**

Particulars	March 31, 2026	March 31, 2025
b) The significant actuarial assumptions were as follows:		
The significant actuarial assumptions were as follows:		
Interest/Discount Rate	6.8% p.a.	6.8% p.a.
Salary Growth Rates	7.00% p.a.	7.00% p.a.
Withdrawal Rates		
Age 25 & Below	10% p.a.	10% p.a.
25 to 35	8% p.a.	8% p.a.
35 to 45	6% p.a.	6% p.a.
45 to 55	4% p.a.	4% p.a.
55 & Above	2% p.a.	2% p.a.

c) A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is shown below:

Particulars	March 31, 2026		March 31, 2025	
	Amount	%change	Amount	%change
Discount Rate Sensitivity				
Increase by 0.5%	26.03	(10.96%)	13.18	(5.85%)
Decrease by 0.5%	29.00	11.93%	14.76	0.66%
Salary growth rate Sensitivity				
Increase by 0.5%	28.42	7.03%	14.31	3.10%
Decrease by 0.5%	26.66	(6.84%)	13.45	(3.96%)
Withdrawal rate (W.R.) Sensitivity				
W.R. x 110%	27.49	(0.05%)	13.90	(0.60%)
W.R. x 90%	27.32	(0.50%)	13.93	0.34%

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

d) The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Expected Payout Year one	0.09	0.04
Expected Payout Year two	0.41	0.04
Expected Payout Year three	1.58	0.28
Expected Payout Year four	2.05	1.05
Expected Payout Year five	2.21	1.25
Expected Payout Year six and above	14.94	5.90
Total expected payments	**21.28**	**8.56**

Note 40 :-Ratio Analysis and its element

Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% change	Reason for variance (where the change in the ratio is more than 25% as compared to the preceding year)
Current Ratio	Current Assets	Current Liabilities	0.76	0.54	-40%	Due to increase in Current Liabilities as compared to current assets in current year
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Noncash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	(2.83)	(2.35)	-20%	NA
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.36)	(0.22)	-67%	Due to increase in losses in current year as compared to the previous year
Return on Capital Ratio	Earnings before interest and taxes	Capital Employed = Equity Fund + Long Term Debt	(0.34)	(0.21)	-64%	ROCE decreased due to lower EBIT during the year while capital employed remained relatively stable, resulting in a higher negative return.
Debt Equity Ratio	Debt	Equity	0.09	0.00	100%	Debt-Equity Ratio increased due to borrowings availed during the current year, whereas there were no outstanding debts in the previous year.
Trade Payable Turnover Ratio	Net credit purchases =Gross credit purchases -purchase return	Average Trade Payables	0.18	0.01	-1115%	Increase in Purchases

The following Ratios are not applicable hence not disclosed :-

Inventory Turnover Ratio | Trade Receivable Turnover Ratio | Net Capital Turnover Ratio | Net Profit Ratio

Note 41 :- Income Taxes
The Major Components for Income Tax Expenses for the year ended 31st March,2026

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
A)Components of Tax Expenses/(Income) includes the following		
Current Income Tax		
Current Income Tax charge	-	-
Deferred Tax		
Relating to original and reversal of temporary differences	(24.60)	(12.11)
Short/(Excess) Provision for earlier years	(0.07)	(0.08)
Income Tax Expenses reported in the statement of profit and Loss	**(24.67)**	**(12.19)**
B)Income Tax Relating to Other Comprehensive Income		
Net Loss/(gain) on remeasurement of Defined Benefit Plans	(0.39)	(0.78)
Income Tax Expenses charged to other comprehensive Income	**(0.39)**	**(0.78)**
C)Reconciliation of Tax Expense and the accounting profit multiplied by India's domestic tax rate for year ended 31st March,2026		
Accounting Profit/(Loss) Before Income Tax	(1,674.97)	(751.62)
India's statutory Income Tax Rate	25.17%	25.17%
Computed Tax Expenses	**-**	**-**
Adjustments recognised in current year in relation to the current tax of prior years	(0.07)	(0.08)
Effect of Expenses/allowances that are not deductible in determining taxable profit	(24.60)	(12.11)
Other Adjustments	-	-
Income Tax Expenses Reported in Profit and Loss	**(24.67)**	**(36.86)**
Effective Income Tax Rate	**1.47%**	**4.90%**

