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AEROFLEX INDUSTRIES LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2026

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AUDITORS

SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of
AEROFLEX INDUSTRIES LIMITED
Mumbai

Report on the Audit of the Standalone Financial Statements:

Opinion:

We have audited the accompanying standalone financial statements of **AEROFLEX INDUSTRIES LIMITED** (**"the company"**), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss including other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements and a summary of material accounting policies and other explanatory information (**hereinafter referred to as "Standalone financial statements"**).

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

Basis of Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements for the financial year ended 31 March 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below the key audit matters to be communicated in our report. Our audit procedures, amongst others, include the following:

A. Accuracy, Completeness and disclosure with reference to Ind AS-16 of Property, Plant and Equipment including Capital Work in Progress : The carrying value of property, plant and equipment includes the assets capitalized/transferred from capital work in progress during the year. The company has capital work in progress at the year ended as on 31st March 2026 of Rs. 2187.27 lakhs. Cost Recognition of Property, Plant and Equipment as specified in Ind AS 16 is based on completion of asset construction activities and management assessment and judgment that the asset is capable of operating in the manner intended. The company has incurred various expenses and purchases of machinery & equipments related to the expansion of its production facilities and products manufacturing capacity for the company. The asset capitalization is the outcome of various procurements, approvals from operations experts in the Company and judgments by the management and therefore, required significant audit attention. Refer Note 3: Property, Plant and Equipment in Notes to the standalone financial statements.

Auditor's Response : Our audit procedures, amongst others, include the following :

a) Obtaining an understanding of operating effectiveness of management's internal control over capital expenditure.

b) We assessed Company's process regarding maintenance of records, valuation and accounting of transactions pertaining to Property, Plant and Equipment including Capital Work in Progress with reference to Indian Accounting Standard 16: Property, Plant and Equipment.

c) We have reviewed management judgment pertaining to estimation of useful life and depreciation of the Property, Plant and Equipment.

d) We have verified the capitalization of borrowing cost incurred on qualifying asset in accordance with the Indian Accounting Standard 23. The company has made the capitalization from the accumulated funds and the internal accruals.

e) Ensuring adequacy of disclosures in the standalone financial statements.

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B. Disclosure with regards to certain legal and tax matters including uncertain tax positions and presentation of contingent liabilities & other litigations :

Assessment of litigations and related disclosure of contingent liabilities (Refer Note 2(2.3 & 2.15) to the standalone financial statements – "Significant accounting judgments, estimates and assumptions - Provisions and contingent liabilities" and Note 44 to the standalone financial statements "Contingent liabilities") as at 31 March 2026. The Company, in the normal course of business, is contesting various claims and proceedings including matters relating to direct and indirect taxes that arise from time to time. The Company assesses the need to make provision or disclose a contingency on a case to-case basis considering the underlying facts of each such litigation or dispute. This assessment is significant to our audit, to assess adequacy of disclosure or provision in the books of account. The accounting and disclosure for contingent liabilities is complex & involves judgment in assessing the outcome of the matter and estimating the potential impact if the outcomes are unfavorable, and the amounts involved are, or can be, material to the standalone financial statements. Considering the amounts, which can be material and involves significant management judgments and estimation, we have identified this as a key audit matter.

The Company operates in the tax jurisdiction with certain tax exemption/ deduction that may be subject to challenge and audit by the tax authorities. Further, there are open tax matters under litigation with the tax authorities.

As at 31st March, 2026, the Company has disclosed various legal and tax matters, including local and state levies, availing of input tax credits, refunds and such other matters under the detailed note given under contingent liabilities.

These are key audit matter, as evaluation of these matters requires management judgment and estimation, related legal advice including those leading to interpretation of laws and regulations and application of relevant judicial precedents to determine the probability of the outflow of economic resources due to associated uncertainty related to the outcome of these tax and litigation matters for recognizing provisions, disclosing contingent liabilities and making related disclosures in the consolidated financial statements. Our audit procedures relating to provisions recognized and contingencies disclosed with regard to certain legal and tax matters included the following:

Understanding and evaluating the design and testing the operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the standalone financial statements in respect of these matters;

Obtaining details of legal and tax matters, inspecting the supporting documents to evaluate management's assessment of probability of outcome and the magnitude of

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potential loss as well as testing related to provisions and disclosures in the financial statements through inquiries with the management and legal counsel;

Assessing on test basis on the underlying calculation supporting the disclosure of litigation in the consolidated financial statements;

Reviewing orders and other communication from tax and regulatory authorities and management responses thereto;

Assessing the management expert's legal advice and opinion, as applicable, obtained by the Company's management to corroborate management assessment and evaluating competence and capabilities of the experts; and

Based on the above procedures performed, Evaluated appropriateness and adequacy of the disclosures of the contingent liability made in the Standalone financial statements in accordance with the requirements of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Asset' and Ind AS 12 - 'Income Taxes'.

C. Right-to-Use Assets and Lease Liabilities :

The Company has recognized Right-to-Use assets and corresponding lease liabilities in accordance with Ind AS 116 – Leases. As at the balance sheet date, the carrying value of ROU assets amounts to ₹ 740.54 lakhs.

The recognition and measurement of ROU assets involve significant management judgment, including determination of lease term, discount rate, and identification of lease contracts.

Our audit procedures included, among others:

- Evaluating the Company's lease accounting policy for compliance with Ind AS 116
- Verifying sample lease agreements and assessing lease classification
- Testing the assumptions used in determining discount rates and lease terms
- Re-computing the lease liability and corresponding ROU asset on a sample basis

Based on our audit procedures, we found the recognition and measurement of ROU assets to be appropriate.

Information other than the standalone Financial Statements and Auditor's Report thereon :

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the integrated annual report, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report,

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Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The integrated annual report including the Director's report, Chairman's statement, Management Discussion and Analysis and report on corporate governance is expected 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during our audit or otherwise appears to be materially misstated.

When we read the integrated annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and describe actions under the relevant laws and regulations.

Responsibilities of Management and 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 financial position, financial performance, state of affairs, profit & loss including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards and accounting principles generally accepted in India including the accounting Standards specified under section 133 of the Act.

The respective management and Board of Directors of the Company are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the Standalone financial statements, the Management and 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:

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

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

1. 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.

2. 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 system in place and the operating effectiveness of such controls.

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

4. Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists

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related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended 31 March 2026 and are therefore the key audit matters. We describe these matters in our auditors' 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 purpose of our audit.

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b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other Comprehensive Income, the Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone financial statements comply with the accounting standards specified under section 133 of the Act.

e) On the basis of written representations received from the directors as on 31st March, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026, from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

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

    i. As per the informations given to us, the Company does not have any other material pending litigations which would impact its financial position in financial statement other than the pending litigations of the Company as disclosed in **Notes 44** of the standalone financial statements.

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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 required to be transferred to the Investors Education and Protection Fund by the Company.

iv.

a. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b. The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the Standalone Financial Statements, no funds 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 from or on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures as considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regards, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) & (ii) of Rules 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. In respect of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 proviso Rule 3(1) of the Companies (Accounts) Rules, 2014 we herewith report based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same

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has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

vi. The final dividend paid by the Company during the year in respect of the dividend declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer note 48 to the Standalone financial statements)

FOR SHWETA JAIN & CO LLP.
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

Priyanka

PRIYANKA JAJU
(Partner)
Membership No. : 416197
Place : Mumbai
Date : 5th May 2026
UDIN : 26416197MYANAT4344

ANNEXURE " A "TO THE INDEPENDENT AUDITOR'S REPORT:

(As referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report to the members of **AEROFLEX INDUSTRIES LIMITED** on the accounts as at and for the year ended 31st March, 2026) to the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that :

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets :

a.

(A) The company has maintained proper records, showing full particulars including quantitative details and situations of all Property, Plant & Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of the Intangible assets.

b. The property, plant and equipment and right-of-use assets has been physically verified by the management during the year in accordance with a periodical programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in the standalone financial statements are held in the name of the Company.

d. According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

e. According to the information and explanations given to us by the management, no proceedings have initiated or pending against the Company during the year ended on 31st March 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

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ii.

a. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and the same has been properly dealt with by the Management of the Company.

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 been sanctioned or availed working capital limit in excess of rupees five crores in aggregate, from bank or financial institutions on the basis of security of current assets. Therefore the question of our commenting on whether the quarterly returns or statements has been filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company does not arise.

iii.

a) According to the information explanation provided to us, the Company has provided loans and advances in the nature of loans to its wholly owned subsidiary company. During the year, the total such loan provided to its wholly owned subsidiary company has been for Rs 525 Lakhs and the outstanding balance at the year ended has been for Rs 539.74 Lakhs at the year ended. During the year the Company has not provided guarantee and securities to any of its subsidiaries, Joint Ventures and Associates. Further, during the year, the Company has not stood any guarantee provided security or advances in the nature of loans to any other entity. The company has also granted unsecured loans to its employees & Workers. The balance outstanding at the balance sheet date with respect to such loan is for Rs 84.30 lakhs.

b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided and terms and conditions in relation to grant of all loans given are not prejudicial to the interest of the Company.

c) The loans are repayable on demand. During the year, the Company has not demanded such loans or interest. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular as per the stipulated terms.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans are repayable on demand and the Company has not demanded such loans.

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e) According to the information explanation provided to us, the loans granted has not fallen due by the Company during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

f) According to the information explanation provided to us, the Company has granted loans repayable on demand or without specifying any terms or period of repayment to its wholly owned subsidiary company for Rs 525 Lakhs. The balance outstanding at the year ended is for Rs 539.74 lakhs. Further The loans granted during the year to employees & workers were interest free loans given under ordinary course of the terms of the employments and has stipulated the scheduled repayment of principal from their monthly salaries and the same were not repayable on demand.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans given. The Company has not provided security and guarantee to which the provisions of section 185 and 186 of the Companies Act, 2013 apply and accordingly, the provisions stated under clause 3(iv) of the Order to that extent are not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2026, which are in the nature of deposits. Accordingly, clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii.

a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, in our opinion the company is generally regular in depositing the undisputed statutory dues in respect of Provident Fund, Employees State Insurance, Income tax, Sales tax, GST,

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Custom duty, Income Tax, TDS and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and based on the examination of the records of the company, details of statutory dues referred to in sub-clause (a) above, which have not been deposited as on 31 March 2026, on account of any dispute, are as follows :

Name of the statute	Nature of Dues	Amount Demanded (In Lakhs)	Period for which Amount Relates	Remarks/Status of Demand
The Income Tax Act 1961	Income Tax	4,175.89	FY 2017-18	Pending with Commissioner of Income Tax Appeal
The GST Act, 2017	GST – Tax	359.70	FY 2023-24	Demand raised on dated 30.03.2026
	GST - Penalty	359.70	FY 2023-24	Demand raised on dated 30.03.2026
	GST – Tax, Interest & Penalty	136.18	FY 2019-20	Demand raised on dated 27.03.2026
For the above GST liabilities, the GST demand Orders has been issued at the end of the month of March 2026 and the company is in process to file Appeal with the respective appellate authority within the prescribed time				
Panvel Municipal Corporation	Property Tax	72.10		Demand raised related to the arrear of earlier years

As per informations & details given to us, other than the above, there are no other disputable demand raised on the company which have not been deposited on account of any disputes.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions in the books of account that have been surrendered or disclosed as income during the year, in the Income tax assessments of the company, which has not been recorded in the books of account. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

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 or borrowings availed from lenders during the year.