Particulars	As at March 31, 2025	Charged / (Credited) to P&L	Charged / (Credited) to OCI	As at March 31, 2026
D) Movements in Deferred Tax				
Deferred Tax Assets	-	-	-	-
Property, Plant & Equipment, Right to Use Asset -Depreciation & Amortisation	0.15	(0.32)	-	0.47
Right to Use Asset - Depreciation & Amortisation	11.79	(17.86)	-	29.65
Provision for Employee Benefits	3.51	(6.49)	0.39	9.60
Expected Credit Loss	2.35	0.06	-	2.29
Allowance for Doubtful Receivable	-	-	-	-
Total	**17.81**	**(24.60)**	**0.39**	**42.01**

Note 42 : The Company has only one reportable segment and accordingly, no separate segment disclosures have been made, as per Ind AS 108.

Note 43 : Contingent Liability as on March 31, 2026 - Rs. Nil (P.Y. Rs. Nil).

Note 44 : Other Statutory Information

i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

ii. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies ('ROC') beyond the statutory period

iii. The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders

iv. During the year, the Company has not revalued its Property, Plant and Equipment.

v. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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) o

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

viii. The Company have not any such 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 theIncome Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

ix. Based on the information available with the Company, the Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 ofCompanies Act, 1956.

Note 45 : Disclosures with regards to regulation 34 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

During the previous year, the Company has granted Unsecured loan to the following parties for General Corporate Purposes, details as stated below

Name of Party	Opening Balance	Granted During the Year (including interest receivable)	Repaid During the Year	Closing Balance	Interest Rate
Aerpace Robotics Private Limited	835.69	8.75	844.44	-	9%
Aerpace Supercars Private Limited	1,623.70	756.31	3.81	2,376.20	9%
SSK Scripts Private Limited	8.72	-	8.72	-	9%

Note 46 : In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary

Note 47 : The Company does not fall within the criteria mentioned in Section 135 of the Companies Act, 2013 and hence the provisions of Corporate Social Responsibility are not applicabl

Note 48: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The
Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued.
The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

Note 49 : Additional Information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiary

Name of the Entities	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
2025-2026								
Parent								
Aerpace Industries Ltd	92.37%	3,610.54	83.87%	(1,384.08)	73%	0.85	84%	(1,383.23)
Subsidiary								
Indian								
Aerpace Supercar Pvt Ltd	3.08%	120.57	8.08%	(133.27)	27%	0.32	-29%	471.20
Aerpace Supercar Pvt Ltd	0.73%	28.42	0.00%	-	0%	-	0%	-
Minority Interest	3.82%	149.24	8.06%	(132.95)	-	-	45%	(737.11)
Total	**100.00%**	**3,908.78**	**100%**	**(1,650.30)**	**100%**	**1.17**	**100%**	**(1,649.13)**
2024-2025								
Parent								
Aerpace Industries Ltd	89.17%	4,585.03	77.36%	(572.04)	103%	2.38	77%	(569.66)
Subsidiary								
Indian								
Aerpace Supercar Pvt Ltd	5.52%	284.02	11.54%	(85.34)	-3%	(0.06)	12%	(85.40)
Minority Interest	5.31%	272.88	11.10%	(82.05)	-	-	11%	(82.05)
Total	**100%**	**5,141.94**	**100%**	**(739.43)**	**100%**	**2.32**	**100%**	**(737.11)**

Note 50 : The Company had changed its name from Supremex Shine Steels Limited to Aerpace Industries Limited in the financial year 2022-23 and fresh certificate of incorporation dated August 30, 2022 had beenreceived by the Company from Registrar of Companies, Mumbai.The Subsidary Company had changed its name from Joister Supercars Private Limited to Aerpace Supercars Private Limited in the financial year 2022-23 and fresh Certificate of Incorporation dated April 20, 2023 hadbeen received by the Company from Registrar of Companies, Mumbai.

Note 51 : The Company has made an investment in equity shares of Aerpace General Trading LLC, a foreign entity incorporated in the United Arab Emirates (UAE), with the objective of establishing an international presence and undertaking future business operations.

Particulars	Amount
Number of shares acquired	75 shares
Date of acquisition	19-Jan-26
Total consideration	AED 11,2500
Equivalent INR (at transaction date)	-
Percentage holding	75%

The above entity qualifies as a subsidiary in accordance with Ind AS 110 Consolidated Financial Statements. The investment is carried at cost in the standalone financial statements in accordance with the Company's accounting policy for investments in subsidiaries. Since the subsidiary has not commenced operations as at the reporting date and there are no significant changes in its underlying net assets, management has assessed that the carrying value of the investment approximates its fair value.

Accordingly, no impairment is considered necessary. The investment is denominated in foreign currency (AED) and is a non-monetary item measured at historical cost hence, it is not restated at the closing exchange rate in accordance with Ind AS 21 – The Effects of Changes in Foreign Exchange Rates.

Note 52 : Previous year figures have been regrouped, rearranged wherever considered necessary to confirm with current years presentation.

In terms of our report of even date
For Ramanand & Associates
Chartered Accountants

Ramanand Gupta
Partner
Membership No. 103975

Date: May 11, 2026
Place: Mumbai

For and on behalf of the Board of Directors of
Aerpace Industries Limited

Mr Prem Singh Rawat

Director
DIN:01423453

Mr. Milan Shah

Director
DIN:08163535

Anand Shah

Chief Financial Officer

Place: Mumbai
Date: May 11, 2026

Dear Members,

Invitation to attend the 15th Annual General Meeting ("15th AGM") on Wednesday, September 30, 2026.
You are cordially invited to attend the 15th AGM of the Company to be held on Wednesday, September 30, 2026 at 03:30 p.m. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"). The Notice convening the Annual General Meeting ("AGM") is attached herewith.

In order to enable ease of participation of the Members, we are providing below the key details regarding the meeting for your reference:

Particulars	**Details**
Link for live webcast of the AGM and for participation through VC/OAVM	www.evotingindia.com
Link for remote e-voting	www.evotingindia.com
Username and password for VC	Members may attend the AGM through VC by accessing the link www.evotingindia.com by using their remote e-voting credentials. Please refer the instructions in Notes to this Notice for further information.
Helpline number for VC participation and e-voting	E-mail: helpdesk.evoting@cdslindia.com Contact No.: 1800 21 09911
Cut-off date for e-voting	Wednesday, September 23, 2026
Time period for remote e-voting	Commences at 09.00 a.m. (IST) on Saturday, September 26, 2026 and ends at 05.00 p.m. (IST) on Tuesday, September 29, 2026
Last date for publishing results of the e-voting	On or before Friday, October 02, 2026
Registrar and Share Transfer Agent contact details	Purva Sharegistry (India) Private Limited 9 Shiv Shakti Industrial Estate, J R Boricha Marg. Opp. Lodha Excelus, Lower Parel (East), Mumbai - 4000 011. E-mail Id: support@purvashare.com Web Site: www.purvashare.com Contact No: 022-2301 6761/8261
Contact details	Email id: info@aerpace.com Tel no: 022 69245000

Yours Truly,

Prachi Parag Kela

Company Secretary and Compliance Officer

NOTICE OF 15TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 15th Annual General Meeting ("AGM") of the Members of Aerpace Industries Limited ("Company") is scheduled to be held on Wednesday, 30th September, 2026 at 03:30 P.M. IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses.

1. Adoption of Financial Statement (Standalone & Consolidated) for the financial year ended March 31, 2026:

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2026 together with the Board's Report and Auditors' Report thereon, as circulated to the Members, be and are hereby considered and adopted."