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b) According to the information and explanations given to us and on the basis of our examination of the records of the Company and our audit procedures, we report that the Company has not been declared willful Defaulter by any bank or financial institution or any other lender or government authority.

c) According to the information and explanations given to us by the management and records of the company examined by us, the Company has availed Fresh Vehicle Loan of Rs 81.00 Lakhs for Purchase of vehicle for Employees & Workers of the Company and the same has been applied for the purpose for which the said term loan has been availed.

d) According to the information and explanations given to us and on an overall examination of the financial statement of the Company, we report that no funds have been raised on short-term basis which has been utilized by the Company for long term purposes.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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 as defined under the Companies Act, 2013. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.

x.

a) According to the information explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

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 raised money by way of preferential allotment of the equity shares of the company. The company has raised total amount of Rs 5500 Lakhs Including the equity share capital & share Premium thereon. As per the documents, details & informations given to us, the company has complied with the requirements of section 42 & section 62 of the companies Act 2013. As per the informations and details given to us related to the partial utilization of the such funds during the year, the money so utilized for the year, has been for the purpose for which the same has been raised. The company not made any private placement of shares or has not issued fully or partly convertible debentures during the year.

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xi.

a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no material fraud by the Company or on the Company has been noticed or reported during the year nor have we been informed of any such case by the Management during the course of our audit.

b) According to the information and explanations given to us, 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.

c) According to the information and explanations given to us, the Company has not received any complaints from whistle-blower during the year. Accordingly, reporting under clause 3(xi) (c) of the Order is not applicable to the Company.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) (a)(b)(c) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable. The details with respect to the related parties has provided to us by the management as per the related party disclosure and the transactions with such related parties have been disclosed in the **Note No 37** to the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv.

a) In our opinion and based on information and explanations provided to us and examined by us, 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 by the internal auditor for the year ended 31st March 2026.

xv. According to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors during the year and hence, the reporting on the compliances with the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

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xvi.

a) In our opinion according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.

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

xix. According to the information and explanations given to us and on the basis of the financial ratios (also refer Note 36 to the financial statements), 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.

SHWETA JAIN & CO LLP
THANE
Chartered Accountants

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR). The company has done such spending by payments of such funds to the eligible trust for such activities and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of Sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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 SHWETA JAIN & CO LLP.
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

priyanka

SHWETA JAIN & CO LLP * THANE * Chartered Accountants *

PRIYANKA JAJU
(Partner)
Membership No. : 416197
Place : Mumbai
Date : 5th May 2026
UDIN : 26416197MYANAT4344

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")

We have audited the internal financial controls with reference to standalone financial statements of **AEROFLEX INDUSTRIES LIMITED** ("the Company") as of 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors Responsibility for Internal Financial Controls :

The Company's management and Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 standalone financial statements based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls standalone financial statements 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal

SHWETA JAIN & CO LLP
THANE
Chartered Accountants

control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis our audit opinion on the Company's internal financial controls system over financial reporting with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements.:

A company's internal financial control with reference to standalone financial statements. is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that :

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements:

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

Opinion :

In our opinion, the Company has, in all material respects, an adequate internal financial controls system standalone financial statements and such internal financial controls standalone financial statements were operating effectively as at 31st March, 2026, based on the internal control 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 standalone financial statements issued by the Institute of Chartered Accountants of India.

FOR SHWETA JAIN & CO LLP.
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP * THANE * Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No. : 416197
Place : Mumbai
Date : 5th May 2026
UDIN : 26416197MYANAT4344

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. in lakhs)

PARTICULARS	Note	As At March 31, 2026	As At March 31, 2025
ASSETS			
NON CURRENT ASSETS			
a) Property, Plant and Equipment	3	18,012.34	14,854.64
b) Property, Plant and Equipment - WIP	3.1	2,187.27	888.41
c) Right-of-use asset	3.2	740.54	-
d) Investment Property			
e) Goodwill			
f) Intangible Assets	4	85.68	88.26
g) Intangible Assets - WIP	4.1	-	-
h) Biological Assets other than bearer plants			
i) Financial assets			
i) Investments	5	2,780.65	2,780.22
ii) Trade receivables			
iii) Loans	6	539.74	-
iv) Other financial assets	7	263.64	262.84
j) Deferred tax assets net	8	-	-
k) Other non-current assets	9	273.25	305.01
Total Non-Current Assets		**24,883.11**	**19,179.38**
CURRENT ASSETS			
a) Inventories	10	7,930.43	5,930.36
b) Financial Assets			
i) Investments			
ii) Trade Receivables	11	12,475.41	12,094.83
iii) Cash and cash equivalents	12	1,844.87	2,490.16
iv) Bank balances other than cash and cash equivalent	13	5,059.36	44.85
v) Loans			
vi) Other financial assets			
c) Current Tax Assets Net			
d) Other current assets	14	3,760.18	2,676.90
Total Current Assets		**31,070.24**	**23,237.10**
TOTAL ASSETS		**55,953.35**	**42,416.47**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	15	2,646.62	2,586.41
b) Other equity	16	42,006.99	31,605.95
Total Equity		**44,653.60**	**34,192.35**
LIABILITIES			
Non-current Liabilities			
a) Financial liabilities			
i) Borrowings	17	61.82	32.64
(A) Lease liabilities	3.3	551.61	-
(ii) Trade payables			
(iii) Other financial liabilities(other than those specified in item(b) to be specified)			
b) Provisions			
c) Other Non current liabilities			
d) Deferred tax Liability (Net)	8	83.55	147.47
Total non-current liabilities		**696.98**	**180.11**
Current Liabilities			
a) Financial liabilities			
i) Borrowings	18	44.96	25.71
(A) Lease liabilities	3.3	230.97	-
ii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	19	314.22	277.27
(B) Total outstanding dues of creditors other than micro & small enterprises	19	7,385.47	5,290.85
(iii) Other financial liabilities(other than those specified in item(c)			
b) Other current liabilities	20	2,048.53	1,918.03
c) Provisions			
d) Current Tax liabilities (Net)	21	578.63	532.16
Total Current Liabilities		**10,602.77**	**8,044.01**
Total Liabilities		**11,299.75**	**8,224.12**
TOTAL EQUITY AND LIABILITIES		**55,953.35**	**42,416.47**

The accompanying notes are an integral part of these Standalone Financial Statements (Note No. "1 to 49")

As Per Our Report of even date

FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP ★ THANE ★ Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197MYANAT4344

For and on behalf of the Board

AEROFLEX INDUSTRIES LIMITED ★ MUMBAI

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in lakhs)

	Particulars	Note	Year Ended 31.03.2026	Year Ended 31.03.2025
	REVENUES:			
I	Revenue from operations	22	41,247.20	37,290.45
II	Other Income	23	155.14	238.82
	TOTAL INCOME		**41,402.34**	**37,529.27**
	EXPENSES:			
III	Cost of Material Consumed	24	24,254.82	20,930.04
IV.	Changes in Inventories	25	(1,241.78)	1,092.79
V.	Employee Benefit Expenses	26	3,802.27	3,212.62
VI.	Finance costs	27	93.60	34.97
VII	Depreciation and amortisation expense	28	2,412.67	1,100.26
VIII	Other expenses	29	4,683.08	4,225.46
	TOTAL EXPENSES		**34,004.67**	**30,596.14**
	Profit/(loss) before exceptional item and tax		**7,397.67**	**6,933.13**
IX	Exceptional item			-
	Dimunishing in value of Investment		-	(19.28)
	Profit/(loss) before tax		**7,397.67**	**6,913.85**
	Tax expense:			
X	(1) Current Tax		1,897.00	1,662.00
XI	(2) Deferred tax Liability/(Assets)		(63.93)	75.53
XII	(3) Taxation of Earlier Year		36.38	(13.49)
	Profit/(loss) for the year from continuing operation		**5,528.22**	**5,189.81**
XIII	Profit/(Loss) from discontinued operations.			
XIV	Tax expense of discontinued operations			
XV	Profit/(loss) from discontinued operation			
	Profit/(loss) for the year		**5,528.22**	**5,189.81**
	Other Comprehensive income/(loss)			
XVI	a) Item that will not be reclassified subsequently to profit or loss			
	i) Net change in fair values of investments in equity shares carried at fair value through OCI			
XVII	b) Income tax relating to item that will not be reclassified subsequently to profit or loss			
XVIII	c) Item that will be reclassified subsequently to profit or loss			
	i) Exchange differences on translation of financial statements of foreign operations			
XIX	d) Income tax relating to item that will be reclassified subsequently to profit or loss			
	Total Other Comprehensive income/(loss)			
	Total Comprehensive Income for the year		**5,528.22**	**5,189.81**
XX	Earnings per equity share : (for continued Operation) in Rs			
	(1) Basic		4.26	4.01
	(2) Diluted		4.26	4.01
XXI	Earnings per equity share : (for discontinued Operation) in Rs			
	(1) Basic			
	(2) Diluted			
XXII	Earnings per equity share : (for discontinued & continuing operations) in Rs			
	(1) Basic		4.26	4.01
	(2) Diluted		4.26	4.01

The accompanying notes are an integral part of these Standalone Financial Statements (Note No. "1 to 49")

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP
THANE
Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197MYANAT4344