2. Re-Appointment of Mr. Sanjay Ram Takale (DIN: 07111445) who retires by rotation and being eligible, offer himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, (hereinafter referred to as "Act") and all other applicable provisions of the Act read with the relevant Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Sanjay Ram Takale (DIN: 07111445), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. Re-Appointment of Mr. Prem Singh Rawat (DIN: 01423453) who retires by rotation and being eligible, offer himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, (hereinafter referred to as "Act") and all other applicable provisions of the Act read with the relevant Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Mr. Prem Singh Rawat (DIN: 01423453), who retires by rotation at this meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. Appointment of M/s. Dipti Nagori & Associates (Peer Review Firm Registration Number: 1902/2022), Practicing Company Secretaries as a Secretarial Auditor of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and basis the recommendation of the Board of Directors of the Company, M/s. Dipti Nagori & Associates (Peer Review Firm Registration Number: 1902/2022), Practising Company Secretaries be and is hereby appointed as Secretarial Auditor of the Company for a term of 5 (five) consecutive financial years commencing from the financial year 2026-27 to the financial year 2030-31, on such remuneration as may be fixed by the Board of Directors of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient or desirable to give effect to this resolution."

5. Approval for payment of remuneration to Mr. Prem Singh Rawat (DIN: 01423453), Non-Executive Director of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule V to the Act and the rules made thereunder, Regulations 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company, consent of the Members be and is hereby accorded (i) to approve and ratify the payment of remuneration to Mr. Prem Singh Rawat, Chairman and Non-Executive Director of the Company, for the financial year 2025–26, up to a maximum amount of ₹24,00,000 (Rupees Twenty Four Lakhs only), already paid and/or payable to him during the said financial year; and (ii) to approve the payment of remuneration to Mr. Prem Singh Rawat for the financial year 2026–27, up to a maximum amount of ₹40,00,000 (Rupees Forty Lakh only), notwithstanding the absence or inadequacy of profits of the Company during the respective financial years and notwithstanding that the remuneration paid or payable to him exceeds or may exceed fifty per cent of the total annual remuneration payable to all the Non-Executive Directors of the Company during the respective financial year;

RESOLVED FURTHER THAT the aforesaid remuneration shall be exclusive of the sitting fees payable to Mr. Prem Singh Rawat for attending meetings of the Board of Directors and its Committees and the reimbursement of expenses incurred by him in connection with the performance of his duties, in accordance with the applicable provisions of the Act and the SEBI Listing Regulations;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine, revise and approve the actual amount and manner of payment of remuneration to Mr. Prem Singh Rawat within the aforesaid annual ceiling of ₹40,00,000 for each financial year, based on the recommendation of the Nomination and Remuneration Committee and subject to compliance with the applicable provisions of the Act, Schedule V thereto and the SEBI Listing Regulations;

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to execute all such documents as may be necessary, desirable or expedient to give effect to this resolution."

By order of the Board of Directors
For Aerpace Industries Limited

Prachi Parag Kela
Company Secretary & Compliance Officer
Membership No.: A-67897

Date: August 11, 2026
Place: Mumbai

REGISTERED OFFICE:
A/1005, 10th Floor, A Wing, Kanakia Wall Street,
Andheri Kurla Road, Andheri (East), Mumbai-400093
CIN: L74110MH2011PLC214373
Website: www.aerpace.com
Email: info@aerpace.com

Notes

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), setting out the material facts concerning the business with respect to Item No. 4 & 5 forms part of this Notice. Further, relevant information pursuant to Regulation 36 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and disclosure requirements in terms of Secretarial Standard on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation and seeking re-appointment at this Annual General Meeting ("AGM") is furnished as "Annexure A" to this Notice.

2. The Ministry of Corporate Affairs ("MCA"), inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2022 dated May 5, 2022 and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as "MCA Circulars"), has permitted the holding of the AGM through Video Conferencing ("VC") or through Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India ("SEBI"), vide Regulations 36(1) and 44(4) of the SEBI Listing Regulations have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations relating to the sending of Annual Report to members who have registered their email address(es) with the Company or with any depository and the requirement to send proxy forms where AGM is held though electronic mode.