AEROFLEX INDUSTRIES LIMITED
MUMBAI

For and on behalf of the Board

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

(Rs. in lakhs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before Tax	7,397.67	6,913.85
Add : Depreciation	2,412.67	1,100.26
Add : Interest Paid	93.60	34.97
Add : Loss on sale, disposal, discard of property, plant and equipment (net)	2.19	28.16
Add : Loss on Amortisation of Investment	-	19.28
Less : Interest Received	(127.00)	(229.32)
Operating Profit before working capital changes	9,779.14	7,867.20
Adjustments for :		
(Increase)/Decrease in Non Current Other Financial Assets	(0.80)	83.00
(Increase)/Decrease in Other Non Current Assets	31.76	(0.18)
(Increase)/Decrease in Change in Inventories	(2,000.07)	(36.12)
(Increase)/Decrease in Current Trade Receivables	(380.58)	(2,630.26)
(Increase)/Decrease in Other Current Assets	(1,083.28)	(607.96)
Increase/(Decrease) in Current Trade Payables	2,131.58	76.39
Increase/(Decrease) in Other Current Liabilities	176.97	(133.12)
Cash Generated from Operations before tax	8,654.72	4,618.93
Income Tax Paid	(1,933.38)	(1,648.51)
Net Cash Flow from Operating Activities	6,721.34	2,970.42
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipements & Intangibles including CWIP	(6,622.52)	(8,121.21)
Proceed from Sale of Property, Plant & Equipements & Intangibles including CWIP	0.52	-
Investment in Subsidairy	-	(2,780.22)
Loan Given to Subsidairy	(539.74)	-
Investment in Quoted Equity Shares	(0.44)	-
Movement in other bank balances (net)	(5,014.51)	2,877.43
Interest Received	127.00	229.32
Net Cash Flow from Investing Activities	(12,049.68)	(7,794.68)
C. CASH FLOW FROM FINANCEING ACTIVITIES		
Proceeds from issuance of equity share capital	60.21	-
Proceeds from borrowings	81.00	64.00
Repayment of borrowings	(32.57)	(17.77)
Repayment of Lease liability	(204.81)	-
Interest Paid	(93.60)	(34.97)
Dividend Paid	(387.96)	(323.30)
Preferential Issue Expenses	(179.01)	-
Proceeds from issue of equity share capital (including securities premium)	5,439.79	-
Net Cash Flow from Financing activities	4,683.05	(312.04)
Net Increase in Cash & Cash Equivalents	(645.29)	(5,136.30)
Cash and Cash Equivalents at the beginning of the period	2,490.16	7,626.46
Cash and Cash Equivalents at the end of the period	1,844.87	2,490.16
Net Increase in Cash & Cash Equivalents as at 31.03.2026	(645.29)	**(5,136.30)**
Reconciliation of cash and cash equivalentsat end of the year with Balance Sheet:		
Cash and cash equivalents as per balance sheet (As per Note 12)		
Cash on hand	1.38	1.20
In Rupees	4.43	5.25
In Foreign Currency	-	-
Balances with banks:	1,532.09	936.18
- On current accounts	306.97	1,547.54
Fixed deposits with maturity of less than 3 months *		
TOTAL	**1,844.87**	**2,490.16**

The accompanying notes are an integral part of these Standalone Financial Statements (Note No. "1 to 49")

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197MYANAT4344

For and on behalf of the Board

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

Notes:

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on the Statement of Cash Flow as notified under Companies (Indian Accounting Standard) Rules, 2015 as amended.

(ii) Cash and Cash Equivalent comprised of Cash and Cash Equivalents and Other Bank Balances as per Balance Sheet. (Refer Note 12 & 13)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in Lakhs)

STATEMENT OF CHANGE IN EQUITY

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting Year	Changes in equity share capital due to Prior Year Errors	Restated Balance at the beginging of the current reporting Year	Changes in equity share capital during the year	Balance at the end of the reporting Year
For the year ended on 31/03/2026	2,586.41			60.21	2,646.62
For the year ended on 31/03/2025	2,586.41	-	-	-	2,586.41

B. Promotors Holding

Name of Promotors	Shares Held at the end of the YEAR 31/03/2026		Shares Held at the end of the YEAR 31/03/2025		% of Change during the year
	No of Shares Held	% of Total Shares	No of Shares Held	% of Total Shares	
Sat Industries Limited	7,91,81,833	59.84%	7,91,81,833	61.23%	1.39%

C. Other Equity

	Share Application Money	Equity component of compound	Reserves & Surplus				Debt Instruments through other	Equity Instruments through other	Effective portion of Cash Flow	Revaluation Surplus	Exchange difference on translating	Other Items of other comprehensiv	Money received against share warrants	Total
			Capital Reserve	Securities premium	General Reserve	Retained earnings								
Balance at the beginning of the reporting YEAR- 01.04.2025	-	-	-	16,080.08	-	15,525.87	-	-	-	-	-	-	-	**31,605.95**
Changes in accounting policy/ prior YEAR errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the reporting YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	5,528.22	-	-	-	-	-	-	-	5,528.22
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(387.96)	-	-	-	-	-	-	-	(387.96)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on issue of New Share				5,439.79										5,439.79
Preferential Expense				(179.01)	-									(179.01)
Balance at the end of the reporting YEAR - 31.03.2026	-	-	-	**21,340.86**	-	**20,666.13**	-	-	-	-	-	-	-	**42,006.99**

AEROFLEX INDUSTRIES LIMITED MUMBAI

SHWETA JAIN & CO LLP THANE Chartered Accountants

	Share Application Money	Equity component of compound	Reserves & Surplus				Debt Instruments through other	Equity Instruments through other	Effective portion of Cash Flow	Revaluation Surplus	Exchange difference on translating	Other Items of other comprehensiv	Money received against share warrants	Total
			Capital Reserve	Securities premium	General Reserve	Retained earnings								
Balance at the beginning of the reporting YEAR- 01.04.2024	-	-	-	16,080.08	-	10,659.35	-	-	-	-	-	-	-	26,739.43
Changes in accounting policy/ prior YEAR errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	5,189.81	-	-	-	-	-	-	-	5,189.81
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(323.30)	-	-	-	-	-	-	-	(323.30)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on issue of New Share														-
IPO Expense				-	-									-
Balance at the end of the reporting YEAR - 31.03.2025	-	-	-	16,080.08	-	15,525.87	-	-	-	-	-	-	-	31,605.95

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197MYANAT4344

SHWETA JAIN & CO LLP THANE Chartered Accountants

AEROFLEX INDUSTRIES LIMITED MUMBAI

For and on behalf of the Board

ASAD DAUD
(MANAGING DIRECTOR)
(DIN-02491539)

MUSTAFA A KACHWALA
(WHOLETIME DIRECTOR & CFO)
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 1: CORPORATE INFORMATION:

AEROFLEX INDUSTRIES LIMITED ("The Company") is a public limited company incorporated under the provision of Companies Act, 2013 bearing Corporate Identity Number (CIN) L27509MH1993PLC074576. The equity shares of the Company are listed on Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The Company's registered office & factory premises situated at Plot No. 41,42/13, 42/14 & 42/18 Near Taloja MIDC, Village Chal, Behind IGPL, Panvel, Navi Mumbai, Raigarh-410208 & additional factory premises at unit No -2, Survey No. 49, A5B, Lodha Industrial and Logistics Park (LILP), Palava, Taluka, Narhen, Ambernath, Maharashtra -421501. The company is engaged in manufacturing of stainless steel flexible hose with braiding and without braiding and assemblies and production of Metal Bellows & Composite hoses, liquid cooling & other related products.

The company has its wholly owned Subsidiary named Hyd-Air Engineering Pvt Ltd.

The Company is also subsidiary company of Aeroflex Enterprises Limited (Formerly known as : Sat Industries Limited), a listed company, which holds 59.84% (PY : 61.23%) of the equity shares of the company at the year end.

The Board of Directors has approved the Standalone Financial Statements for the year ended 31 March 2026 on dated 5th May 2026.

NOTE 2 : MATERIAL ACCOUNTING POLICY INFORMATION :

The material accounting policies have been applied consistently to all the periods presented in the standalone financial statements.

2.1 Basis of Preparation & Presentation of Financial Statements :

The Standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules 2015 , as amended and relevant provisions of the Companies Act, 2013 including presentation and disclosure requirements of Division II of Schedule III of the Act as amended from time to time.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2026, the Statement of Profit and Loss for the year ended 31 March 2026, the Statement of Cash Flows for the year ended 31 March 2026 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as ' Financial Statements').

AEROFLEX INDUSTRIES LIMITED MUMBAI

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The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupee (INR), which is the company's functional currency and all amounts disclosed in financial statements and notes have been rounded off to the nearest Lakhs Rupees with two decimals, unless otherwise stated.

2.2 Basis of Measurement :

The Standalone financial statements of the company are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis, except for certain financial assets and liabilities that are measured at fair value at the end of each reporting year. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services. Fair value is the price that would be received to sale an assets or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Significant accounting estimates , judgments and assumptions :

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statement and the reported amount of revenues and expenses during the reporting period. The accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation. The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described as below. The Company based on its assumptions, judgments and estimates on parameters available, when the financial statements were prepared, the existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The following are the areas involving critical estimates and judgments

- Useful lifes of property, plant and equipment :
- Provision for litigations and contingencies:
- Recognition of Deferred Tax
- Fair Valuation of Financial instruments
- Valuation of inventories
- Impairments
- Evaluation of recoverability of deferred tax assets and estimation of income tax payable and income tax expense in relation to an uncertain tax position Provisions and Contingencies & Tax litigations.

a. **Useful lifes of property, plant and equipment, right-of-use assets and intangible assets:**

The company reviews the useful life of property, plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

b. **Impairment of property, plant and equipment** :

Determining whether property, plant and equipment is impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. property, plant and equipment which are out dated or not in use are impaired and shown at the net releasable value and difference to the written down value and net releasable value is transferred to profit & loss account for the year.

c. **Provision for litigations and contingencies:**

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events, the settlement of which is expected to result in outflow of resources embodying

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economic benefits, which involves judgments around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgments involved in such estimations the provisions are sensitive to the actual outcome in future periods.

d. **Recognition of Deferred Tax :**
The extent to which deferred tax assets and liabilities can be recognized is based on an assessment of the profitability of the Company's future taxable income against which the deferred tax provisions can be utilized.

e. Managements Judgments related to the Provisions and contingencies, estimation of income tax payable and income tax expense in relation to an uncertain tax position and estimation of Fair Valuation of Financial instruments and Valuation of inventories are further areas involving critical estimates and judgments for which detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation

2.4 Current or Non-current classification :

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is :

i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
ii) Held primarily for the purpose of trading, or
iii) Expected to be realized within twelve months after the reporting period. or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified current when :

i) It is expected to be settled in normal operating cycle;
ii) Held primarily for the purpose of trading, or
iii) It is due to be settled within twelve months after the reporting period; or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as noncurrent assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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Further the management of the company provide the inputs related to the particular assets & liability whether the same is recoverable & payable within the operating cycle and to be considered as current assets & liabilities or the same is recoverable or payable after the said operating cycle and to be considered as noncurrent. Auditor has classified the same based on the nature of the assets & liabilities and as per the informations given by the management.

2.5 Property, plant and equipment and intangible assets and Depreciation / Amortisation :

a) Property, plant and equipment (PPE) :

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology or any other reason.

Recognition and measurement :

Property, plant and equipment held for use in the production, supply or administrative purposes are stated in the Balance sheet at cost less accumulated depreciation and impairment, if any.

The cost of Property, plant and equipment comprises its purchase price (including the costs of materials / components) net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets including exchange differences arising from foreign currency and such other incidental costs that may be associated with acquisition or creation of the asset to ready for its intended use

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance related to such assets which are in recurring nature and has no certainty of the useful life has been charged to Statement of Profit and Loss during the year.

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The company based on the technical assessment made by the technical expert/ management estimate, depreciates certain items of building, plant and equipments over the estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item or part of Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. 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 Statement of Profit & Loss as and when the asset is derecognized.

Capital work-in-progress :

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital Work-in-Progress represents expenditure incurred on capital assets that are under construction/erection or are pending to be commercialized and put to use. The same is carried at cost which is determined in the same manner as for any Property, plant and equipment. The Capital Work in progress is transferred to the respective assets head once the same is ready and actually put to use for commercial purposes. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost of assets not ready to use before such date are disclosed under '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.

Repairs and maintenance costs related to property; plant & equipment are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

b) Intangible Assets Under Development :

Expenditure incurred on acquisition/development of intangible assets which are not ready for their intended use at the consolidated balance sheet date has been disclosed under intangible assets under development -WIP.

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c) Depreciation methods, estimated useful lives :

Depreciation is provided (other than Free hold Land and capital work-in-progress) on Written Down Value (WDV) method for the estimated useful life of assets as per Companies Act 2013. The estimated useful lives of assets for various class of assets are as follows:

Assets class	Period of useful life of Assets
Factory Building	30 Years
Addition to factory Building	3 - 10 Years
Server and Networks	6 Years
Plant & Machinery	25 Years
Solar Panels	15 Years
Computer	3 Years
Vehicles	6 Years
Workshop Tools & Equipment	8 Years
Testing Equipment	5 Years
Office Equipment	5 Years
Electrical Installation	5 Years
Furniture & Fixtures	10 Years

Fixed Assets purchased for specific projects will be depreciated over the periods of the project or the useful life stated as above, whichever is shorter. No Depreciation has been provided for the land property.

Depreciation on assets acquired/purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition or till the date of sale/ retirement/impairment.

The economic useful life of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period and the effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of such significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

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d) Impairment :

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 Cash Generating Unit (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 and 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 depreciation) had no impairment loss been recognized for the asset in prior years.

e) Intangible Assets :

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost (net of tax/duty credits availed, if any) less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets. Intangible development costs are capitalized as and when technical and commercial feasibility of the asset is demonstrated and future economic benefits are probable. Intangible assets are stated at acquisition cost net of accumulated amortization. The Company amortized intangible assets over their estimated useful lives using the written down method as per Companies Act, 2013. The Management has estimated the useful lives of intangible assets as follows:

Computer Software	6 years

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

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All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and/or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

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. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

2.6 Intangible Assets Under Development :

Expenditure incurred on acquisition/development of intangible assets which are not ready for their intended use at balance sheet date are disclosed under intangible assets under development -WIP.

2.7 Leases - The Company as a lessee :

The Company's lease asset classes primarily consist of leases for long-term period. 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.

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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.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives Receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.8 Investments :

The company has investment in the equity shares of its wholly owned Indian subsidiary company. Investment in subsidiary has been shown at its historical cost of the acquisition. The company has further made investments in the equity shares of the listed companies during the year. Such investment has been shown at historical cost only, in case there is no significant change in the market value of such investment at the year ended.

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2.9 Foreign Currency Transactions :

a) Functional and presentation currency :

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency and the same is rounded off to the nearest Lakhs Rupees with two decimals.

b) Transactions and balances :

All foreign currency transactions are recorded by applying to the foreign currency amount at the exchange rate between the functional currency and the foreign currency at the date of the transaction on initial recognition. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

All non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.10 Revenue Recognition :

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

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i) Sales of Goods :

The Company recognizes revenue from sale of goods when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations and revenue under contracts with customers based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contracts with customers and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

The majority of the Company's revenue is derived from selling goods with revenue recognized at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are either dispatched or delivered to the customer, depending on the terms of the contract. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods.

Revenue from the sale of goods in the course of ordinary activities is recognized at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The revenue from sale is recognized when significant risk and reward of ownership /control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliable and recovery of the consideration is probable.

ii) Sale of services & Other Operating Revenue :

Income from services rendered is recognized based on agreements/ arrangements with the customers as the service is performed and there are no unfulfilled obligations. Revenue from services are recognized in the accounting year in which service are rendered. For fixed price contracts, revenue is recognized based on actual services provided to the end of the reporting year as a proportion of the total services to be provided.

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iii) Foreign Exchange Fluctuation in Export & Imports Import :

As the company has mainly engaged in export & import of goods therefore Profit and gains from the foreign exchange fluctuation from the receipts & payments of debtors & creditors and also the fluctuation on restatement of their balances at the year ended is forming part of the other operating revenue of the company.

iv) Export benefits :

Export incentives are recognized as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

v) Other Income:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the normal interest rate as applicable. Other Income has been recorded where no significant uncertainty as to measurability or collectability exists.

2.11 Inventories :

Inventories are valued at lower of the cost and net realizable value considering the various other related parameters and uniformity of the valuation. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at after reviewing the cost and net realizable value considering the various other related parameters and uniformity of the valuation. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at cost of production till the date work completed. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average cost basis.

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Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.12 Segment Reporting :

The Company operates in a single business segment and there are no separate reportable segments as per the requirements of Ind AS 108. The Chief Operating Decision Maker (CODM) reviews the Company's financial performance on an overall basis for the purpose of resource allocation and performance assessment. Accordingly, the Company has only one reportable segment. Further, the Company operates predominantly from India and does not have significant production operations in other geographical segments.

2.13 Cash and cash equivalents:

For the purpose of presentation in the Balance sheet, Cash and Cash equivalents comprises cash at bank and cash on hand and other short-term deposits including interest accrued thereon and highly liquid investments with an original maturity (or with an option to or can be readily converted or liquidated into cash) of three months or less, which are subject to an insignificant risk of changes in value. Cash and Cash Equivalents consist of balances with banks which are unrestricted for withdrawals and usages.

2.14 Taxation :

Income tax expense comprises current Tax Expenses and deferred tax expenses. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Tax :

The Current Tax are measured at the amount expected to be payable based on the taxable profit for the year as per Income Tax Act 1961. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates tax laws that have been enacted or substantially enacted by the end of the reporting year. Provisions for current income taxes has been presented in the balance sheet after offsetting advance tax & TDS paid for the relevant year.

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Deferred Tax :

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognized for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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 assets are to be recovered. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profits will be available against which the deferred tax assets to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

2.15 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the year in which they are accrued or incurred.

2.16 Provisions :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material). When some or all of the economic benefits required to settle, provisions are expected to be recovered from a third party, a receivable is recognized as an asset it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.17 Contingent liabilities and contingent assets :

Contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognized because:
- (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) the amount of the obligation cannot be measured with sufficient reliability

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not accounted in the financial statements unless an inflow of economic benefits is probable.

2.18 Dividend :

The dividend declared by the company during the year but not distributed at the end of the reporting period than the same is recognized as liability at the year ended when the dividend distribution is authorized and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per the Companies Act, 2013, a distribution is authorized when it is approved by the shareholders. Such amount of dividend is recognized directly in equity. Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

2.19 Financial instruments:

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are

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initially measured at fair value. However, Trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in the Statement of Profit and Loss. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Classification and Subsequent Measurement of the Financial Assets:

The Company classifies financial assets, subsequently at amortized cost, Fair Value through Other Comprehensive Income ("FVTOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(a) Financial Assets measured at Amortized Cost :

A Financial Asset is measured at amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

(b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) :

A Financial Asset is measured at FVTOCI if it is held within a business model 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 represent solely payments of principal and interest on the principal amount outstanding.

(c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL):

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Impairment of financial assets:

In accordance with Ind AS 109, Financial Instruments, the Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at

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amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date.

For trade receivables or any contractual right to receive cash or another financial assets that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

De-recognition of Financial Assets :

The Company derecognizes financial asset when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and the transfer qualifies for de-recognition under Ind AS 109. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES :

(a) Financial liabilities measured at Fair Value through Profit or Loss :

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

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(b) Other Financial liabilities :
Other financial liabilities (including loans and borrowings, bank overdrafts and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognized in the Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Debt and Equity Instruments :

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments :

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting year. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method.

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Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Interest expenses of these financial liabilities are included in finance cost. Expenditure incurred for management of the finance of the company are forming part of the finance cost.

Offsetting of Financial Instruments :

Financial assets and financial liabilities are offset and presented on net basis in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and it is intended to either settle them on net basis or to realize the asset and settle the liability simultaneously.

Fair Value of Financial Instruments :

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices, where applicable. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. Financial instruments by category are separately disclosed indicating carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Foreign exchange gains and losses for assets & liabilities :

Financial Assets and liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting year, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial Assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial Assets and liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss except in case of the amount outstanding to creditors towards the fixed assets where the amount is outstanding

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payable, in that case every year the difference in the exchange fluctuation has been adjusted towards the cost of the fixed assets so purchased and has to uniformly followed the practice.

De-recognition of Financial Liability :

A Financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

2.20 Employee Benefits :

Short-term Employee Benefits:

All employee Benefits such as Salaries, wages and short term compensated absences including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment benefits

a) Defined contribution plans

The Company makes defined contributions to Employee Provident Fund, Employee Pension Fund, Employees State Insurance which are defined contribution schemes. The contribution paid/payable under these schemes is recognized during the period in which the employee renders the related services which are recognized in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the services."

Provident fund: The employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. Such benefits are classified as Defined Contribution Schemes as the

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Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

b) Defined benefit plans

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Gratuity : The gratuity liability of the company is funded through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) under which the annual contribution is paid to LIC. The Company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation made by the life insurance corporation at the calendar year ended using the projected unit credit method. The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities where the terms of government securities are consistent with the estimated terms of the defined benefit obligations at the Balance Sheet date. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

2.21 Earnings Per Share :

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding at the year ended. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

2.22 New Standards, Interpretations and Amendments Adopted by the Company :

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, The Ministry of Corporate Affairs

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(MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, in August 2025, bringing key changes effective for the FY 2025-2026. Major amendments concern Ind AS 1 (liability classification), Ind AS 7 and 107 (supplier finance disclosures), and Ind AS 12 (international tax reforms). The Ministry of Corporate Affairs has further notified amendments to Ind AS 21 via the Companies (Indian Accounting Standards) Amendment Rules, 2025, issued on 07 May 2025. The amendments introduce guidance on assessing currency exchangeability and estimating spot rates when exchangeability is lacking, applicable for annual periods beginning on or after 01 April 2025. The Company has assessed that there is no significant impact on its financial statements.