In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 15th AGM of the Company is being held through VC/OAVM on Wednesday, September 30, 2026, at 03:30 p.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at A/1005, 10th Floor, A Wing, Kanakia Wall Street, Andheri Kurla Road, Andheri (East), Mumbai-400093.

3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON ITS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

SINCE THIS AGM IS BEING HELD PURSUANT TO THE FRAMEWORK PROVIDED IN THE MCA CIRCULARS READ WITH THE ACT AND THE SEBI LISTING REGULATIONS, THROUGH VC/ OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

4. Members can join the AGM in VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on the website of Central Depository Services Limited ("CDSL") at www.evotingindia.com.

5. Institutional investors/corporate Members: Institutional Investors/ Corporate Members (i.e. other than individuals, HUFs, NRIs, etc.) who are intending to appoint their authorised representatives pursuant to Sections 113 of the Act, as the case may be, to attend the AGM and vote through remote e-Voting, are requested to send their certified copy of the Board Resolution /Authority Letter:

• to the Scrutinizer by e-mail cspalodpravesh@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com or

• upload by clicking on the “Upload Board Resolution/ Authority Letter” displayed under the “e-Voting” tab in their login

6. The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS2) issued by the ICSI and Regulation 44 of SEBI Listing Regulations (as amended), and the MCA Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by CDSL.

8. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.aerpace.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

10. In case of joint holders attending the AGM through VC/ OAVM, only such joint holders who are higher in the order of their names as per the Register of Members of the Company, as of the cut-off date i.e., Wednesday, September 23, 2026, will be entitled to vote at the Meeting.

11. Dispatch of Annual Report: In accordance with the aforesaid MCA Circulars and the SEBI Listing Regulations, the Notice of the AGM along with the 15th Annual Report are being sent ONLY through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent (“RTA”)/ Depositories/ Depository Participants and a letter will be sent by the Company providing the web-link, including the exact path where complete details of the Annual Report is available, to those shareholder(s) who have not so registered their e-mail addresses. The Company shall send physical copy of the Annual Report to those Members who request for the same at info@aerpace.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 15th AGM along with the Annual Report is also available on the website of the Company at www.aerpace.com and on BSE Limited at www.bseindia.com and the website of CDSL at www.evotingindia.com.

12. Registrar and Transfer Agent

The Registrar and Transfer Agent of the Company is Purva Sharegistry (India) Private Limited. The e-mail address of the RTA is support@purvashare.com.

13. Nomination facility: As per the provisions of Section 72 of the Act, read with SEBI Master Circular dated February 6, 2026 issued to RTA, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the requisite application in Form ISR-3 or Form SH-14, as the case may be.

The said forms can be downloaded from the Company's website at www.aerpace.com. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at support@purvashare.com in case the shares are held in physical form, quoting their folio no(s).

14. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, any new transfer, transmission or transposition requests for securities shall be processed in demat/electronic form only. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation. Members may please note that listed companies are mandated to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4/ISR-5 (for transmission), the format of which is available on the Company's website at www.aerpace.com. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. Members holding shares in physical form may raise a service request at investor.helpdesk@in.mpms.mufg.com for any assistance relating to the shares of the Company.

15. Details of Members: Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA/Company in case the shares are held in physical form, in prescribed Form No. ISR-1 and other forms, quoting their folio number and enclosing the self-attested supporting document(s). Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

16. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

17. Consolidation for physical Members: Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form only.

18. Special window for re-lodgement of physical share transfer requests: Pursuant to SEBI Circulars dated July 2, 2025 and January 6, 2026 read with SEBI Master Circular issued to RTAs dated February 6, 2026, Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re-lodgement window till February 4, 2027, to re-lodge the transfer requests. Transfers would be approved if all the requisite documents are in place. Transfer of shares under this window will be credited only in dematerialised form and will carry a one-year lock in period from the date of transfer registration. Members are requested to contact the RTA for assistance in this regard.