For the financial year 2026-2027, the MCA has introduced significant amendments to Ind AS, effective from April 1, 2026. Key changes include mandatory disclosures for Supplier Finance Arrangements (Ind AS 7 & 107), stricter debt classification based on covenants (Ind AS 1), and integration of OECD Pillar Two global minimum tax rules (Ind AS 12). The amendments are effective for annual periods beginning on or after 01 April 2026. The Company is currently assessing the probable impact of these amendments on its standalone financial statements.

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NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 3 : PROPERTY, PLANT AND EQUIPMENTS (Rs. in lakhs)

Particulars	Freehold Land	Freehold Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment's	Air Conditioner	Computer	Electrical Installation	Testing Equipment's	Workshop Tool & Equipment's	Water Cooler	TOTAL
Year Ended as on 31st March 2026													
Opening Gross Carrying Amount	2,228.46	4,326.62	14,211.41	602.89	125.31	291.75	44.10	289.09	570.07	131.70	532.32	26.70	**23,380.43**
Additions	-	191.81	4,274.72	63.96	114.36	52.21	7.51	134.15	30.13	28.13	393.11	-	**5,290.09**
Exchange Difference													**-**
Assets include in a disposal group for sale													**-**
Disposals			(19.00)		-								**(19.00)**
Closing Gross Carrying Amount	**2,228.46**	**4,518.43**	**18,467.13**	**666.85**	**239.67**	**343.96**	**51.62**	**423.23**	**600.21**	**159.82**	**925.43**	**26.70**	**28,651.52**
Accumulated Depreciation	-	2,100.16	4,557.63	363.16	61.34	195.40	31.41	263.29	517.02	89.52	323.94	22.91	**8,525.79**
Depreciation charge during the year		545.28	1,252.90	66.15	36.53	52.82	7.84	21.51	25.78	25.49	93.77	1.61	**2,129.69**
Assets include in a disposal group for sale													**-**
Exchange Difference													**-**
Disposals			(16.29)		-								**(16.29)**
Closing Accumulated Depreciation	**-**	**2,645.44**	**5,794.25**	**429.31**	**97.88**	**248.22**	**39.25**	**284.81**	**542.81**	**115.01**	**417.71**	**24.52**	**10,639.19**
NET CARRIYING AMOUNT	**2,228.46**	**1,872.99**	**12,672.89**	**237.55**	**141.79**	**95.74**	**12.37**	**138.42**	**57.40**	**44.82**	**507.73**	**2.19**	**18,012.34**
Year Ended as on 31st March 2025													
Opening Gross Carrying Amount	2,168.46	2,943.81	8,742.70	449.44	61.31	204.61	34.01	283.46	524.62	89.75	385.35	25.93	**15,913.44**
Additions	60.00	1,382.81	5,710.33	153.45	68.19	87.14	10.10	5.63	45.46	41.95	146.97	0.78	**7,712.80**
Assets include in a disposal group for sale													**-**
Disposals			(241.62)		(4.19)								**(245.81)**
Closing Gross Carrying Amount	**2,228.46**	**4,326.62**	**14,211.41**	**602.89**	**125.31**	**291.75**	**44.10**	**289.09**	**570.07**	**131.70**	**532.32**	**26.70**	**23,380.43**
Accumulated Depreciation	-	1,832.04	4,159.11	327.74	46.96	166.13	27.83	231.77	506.38	77.43	280.51	20.24	**7,676.16**
Depreciation charge during the year		268.12	609.18	35.42	17.55	29.27	3.57	31.52	10.65	12.09	43.43	2.67	**1,063.46**
Assets include in a disposal group for sale													
Exchange Difference													**-**
Disposals			(210.66)		(3.17)								**(213.83)**
Closing Accumulated Depreciation	**-**	**2,100.16**	**4,557.63**	**363.16**	**61.34**	**195.40**	**31.41**	**263.29**	**517.02**	**89.52**	**323.94**	**22.91**	**8,525.79**
NET CARRIYING AMOUNT	**2,228.46**	**2,226.46**	**9,653.77**	**239.73**	**63.97**	**96.35**	**12.70**	**25.79**	**53.05**	**42.18**	**208.39**	**3.80**	**14,854.64**

Note : The company has not revalued Property , Plant and equipments during the year.

NOTE 3.1 : CAPITAL WORK IN PROGRESS (CWIP) :

The company has incurred expenses towards purchase of the machineries and equipment's which are not ready for put to use till the year ended has been shown under the capital work in progress for the company. The Ageing schedule of tangible assets under CWIP is as follows :

(Rs. in lakhs)

Capital Work In Progress (Tangible Assets)	Amount of CWIP for the year ended 31.03.2026				TOTAL	Amount of CWIP for the year ended 31.03.2025				TOTAL
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Expansion Projects in progress	2,187.27				**2,187.27**	888.41				**888.41**

NOTE 3.2 : RIGHT TO USE ASSETS & LEASE LIABILITY

Particulars	Buildings	Amount
As at 31st March, 2026		
Gross Carrying Value		
Opening Balance	-	-
Additions pursuant to business combinations	987.39	**987.39**
Exchange Difference	-	-
Disposals	-	-
Closing Gross Carrying Amount	**987.39**	**987.39**
Accumulated Depreciation and Amortisation		
Opening Balance	-	-
Depreciation and Amortisationfor the year	246.85	**246.85**
Deduction	-	
Closing Accumulated Depreciation	**246.85**	**246.85**
NET CARRIYING AMOUNT	**740.54**	**740.54**

NOTE 3.3 : LEASE LIABILITY

Particulars	Buildings	Amount
As at 31st March, 2026		
Opening Balance	-	-
Additions pursuant to business combinations	987.39	**987.39**
Interest accrued	75.47	**75.47**
Lease principal payments	(204.81)	**(204.81)**
Lease interest payments	(75.47)	**(75.47)**
Closing Lease Liabilities	**782.58**	**782.58**

Breakup of lease liabilities:

Particulars	As at 31 March, 2026	
	Current	Non-Current
Lease Liabilities against Right of Use Assets	230.97	551.61
Total liabilities	**230.97**	**551.61**

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NOTE 4: Intangible Assets

Particulars	Software & Licences	TOTAL
Year Ended as on 31st March 2026		
Opening Gross Carrying Amount	232.05	232.05
Additions	33.56	33.56
Exchange Difference	-	-
Assets include in a disposal group for sale	-	-
Disposals	-	-
Closing Gross Carrying Amount	**265.61**	**265.61**
Accumulated Depreciation	143.80	143.80
Depreciation charge during the year	36.14	36.14
Assets include in a disposal group for sale	-	-
Exchange Difference	-	-
Disposals	-	-
Closing Accumulated Depreciation	**179.93**	**179.93**
NET CARRIYING AMOUNT	**85.68**	**85.68**
Year Ended as on 31st March 2025		
Opening Gross Carrying Amount	166.62	166.62
Additions	65.43	65.43
Exchange Difference	-	-
Assets include in a disposal group for sale	-	-
Disposals	-	-
Closing Gross Carrying Amount	**232.05**	**232.05**
Accumulated Depreciation	106.99	106.99
Depreciation charge during the year	36.80	36.80
Assets include in a disposal group for sale	-	-
Exchange Difference	-	-
Disposals	-	-
Closing Accumulated Depreciation	**143.80**	**143.80**
NET CARRIYING AMOUNT	**88.26**	**88.26**

NOTE 4.1 : INTANGIBLE ASSETS UNDER DEVELOPMENT :

(Rs. in lakhs)

Capital Work In Progress (Intangible Assets)	Amount of CWIP for the year ended 31.03.2026				TOTAL	Amount of CWIP for the year ended 31.03.2025				TOTAL
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
New Software under development	-	-	-	-	-	-	-	-	-	

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NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 5 : NON CURRENT - INVESTMENTS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Investment in Equity Instruments		
Quoted		
ELGI Equipments Ltd - Share Investment	0.23	-
Sterling and Wilson Renewable Energy Ltd - Share Investment	0.21	-
(Market Value of shares as on 31.03.2026 is Rs 0.42 Lakhs.)		
Unquoted		
Subsidiaries (at cost)		
Hyd-Air Engineering Pvt Ltd	2,780.22	2,780.22
(E/s 4724 of Rs. 100 Each)		
TOTAL	**2,780.65**	**2,780.22**

NOTE 6 : NON CURRENT - OTHER FINANCIAL ASSETS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Unsecured - Considered Good		
Loan to Related Parties (Ref : Note No 37)	539.74	-
TOTAL	**539.74**	**-**

Note 6.1 : Loan given to related parties are in the ordinary course of business on arm's length basis. The same are unsecured, considered good, and repayable on demand and carry interest as per agreed terms.
Note 6.2 : No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further no loans are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties.

NOTE 7 : NON CURRENT - OTHER FINANCIAL ASSETS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Security Deposits	263.64	262.84
TOTAL	**263.64**	**262.84**

NOTE 8 : DEFERRED TAX (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Particulars		
Opening Balance for Deferred tax Assets / (liabilities)	(147.47)	(71.95)
Add/Less: Deferred Tax Assets/(Liabilities) for Depreciation Difference	20.41	(58.68)
Add/Less: Deferred Tax Assets/(Liabilities) for Provision for Gratuity	18.31	(16.85)
Add/Less: Deferred Tax Assets/(Liabilities) for Lease Liability	196.97	-
Add/Less: Deferred Tax Assets/(Liabilities) for Bad Debts	14.62	-
DEFERRED TAX ASSETS/(LIABILITY) - Refer Note 2	**102.85**	**(147.47)**
Opening Balance for Deferred tax Assets / (liabilities)	-	
Add/Less: Deferred Tax Assets/(Liabilities) for Lease Assets	(186.39)	
DEFERRED TAX ASSETS -	**(186.39)**	
Net amount charged to Statement of Profit and Loss	**63.93**	**(75.53)**
Deferred tax liabilities(net)	**(83.55)**	**(147.47)**

Note -

1 The Amount is arised on account of Difference between the depriciation of Companies Act and Income Tax Act.
2 The Amount is arised on account of Provision for Gratuity at the year ended.
3 The Amount is arised on account of Lease Liability Oustanding at the year ended.
4 The Amount is arised on account of Provision for Bad Debts at the year ended.
5 The Amount is arised on account of Lease Assets at the year ended.

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NOTE 9 : NON CURRENT - OTHER NON CURRENT ASSETS

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Advance to Supplier	219.34	224.52
Repair & Maintenance (To be amortised)	17.91	36.83
Advance to Employees & Workers	36.00	36.00
Retention Money	-	1.43
QIP Related Expenses	-	6.23
TOTAL	273.25	305.01

NOTE 10 : CURRENT - INVENTORIES

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Raw Material In Stock	3,709.64	2,917.89
Work In Progress In Stock	3,498.68	2,393.60
Finished goods In Stock	472.74	336.05
Stock of Spares & Other Items	249.37	282.82
TOTAL	7,930.43	5,930.36

* Inventories are Valued at Cost or Net realisable value whichever is Lower & has been certified by the management.