19. Simplification of Procedure for Issuance of Duplicate Share Certificates The SEBI Circular dated December 24, 2025 has simplified the framework for issuance of duplicate share certificates and related procedures. The documentation requirements have been standardized as below:

i. Value Up to ₹10,000: Undertaking on plain paper (no notarisation required)
ii. Value Above ₹10,000 and up to ₹10 lakh: Single Affidavit-cum-Indemnity Bond
iii. Value Above ₹10 lakh: Affidavit-cum-Indemnity Bond along with FIR/ Police Complaint and Newspaper Advertisement.

Further, Letter of Confirmation ("LOC") will not be issued effective April 2, 2026 and shares will be credited directly to the shareholder's demat account by the Company/ RTA, subject to due diligence. Members are requested to provide a Client Master List not older than two months, duly attested by their DPs. Any LOC issued before April 2, 2026, may be submitted by the Members to DP for dematerialisation within 120 days from the date of issuance of LOC.

20. Members desiring inspection of statutory registers and other relevant documents of the Company may send their request in writing to the Company at info@aerpace.com upto the date of the AGM. All the documents referred to in this Notice will also be available for inspection at the Company's registered office by the members from the date of circulation of this Notice up to the date of AGM.

21. Dispute Resolution: SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievance with the RTA/ Company directly and/ or through the SEBI SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the "Quick Links" section available at the bottom of the Company's website.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Saturday, 26th September, 2026 (09:00 A.M.) and ends on Tuesday, 29th September, 2026 (05:00 P.M.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab.

Individual Shareholders holding securities in Demat mode with CDSL Depository	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under

	'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on 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. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, 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. Click on 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.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com

2) Click on "Shareholders" module.

3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant Aerpace Industries Limited on which you choose to vote.

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

• After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

• The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

• It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

• Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@aerpace.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is thereforerecommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@aerpace.com. The same will be replied by the company suitably.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@aerpace.com.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911

By order of the Board of Directors
For Aerpace Industries Limited

Prachi Parag Kela
Company Secretary & Compliance Officer
Membership No.: A-67897

Date: August 11, 2026
Place: Mumbai

REGISTERED OFFICE:
A/1005, 10th Floor, A Wing, Kanakia Wall Street,
Andheri Kurla Road, Andheri (East), Mumbai-400093
CIN: L74110MH2011PLC214373
Website: www.aerpace.com
Email: info@aerpace.com

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND ADDITIONAL INFORMATION AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CIRCULARS ISSUED THEREUNDER

The following Statement sets out all material facts relating to the special business proposed in this Notice:

Item: 4

Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") requires every listed entity to appoint a peer reviewed Company Secretary or a Firm of Company Secretary(ies) as a Secretarial Auditor on the basis of recommendation of the board of directors. The Board of Directors, at its meeting held on August 11, 2026 has, considering the experience and expertise and on the recommendation of the Audit Committee, recommended to the members, appointment of M/s. Dipti Nagori & Associates (Peer Review Firm Registration Number: 1902/2022), as Secretarial Auditor of the Company for a term of 5 (five) consecutive financial years commencing from the financial year 2029-30 to the financial year 2030-31, on such remuneration as may be determined by the Board of Directors of the Company, from time to time.

Ms. Dipti Nagori, is a qualified Company Secretary having more than 15 years of experience in the field of corporate laws, secretarial compliances, corporate governance, SEBI regulations, FEMA matters, due diligence and audit assignments. She possesses extensive expertise in providing secretarial and regulatory advisory services to listed and unlisted entities. Ms. Dipti Nagori has consented to her appointment as Secretarial Auditor, if appointed, and has confirmed that she has subjected himself to peer review process of the ICSI and holds a valid certificate of peer review issued by the ICSI. Further, Ms. Dipti Nagori has confirmed that she is eligible for appointment as the Secretarial Auditor and has not incurred any disqualification specified by the Securities and Exchange Board of India.