NOTE 12 : CASH & CASH EQUIVALENTS

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Cash on hand		
In Rupees	1.38	1.20
In Foreign Currency	4.43	5.25
Balances with banks:		
- On current accounts	1,532.09	936.18
Fixed deposits with maturity of less than 3 months *	306.97	1,547.54
TOTAL	1,844.87	2,490.16

Note : *Includes interest accrued Rs. 6.97 lakhs (pr. yr. Rs.47.54 lakhs)

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date *	5,059.36	44.85
TOTAL	5,059.36	44.85

Note : *Includes interest accrued Rs. 42.06 lakhs (pr. yr. Rs. 0.07 lakhs)

NOTE 14 : CURRENT - OTHER CURRENT ASSETS

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Advances other than capital advances		
Advance to Suppliers	2,330.51	1,196.67
Other Advances		
Balance with Revenue Authorities	1,211.21	1,317.85
Prepaid Expenses	170.16	110.64
Advance to Employees	48.30	51.73
TOTAL	3,760.18	2,676.90

NOTE 15 : SHARE CAPITAL

a) Shares Details

(Rs. in lakhs)

PARTICULARS	As at 31 March, 2026	As at 31 March, 2025
	AMOUNT (`)	AMOUNT (`)
Authorised Share Capital		
Equity Shares of ` 2/- each	3,500.00	3,500.00
Series "A" Compulsorily Convertible Preference Shares of Rs. 10/- each	100.00	100.00
Series "A" Compulsorily Convertible Preference Shares of Rs. 200/-	2,000.00	2,000.00
	5,600.00	5,600.00
Issued, Subscribed & Paid up		
Equity Shares of ` 2/- each	2,646.62	2,586.41
TOTAL	2,646.62	2,586.41

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NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 11 :TRADE RECEIVABLES

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a) Trade Receivables considered good- secured		-
(b) Trade Receivables considered good- unsecured	12,533.51	12,079.43
(c)Trade Receivables which have significant increase in Credit Risk	-	15.40
(d) Trade Receivables -Credit impaired		
	12,533.51	**12,094.83**
Less: Allowance for doubtful debts	58.10	
Total	**12,475.41**	**12,094.83**

Note 11.1 :No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties .

Trade receivables ageing schedule as at 31st March 2026

Particulars	Outstanding for following YEARs from due date of payment					
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed Trade receivables – considered good	11,134.39	341.76	820.22	207.19	29.95	12,533.51
(ii) Undisputed Trade receivables – which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables					-	-
(v) Disputed Trade Receivables – credit impaired						
(vi) Disputed Trade Receivables- which have significant increase in credit risk						
Total	**11,134.39**	**341.76**	**820.22**	**207.19**	**29.95**	**12,533.51**

Trade receivables ageing schedule as at 31st March 2025

Particulars	Outstanding for following YEARs from due date of payment					
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed Trade receivables – considered good	10,870.10	817.22	361.67	30.45	-	12,079.43
(ii) Undisputed Trade receivables – which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables					15.40	15.40
(v) Disputed Trade Receivables – credit impaired						
(vi) Disputed Trade Receivables- which have significant increase in credit risk						
Total	**10,870.10**	**817.22**	**361.67**	**30.45**	**15.40**	**12,094.83**

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b) Reconciliation of Equity shares :

(Rs. in lakhs)

PARTICULARS	As at 31 March, 2026	As at 31 March, 2025
	AMOUNT (`)	AMOUNT (`)
Shares outstanding at the beginning of the year	2,586.41	2,586.41
Shares Issued during the year	60.21	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	**2,646.62**	**2,586.41**

c) Shares held by its holding Companies:

Name of Shareholder	As at 31 March, 2026	As at 31 March, 2025
	%	%
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	59.84%	61.23%

d) Name of the shareholders holding more than 5% Equity shares in the company:

Name of Shareholder	As at 31 March, 2026	As at 31 March, 2025
	%	%
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	59.84%	61.23%
Italica Global FZC	5.63%	5.76%

Note:

15.1 "The Company has only one class of shares referred to as the equity shares having face value of Rs. 2/- each . Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting."

15.2 The Company has issued 30,10,398 equity shares on a preferential basis during the year at a price of ₹182.70 per share (face value ₹2 each and securities premium of ₹180.70 per share), pursuant to the Board Resolution dated 3rd February 2026.

15.3 No Equity shares have been forfeited.

15.4 There are no calls unpaid on equity shares.

15.5 The Company has not allotted any shares pursuant to contract without payment being received in cash.

Note 16 : OTHER EQUITY

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
1.SEURITIES PREMIUM		
As per the last year accounts	16,080.08	16,080.08
Add: Addition during the year	5,439.79	-
Less: Preferential Issue Expenses*	179.01	-
Total (A)	**21,340.86**	**16,080.08**
2. RETAINED EARNINGS		
As per the last year accounts	15,525.87	10,659.35
Add: Surplus for the year	5,528.22	5,189.81
	21,054.09	15,849.17
Less : Dividend on equity shares	387.96	323.30
Total (B)	**20,666.13**	**15,525.87**
TOTAL (A+B)	**42,006.99**	**31,605.95**

* **Securities Premium** : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The Security Premium reserve is utilised in accordance with the provisions of the Companies Act, 2013.

* **Preferential Issue Expenses :** Preferential issue expenses incurred for Equity shares issued during the year on Preferential basis has been treated as a deduction from securities premium in accordance with applicable provisions of the Companies Act.

* **Retained Earnings** : This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTE 17 : NON CURRENT BORROWINGS

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Secured Loans:		
From Bank & Financial Institution		
Term Loan		
(a) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV2996785 (Secured against hypothecation of Bus)	4.77	15.48
(b) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3075297 (Secured against hypothecation of Bus)	6.62	17.16
(c) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3581487 (Secured against hypothecation of Bus)	15.88	-
(d) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654471 (Secured against hypothecation of Bus)	17.28	-
(e) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654467 (Secured against hypothecation of Bus)	17.28	-
TOTAL	**61.82**	**32.64**

(a) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 7668. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 20-July-2024 and the last instalment is payble on 20-Aug-2027 Rate of Interest as on 31.03.2026 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.

(b) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 9456. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 15-Sep-2024 and the last instalment is payble on 15-Oct-2027 Rate of Interest as on 31.03.2026 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.

(c to e) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 DC 1572, MH 46 DC 2382 & MH 46 DC 2383. The loan is repayable in 38 equated monthly instalments of Rs. 82,305/- each commencing from 10-Nov-2025, 05-Jan-2026 & 05-Jan-2026 respectively and the last instalment is payble on 10-Dec-2028, 05-Feb-2029 & 05-Feb-2029 respectively. Rate of Interest as on 31.03.2026 is @ 9.05% There was no continuing default in the repayment of instalment and interest thereon.

NOTE 18 : CURRENT BORROWINGS

(Rs. In lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Secured Loans:		
From Bank & Financial Institution		
Term Loan		
(a) Kotak Mahindra Bank Ltd - Vehicle Loan (Secured against hypothecation of Bus)	-	6.34
(b) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV2996785 (Secured against hypothecation of Bus)	10.71	9.77
(c) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3075297 (Secured against hypothecation of Bus)	10.54	9.60
(d) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3581487 (Secured against hypothecation of Bus)	7.97	-
(e) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654471 (Secured against hypothecation of Bus)	7.87	-
(f) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654467 (Secured against hypothecation of Bus)	7.87	-
TOTAL	44.96	25.71

(a) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 BM 7420. The loan is repayable in 60 equated monthly instalments of Rs. 55,614/- each commencing from 15-Apr-2021 and the last instalment is payble on 15-Mar-2026 Rate of Interest as on 31.03.2025 is @ 9.48% There was no continuing default in the repayment of instalment and interest thereon.

(b) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 7668. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 20-July-2024 and the last instalment is payble on 20-Aug-2027 Rate of Interest as on 31.03.2025 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.

(c) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 9456. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 15-Sep-2024 and the last instalment is payble on 15-Oct-2027 Rate of Interest as on 31.03.2025 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.

(d to f) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 DC 1572, MH 46 DC 2382 & MH 46 DC 2383. The loan is repayable in 38 equated monthly instalments of Rs. 82,305/- each commencing from 10-Nov-2025, 05-Jan-2026 & 05-Jan-2026 respectively and the last instalment is payble on 10-Dec-2028, 05-Feb-2029 & 05-Feb-2029 respectively. Rate of Interest as on 31.03.2026 is @ 9.05% There was no continuing default in the repayment of instalment and interest thereon.

NOTE 20 : CURRENT - OTHER CURRENT LIABILITIES

(Rs. In lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Statutory due payable	148.09	128.20
Advance from customer	469.12	481.68
Amount payable for capital goods	294.64	301.29
Other liabilities*	1,136.68	1,006.86
TOTAL	2,048.53	1,918.03

Note : Other Liabilities includes unpaid dividend of Rs 0.28 Lakhs (Previous year : 0.22 Lakhs)

NOTE 21 : CURRENT - CURRENT TAX LIABILITIES

(Rs. In lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Provisions for Tax (Net of Advance Tax & TDS)	578.63	532.16
TOTAL	578.63	532.16

NOTE 22 : REVENUE FROM OPERATION

(Rs. In lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Sale of Products :		
- Finished Goods - Domestic Sales	10,035.34	8,663.65
- Finished Goods - Export Sales	29,347.14	27,663.30
TOTAL	39,382.48	36,326.95
Other operating Revenue :		
Foreign Exchange Fluctuation	1,501.40	636.23
Other Operating Revenue	363.33	327.26
TOTAL	41,247.20	37,290.45

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AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

NOTES TO STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 19: TRADE PAYABLE

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	314.22	277.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,385.47	5,290.85
TOTAL	**7,699.69**	**5,568.12**

Note : There are no unbilled and Not due trade payables, hence the same are not disclosed in the ageing schedule

Trade payables ageing schedule as at 31st March 2026

Particulars	Outstanding for following YEARs from due date of payment					
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed -Micro & small enterprises	314.22	-	-	-	-	314.22
(ii) Undisputed Others	7,379.03	-	3.48	0.56	2.40	7,385.47
(iii) Disputed dues – Micro & small enterprises						
(iv) Disputed dues - Others						
Total	**7,693.25**	-	**3.48**	**0.56**	**2.40**	**7,699.69**

Trade payables ageing schedule as at 31st March 2025

Particulars	Outstanding for following YEARs from due date of payment					
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed -Micro & small enterprises	277.27	-	-	-	-	277.27
(ii) Undisputed Others	5,285.58		2.87	-	2.40	5,290.85
(iii) Disputed dues – Micro & small enterprises						
(iv) Disputed dues - Others						
Total	**5,562.84**	-	**2.87**	-	**2.40**	**5,568.12**

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NOTE 23 : OTHER INCOME

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest Income		
- On fixed deposits designated as amortized cost	127.00	229.32
- On Others	21.76	-
- Interest on Income Tax Refund	0.60	
Other Income	5.78	9.51
TOTAL	**155.14**	**238.82**

NOTE 24 : COST OF MATERIAL CONSUMED

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Opening Stock of Raw Material & Consumables	2,917.89	1,813.78
Add : Purchase of Raw Material & Consumables	25,046.56	22,034.16
	27,964.46	**23,847.94**
Less : Closing Stock of Raw Material & Consumables	3,709.64	2,917.89
COST OF MATERIAL CONSUMED	**24,254.82**	**20,930.04**

NOTE 25 : CHANGE IN INVENTORIES

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Inventories at the beginning of the year		
-Work-in-progress	2,393.60	3,517.56
-Finished goods	336.05	304.87
	2,729.64	**3,822.43**
Less: Inventories at the end of the year		
-Work-in-progress	3,498.68	2,393.60
-Finished goods	472.74	336.05
	3,971.43	**2,729.64**
Decrease/(Increase) in Inventories	**(1,241.78)**	**1,092.79**

NOTE 26 : EMPLOYEES BENEFITS EXPENSES

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Salary, Wages, Bonus and Other Benefits	3,533.90	2,958.99
Contribution to Provident Fund, ESIC and other funds	152.16	128.19
Gratuity fund contributions	72.77	66.93
Staff welfare expenses	43.44	58.51
TOTAL	**3,802.27**	**3,212.62**

NOTE 27 : FINANCE COST

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest Expense		
(i) Interest on borrowing	7.11	4.66
(ii) Interest on delayed payment of taxes	7.68	8.33
(iii) Other borrowing costs - Bank Loan Processing Charges	0.56	2.27
(iv) Interest to Others	2.78	19.70
(v) Interest on Lease Liabilities	75.47	-
TOTAL	**93.60**	**34.97**

NOTE 28 : DEPRECIATION AND AMORTIZATION EXP

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Depreciation Cost	2,129.69	1,063.46
Amortization Cost	282.98	36.80
TOTAL	**2,412.67**	**1,100.26**

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NOTE 29 : OTHER EXPENSES

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Electricity and Power	496.82	453.29
Stores & Spares Consumed	361.39	420.75
Repair & Maintenance	199.37	170.19
Factory Expense	992.59	704.39
Processing Labour Charges	103.17	83.71
Testing and Calibration Charges	54.85	27.99
Cylinder Rent	11.45	10.64
Export Freight, Handling, Clearing & Other Charges	395.65	528.90
Carriage Outward	178.38	125.43
Commission Expenses	112.11	113.14
Consultancy Charges	252.09	201.73
Depository Fees expense	10.65	8.36
Water Charges	23.96	8.74
Rates & Taxes	46.31	18.67
Conveyance & Travelling Expenses	365.72	364.09
Bank Charges & Commission	58.21	57.28
Office Expenses	449.79	421.43
Insurance Charges	87.77	85.27
Printing & Stationary	28.86	39.66
Telephone & Communication Expenses	44.25	40.43
Auditor Remuneration	6.00	6.00
Exhibition, Marketing & Businesss Promotion Expenses	70.91	114.33
Miscellaneous Expenses	49.61	44.34
CSR Activity Exp.	112.23	90.30
Loss on Sale of Fixed Assets	2.19	28.16
Balances Written off	87.43	44.41
Listing Fees Expense	5.85	13.85
Lease Expense	73.70	-
Research & Development Expense	1.75	-
TOTAL	**4,683.08**	**4,225.46**

NOTE 30 : EARNING PER SHARE

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Net profit after taxation for the year (` in Lakhs)	5,528.22	5,189.81
Number of Equity shares for Basic /Diluted EPS	13,23,30,768	12,93,20,370
Weighted Number of Equity shares for Basic /Diluted EPS	12,97,82,239	12,93,20,370
Nominal Value of Equity Shares (`)	2.00	2.00
Basic /Diluted earnings per Equity Share (`)	**4.26**	**4.01**

NOTE 31 : REMUNERATION TO AUDITORS:

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Statutory Audit Fee	3.00	3.00
Tax Audit Fee	3.00	3.00
TOTAL	**6.00**	**6.00**

NOTE 32 : RECONCILIATION OF EFFECTIVE INCOME TAX RATE :

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Profit Before Tax	7,397.67	6,913.85
Current Year Tax	1,897.00	1,662.00
Tax Using the Company's Domestic Tax Rate 25.168%	1,861.85	1,740.08
Tax effect of adjustment to reconcile expected income tax Expenses to Reported Income Tax Expenses	-	-
Tax effects of amounts which are not deductible for taxable income	(27.09)	1.53
Effect of Depreciation under Income Tax	62.25	(79.38)
	1,897.01	1,662.24
Effective Tax Rate	**25.64**	**24.04**

NOTE 33 : DETAILS OF SUBSIDIARY :

(Rs. in lakhs)

PARTICULARS	% of Ownership As at 31.03.2026	% of Ownership As at 31.03.2025
(1) Hyd-Air Engineering Private Limited	100.00%	100.00%

NOTE 34 : CORPORATE SOCIAL RESPONSIBILITY :

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Gross amount required to be spent by the Company during the year	111.96	90.28
Amount of expenditure incurred	112.23	90.30
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Nature of CSR activities:		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above		
- Health and education & Contribution to eligible Trust for CSR Related Activities	112.23	90.30

* Out of the above spending ₹ 111.00 lakhs (Previous Year ₹ 88.80) contributed to SAT Foundation which is related party.

* The Company has not carried forward any provisions for corporate social responsibility expenses for the current year and the previous year.

NOTE 35 : FOREIGN EXCHANGE INFLOW & OUTFLOW :

a) **Foreign Exchange Outflow:**

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Traveling & Hotel Expenses	225.69	216.41
Payment Towards Services & Other Expenses	125.73	54.99
TOTAL	351.42	271.40

b) **Foreign Exchange Inflow:**

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
F.O.B Value of Exports	31,450.30	27,381.45
TOTAL	31,450.30	27,381.45

c) **CIF Value of Import:**

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Raw Material & Fittings	5,287.76	4,749.17
Capital Goods	1,340.33	1,142.11
TOTAL	6,628.09	5,891.28

NOTE 37 : RELATED PARTY DISCLOSURES:

i. **Key Management Personnel:**

Asad Daud	: Managing Director
Mustafa Abid Kachwala	: Wholetime Director & CFO
Kinjal Shah	: Company Secretary & Compliance Officer. (Resigned on 15th July 2025)
Ruthu John Parampogi	: Company Secretary & Compliance Officer. (Appointed on 28th July 2025)
Harikant Turgalia	: Director

ii. **Other related parties with whom there were transactions during the year:**

Hyd-Air Engineering Private Limited	: Wholly Owned Subsidiary Company
Aeroflex Industries Ltd UK	: Wholly Owned Subsidiary Company
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	: Holding Company:
Italica Global FZC	: Wholly Owned Subsidiary Company of Holding Company
M.R. Organisation Limited	: Subsidiary Company of Holding Company
SAT Foundation	: Director's relative is a trustee

Transaction carried out with Related Parties & KMP during the year:

(Rs. in lakhs)

PARTICULARS	Nature of Transaction	For the year ended 31.03.2026	For the year ended 31.03.2025
Asad Daud	Director Remuneration	126.51	115.41
	Dividend Paid	0.00	0.001
Mustafa A Kachwala	Director Remuneration	13.62	13.04
	Dividend Paid	0.00	0.001
Harikant Turgalia	Dividend Paid	0.00	0.001
Italica Global FZC	Sales	2,256.19	283.91
	Business Development Service	36.45	-
	Dividend Paid	22.36	18.64
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	Dividend Paid	237.55	197.95
SAT Foundation	CSR fund - Donation	111.00	88.80
Aeroflex Industries Ltd UK	Commission Paid	-	10.02
	Consultancy Income	-	8.05
Hyd-Air Engineering Pvt Ltd	Payment towards Acquisition of Equity Shares	-	2,780.22
	Sales	6.21	666.28
	Purchase	209.52	53.47
	Loans or Advances Given	525.00	-
	Interest Income	21.76	-
M.R. Organisation Limited	Machine Maintenance Services	-	356.36
Kinjal Shah	Salary Paid	3.30	11.47
Ruthu John Parampogi	Salary Paid	8.07	-

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NOTE 38 : DERIVATIVES & FORWARD CONTRACT INSTRUMENTS

(Rs. in lakhs)

PARTICULARS	CURRENCY	For the year ended 31.03.2026	For the year ended 31.03.2025
Amount Receivable in foreign Currency			
1. Export of Goods & Services			
	RS	**9,737.01**	**9,919.11**
	USD	83.19	90.40
	EURO	14.48	21.29
	UKP	2.26	1.96
2. Advance to Suppliers			
	RS	**309.55**	**148.98**
	USD	3.27	1.74
Amount Payable in Foreign Currency			
1. Import of Goods & Services			
	RS	**816.22**	**632.42**
	USD	8.62	7.39
2. Advance - Customers			
	RS	**517.81**	**523.53**
	USD	5.07	5.58
	EURO	0.35	0.49
	UKP	-	-
3. Spares & Others			
	RS	-	**4.56**
	USD	-	-
	EURO	-	0.05

NOTE 39 : INFORMATIONS RELATED TO MICRO, SMALL & MEDIUM ENTERPRISES

The company has amount due to suppliers under Micro, Small and Medium Enterprises Development Act 2006 (MSMED) as at 31st March, 2026. The following informations has been given in respect to such suppliers who have identified themselves as "Micro, Small & Medium Enterprises" under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) as at 31st March 2026.

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Outstanding Amount	314.22	277.27

There are no Micro, Small and Medium Enterprises, to whom the Company owes (principal and/or interest), which has been outstanding for more than 45 days as at the balance sheet date. There were delay in payments to Micro, Small and Medium Enterprises for more than 45 days during the year for which no provision for interest has been made. As per the management, the company has mutual understanding with such parties for different payment terms while purchasing materials from them and the payment to them is made as per agreed terms accordingly. As per management there are no MSME registered parties with whom the company has any dispute related to the principal or interest towards the delay payments so happened during the year over and above the agreed terms of payment.

NOTE 40 : EMPLOYEE BENEFITS :

A) Defined Contribution Plan

Provident Fund: The contribution to the provident fund of employees are made to a government administered provident fund and there are no further obligations beyond making such contribution.