The proposed remuneration to be paid to the Secretarial Auditor for the financial year 2026-27 is Rs. 1,00,000/-. The said remuneration excludes applicable taxes and out of pocket expenses. The remuneration for the subsequent years of his term shall be fixed by the Board of Directors based on the recommendation of the Audit Committee of the Company. In accordance with the provisions of Regulation 24A of the Listing Regulations, the appointment of Secretarial Auditor is required to be approved by the members of the Company. Accordingly, approval of the members is sought by passing the Ordinary Resolution as set out at Item No. 4 of this Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Board of Directors commends the Ordinary Resolution set out at Item No. 4 of this Notice for approval by the members

Item: 5

In accordance with Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), approval of the shareholders by way of a Special Resolution is required to be obtained every year where the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all the Non-Executive Directors of the Company.

Mr. Prem Singh Rawat, Chairman and Non-Executive Director of the Company, has made significant contributions to the growth and development of the Company through his strategic guidance, experience and increased involvement in the affairs of the Company. Considering his contribution, increased responsibilities and time devoted to the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has:

1. approved and recommended the ratification of remuneration paid and/or payable to Mr. Prem Singh Rawat for the financial year 2025–26, up to a maximum amount of ₹24,00,000 (Rupees Twenty-Four Lakh only) already paid and/or payable to him during the said financial year; and

2. approved and recommended the payment of remuneration to Mr. Prem Singh Rawat for the financial year 2026–27, up to a maximum amount of ₹40,00,000 (Rupees Forty Lakh only).

The remuneration paid or payable to Mr. Prem Singh Rawat exceeds or may exceed fifty per cent of the total annual remuneration payable to all the Non-Executive Directors of the Company during the respective financial year. Accordingly, the approval of the Members is being sought by way of a Special Resolution pursuant to Regulation 17(6)(ca) of the Listing Regulations.

The Company has incurred losses and/or has inadequate profits during the relevant financial years. Accordingly, the aforesaid remuneration shall be paid as minimum remuneration in accordance with Sections 197 and 198 read with Section II of Part II of Schedule V to the Companies Act, 2013 and other applicable provisions thereof, subject to compliance with the conditions and limits prescribed thereunder.

The aforesaid annual ceiling of ₹40,00,000 represents the maximum remuneration that may be paid to Mr. Prem Singh Rawat during each of the financial years 2025–26 and 2026–27. The actual remuneration payable shall be determined by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, within the said ceiling and in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations.

Mr. Prem Singh Rawat and his relatives are concerned or interested, financially or otherwise, in the resolution. None of the other 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 respective shareholding, if any, in the Company.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for the approval of the Members.

For Aerpace Industries Limited

Prachi Parag Kela
Company Secretary & Compliance Officer
Membership No.: A-67897

Date: August 11, 2026
Place: Mumbai

REGISTERED OFFICE:
A/1005, 10th Floor, A Wing, Kanakia Wall Street,
Andheri Kurla Road, Andheri (East), Mumbai-400093
CIN: L74110MH2011PLC214373
Website: www.aerpace.com
Email: info@aerpace.com

Annexure A

ANNEXURE A TO EXPLANATORY STATEMENT FOR ITEM 5

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

Particulars	**Mr. Prem Singh Rawat**
I. General Information	
Nature of Industry	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab.
Date or expected date of commencement of commercial production	The Company is currently in the project implementation and research & development phase of its solar business and is in the process of establishing its manufacturing facility. The commissioning of the factory is expected to be completed during FY 2026-27, following which commercial production and revenue generation from the solar business are expected to commence.
In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus Financial Performance based on given indicators	Not applicable

Financial Performance based on given indicators

PARTICULARS	YEAR ENDED 31.03.2026	YEAR ENDED 31.03.2025	YEAR ENDED 31.03.2024
Total Income	403.96	302.06	150.83
Profit / (Loss) Before Interest, Depreciation, Exceptional items & tax	(1012.37)	(382.12)	(98.64)
Less: Interest and Finance Cost	-	-	-
Less: Depreciation & Amortisation	210.19	113.57	30.60
Add Exceptional Items	-	-	-
Profit before Taxation	(1222.55)	(495.69)	(129.24)
Less: Provision for Taxation (incl. deferred tax)	(22.26)	(12.02)	0.11
Profit / (Loss) after Taxation	(1200.29)	(483.67)	(129.35)

Foreign Investments and Collaborations	The Company has incorporated Aerpace General Trading LLC in the United Arab Emirates to undertake a similar line of business. However, the proposed investment in the said entity is yet to be made by the Company.
II. Information about the appointee	
Background details	As per the explanatory statement
Past Remuneration	Rs. 24,03,600 (Rs. Twenty-Four Lakhs Thirty-Six Hundred)
Recognition or awards	He is originally a Two Wheelers Champion from 1987 to 2001 and he has won more than 75 Trophies. To name a few he has won Ashtavinayak Rally – Overall 1st, Sinhagad Hill climb – Overall 1st, Indore Motocross, Poona Motocross, Poona Dirt Track, Seizers Action Rally-Coimbatore, NASA Rally-Nasik, MASA Rally-Mumbai and many Dirt Track Races.
Job Profile and suitability	As per the explanatory statement
Remuneration proposed	As per item no. 5
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 origin)	The managerial remuneration proposed to be paid is justified in view of the role, size, scale, complexity of the business and competitive environment in which the Company operates and is in line with the remuneration package of similar appointees in other companies and thus comparable to the industry standards.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel or other Director, if any	No pecuniary relationship directly or indirectly with the Company other than remuneration paid / payable to him.

III. Other Information	
Reasons of loss or inadequate profits	The Company is yet to commence its commercial operations and, accordingly, reported losses during the financial year.
Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms	The Company has been making necessary efforts to improve its performance and is aggressively pursuing and implementing various strategies.
Expected increase in productivity and profits in measurable terms	The Company anticipates that the overall economy and consumer sentiments will revive in near future. The productivity, performance and profitability of the Company will gradually improve in the coming years owing to the persistent efforts and aggressive strategies adopted by the Company.
V. Disclosures	The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Directors Report for the year ended March 31, 2026.

Details of Directors seeking Appointment/Re-appointment at the 15th Annual General Meeting of the Company. (In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015)

Name of Director	Mr. Sanjay Ram Takle	Mr. Prem Singh Rawat
DIN	07111445	01423453
Date of Birth	02-02-1968	12-10-1962
Age	58 years	63 years
Date of Appointment at Board Meeting	04-05-2022	02-09-2023
Expertise in specific functional areas/ skills and capabilities	He is a Commerce Graduation from BMCC and Law from Symbiosis. Originally a Two Wheelers Champion from 1987 to 2001 and he has won more than 75 Trophies. To name a few he has won Ashtavinayak Rally Overall 1st, Sinhagad Hill climb Overall 1st, Indore Motocross, Poona Motocross, Poona Dirt Track, Seizers Action Rally-Coimbatore, NASA Rally-Nasik, MASA Rally-Mumbai and many Dirt Track Races.	He is having thirty-five plus years of experience in Business and Strategy Management, Social Management, Industrial Relation Management, Sales, Marketing, Administration, Operation, Commercial Management. He is B.Com graduate from, Dayal Singh College, Delhi University in 1984 and did PG Diploma in Personnel Management and & Industrial Relation in 1986 (MBA).
Names of listed entities in which the person also holds the directorship	-	-
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/ Investors' Grievance Committee)	-	-
Shareholding in the Company	24,11,765 equity shares of Re. 1 each	-

Remuneration last drawn (including sitting fees, if any)	-	Rs. 24,03,600
Remuneration proposed to be paid	-	As per Explanatory Statement
Relationship with other Directors/Key Managerial Personnel	Not applicable	Not applicable
Number of meetings of the Board attended during the year (2025-26)	7 out of 7	7 out of 7

By order of the Board of Directors
For Aerpace Industries Limited

Prachi Parag Kela
Company Secretary & Compliance Officer
Membership No.: A-67897

Date: August 11, 2026
Place: Mumbai
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A/1005, 10th Floor, A Wing, Kanakia Wall Street,
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