B) Defined Benefit Plan

Gratuity: The Company participates in the employee's group gratuity-scheme of life insurance corporation limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of gratuity (Amendment) act, 1997, or as per company's scheme whichever is more beneficial to the employees. The company made payments for the gratuity for the year ended based on the actuarial Valuation of the gratuity liability as done by the LIC and the same has been provided in the books of accounts. Payments of the company to such gratuity fund has been considered as expenditure for the year and the fund laying with LIC under the gratuity fund has not been accounted as assets as the same is towards the defined future liability of the company.

Provident fund: The company makes provident fund contribution to the government administered provident fund and has no further liability towards the same.

C) Amounts Recognized as Expense:

i) Defined Contribution Plan: Employer's contribution to provident fund amounting to Rs. 133.16 lakhs has been included under contribution to provident funds

ii) Defined Benefit Plan: Gratuity amount payable for Rs. 72.77 lakhs has been shown as payable at the year ended to the LIC gratuity fund as calculated based on actuarial valuation of the gratuity made by the Life insurance corporation.

NOTE 41 : FINANCIAL INSTRUMENTS, AND RELATED DISCLOSURES :

1. CAPITAL MANAGEMENT:

The company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The company funds its operations through internal accruals, borrowings etc. The company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Borrowings		
Long term and Short term borrowings	61.82	32.64
Current maturities of Long term borrowings	44.96	25.71
Less: cash and cash equivalents	1,844.87	2,490.16
Less: Bank balances other than cash and cash equivalents	5,059.36	44.85
Adjusted net debt	**(6,797.45)**	**(2,476.67)**
Total Equity	44,653.60	34,192.35
Adjusted net debt to adjusted equity ratio	**(0.15)**	**(0.07)**

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2. CATEGORIES OF FINANCIAL INSTRUMENTS:

Carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

Particulars	As at 31st March, 2026	As at 31st March, 2025
Financial assets	**Fair Value**	**Fair Value**
Measured at amortized cost		
i) Cash and cash equivalent	1,844.87	2,490.16
ii) Other Bank balance	5,059.36	44.85
iii) Trade receivables	12,475.41	12,094.83
iv) Other Financial Assets – Non Current	263.64	262.84
v) Other financial assets - Current	3,760.18	2,676.90
Total Financial assets	**23,403.46**	**17,569.58**
Financial Liabilities		
Measured at amortized cost		
i) Cash Credit facilities	-	-
ii) Borrowings-Non current	61.82	32.64
iii) Borrowings – Current	44.96	25.71
iv)Trade payables	7,699.69	5,568.12
v) Other Financial Liabilities – Non Current	-	-
vi) Other Financial Liabilities – Current	2,048.53	1,918.03
vii) Current Tax Liabilities(Net)	578.63	532.16
Total financial liabilities	**10,433.63**	**8,076.65**

The financial instruments are categorized into following levels based on the inputs used to arrive at fair value measurements described below

Level 1 : Quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

3. FINANCIAL RISK MANAGEMENT :

The activities of the company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The company management does regularly monitoring, analysis and manage the risks faced by the company and to set and monitor appropriate risk limits and controls for mitigation of the risks

A) **Management of Market Risk** : Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk companies of three type of risk interest rate risk, price risk and currency rate risk. Financial instrument affected by market risk includes borrowings and investments. The group has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

i) Management of interest rate risk :

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The group is having least interest rate risk since its borrowing has mainly in fixed rate of interest which is repayable in installments for the term loan availed by it from bank.

ii) Management of currency risk :

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group has foreign currency trade receivables and payable which are exposed to foreign exchange risk. The group mitigates the foreign exchange risk by setting appropriate exposure limits, periodiclally monitoring of the exposures etc. The exchange rates have been volatile in the recent period and may continue to be volatile in the future. Hence the operating results and financials of the group may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk : The company has exposure mainly in USD/EURO/GBP converted to functional currency i.e. INR. The company has the following financial assets and financial liabilities as at 31st March, 2026 :

Particulars	Exposure Currency	For the year ended 31.03.2026	For the year ended 31.03.2025
Financial Assets	USD	8,189.86	7,936.33
	EURO	1,582.85	1,230.35
	GBP	284.93	101.73
	YUAN	0.22	0.11
	RUBEL	0.67	-
	SGD	0.50	-
	AED	-	0.14
TOTAL		**10,059.03**	**9,268.66**
Financial Liabilities	USD	1,295.98	748.90
	EURO	38.05	93.44
	GBP	-	5.84
TOTAL		**1,334.03**	**848.18**

iii) Management of price risk :

The Company has no surplus for investment in debt mutual funds, deposits etc. The company has very material deposit with the Banks to provide security/margin against guarantee given by the banks when required and also to mitigate the liquidity issues to face the price risk. Deposit is made in Fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

B) Management of Credit Risk :

Credit risk refers to the risk of default on its obligations by a counterparty to the group resulting in a financial loss to the group. The group is exposed to credit risk from its operating activities ie trade receivable, foreign exchange transactions and financial instruments. Credit risk from trade receivables is managed through the company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The group has no concentration of credit risk as the customer base is widely distributed. The group's historical experience of collecting receivables and level of default indicate that credit risk is low and generally uniform across markets consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, wherever considered appropriate by the company management.

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Unsecured		
- Considered good	12,475.41	12,094.83
Gross Trade Receivables	**12,475.41**	**12,094.83**
Less: Loss Allowance	-	-
Net Trade Receivables	**12,475.41**	**12,094.83**

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C) Management of Liquidity Risk :

Liquidity risk is the risk that the company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The company's objective is to maintain at all times, optimum levels of liquidity to meet obligations. The company closely monitors its liquidity position and has a cash management system. The company maintains adequate sources of financing including debt and overdraft from banks and financial markets at optimized cost. The company's current assets aggregate to Rs. 31,070.24 lakhs (PY 2025-Rs. 23,237.10 Lakhs) including cash and cash equivalents and other bank balances of Rs. 6,904.23 lakhs (2025-Rs. 2,535.01 Lakhs) against an aggregate current liability of Rs. 10,602.77 lakhs (2025-Rs. 8,044.01 lakhs) and non-current liabilities due between one year to three years amounting to Rs. NIL lakhs (2025- NIL) and non-current liabilities due after three years amounting to NIL (2025 – NIL) on the reporting date. Further, while the company's total equity stands at Rs. 44,653.60 Lakhs (2025-Rs. 34,192.35 Lakhs), it has non-current borrowings of Rs. 61.82 lakhs (2025-Rs. 32.64 Lakhs). In such circumstances, liquidity risk or the risk that the company may not be able to settle or meet its obligation as they become due does not exist.

NOTE 42 : DIVIDEND :

The company has declared and paid dividend for the FY 2024-25 in the Annual General meeting of the company held on 5th August 2025. The dividend so declared has been accounted and adjusted during the year towards the brought forward balances of the profit & loss account.

NOTE 43 : SEGMENT INFORMATION :

The company operate's in a single segment therefore segment-wise reporting is not applicable for the company as required in accordance with Ind AS 108 for the year ended 31.03.2026.

NOTE 44 : CONTINGENT LIABILITIES :

44.1 The company has received Assessment order from the GST department for Demand for Financial year 2023-24 for Rs 359.47 Lakhs towards the disallowance of the GST Input credit claimed for the IPO expenses and has also raised demand towards the Penalty for Rs 359.47 Lakhs against the said disallowances and has also raised demand of Rs 0.23 Lakhs towards inadmissible Input Tax credit & demand of Rs 0.23 Lakhs towards penalty for such inadmissible Input Tax credit. The said demand has been raised by GST department vide Order dated 30.03.2026. The company is in process of filing appeal with the higher authority related to the demand so raised by the assessing officer.

44.2 The company has further received Assessment order from the GST department for Demand for Financial year 2019-20 for Rs 136.18 Lakhs which includes Rs 43.38 Lakhs of CGST & SGST towards the Tax not paid on Consideration Received as per Registered Agreement with respect to Transfer or Assignment of Lease Right by Transferor to any person and Rs 49.42 Lakhs for the Interest on the GST liability so determined & Penalty of Rs 43.38 lakhs. The said demand has been raised by GST department vide Order dated 27.03.2026. The company is in process of filing appeal with the higher authority related to the demand so raised by the assessing officer.

44.3 The company has received Assessment order from the Income Tax Department towards the assessment dues for the AY 2018-19 for Rs 4175.89 Lakhs towards the waiver of interest on working capital loans by the financial institution at the time of one-time settlement amounting to Rs. 6091.81 Lakhs has been added in the total income of the company under the head "undisclosed business income" for the AY 2018-19. Penalty proceedings under sections 270A has been initiated for under reporting of income. The said demand has been raised by Income Tax department vide Order dated 25.03.2026. The company has filed appeal with Commissioner of Income Tax (Appeals) on dated 8th April 2026 and the matter is subjudice.

44.4 The company has received Notice of Demand from the Panvel Muncipal Corporation towards the Property Tax of Rs 72.10 Lakhs for the FY 2025-26 vide their Notice dated 16.02.2026. The management is producng the the documents related to the payment of the property Tax of earlier year to the then Gram Panchayat authority therefore the muncipal corporation should not charge the additional amount as arrear byt the matter is still pending to conclude till the date of the balance sheet.

NOTE 45 : OTHER DISCLOSURES

45.01 In the opinion of the Board of Directors, the current assets are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amount considered reasonably necessary. Sundry debtors and creditors balances which are not receivable or payable due to the operational reasons, has been written off or written back during the year and accounted accordingly. Further the company has accounted provision for the doubtful debts during the year where there is contingencies of the recovery of the book debts.

45.02 Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment. Also interest liability for the delay payment of the statutory dues, if any, has been accounted for in the year in which the same are being paid.

45.03 Balances of Debtors & Creditors & Loans & Advances taken & given are subject to confirmation and consequential adjustments, if any. Debtors & creditors balances has been shown separately and the advances received & paid from/to the parties is shown as advance from customers and advance to suppliers.

45.04 The company has not traded or invested in crypto currency or virtual currency during the financial year.

45.05 As per informations available, the company has no transactions which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provisions of the Income Tax Act, 1961.

45.06 The company do not hold any benami property and no proceedings has been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act 1988 and rules made there under.

45.07 Title deeds of all the immovable properties held by the company are in the name of the company. No revaluation of the property, plant and equipment's and intangible assets held by the company were done during the previous year, as the management is in the opinion that the same is not material and the same will be reviewed in the subsequent years. Further the company is not holding any leased assets which are required to be disclosed separately.

45.08 The company has outstanding term loan availed from Kotak Mahindra Bank at the year ended against hypothecation of vehicle and the charge for the same is duly registered with Registrar of Companies within statutory period.

45.09 The company has not been declared as willful defaulter by any bank or financial Institution or any other lender during the financial year.

45.10 The company do not had any transactions during the year with the companies which are struck off under section 248 of the companies Act 2013.

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45.11 As per the informations & details available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies Act read with the Companies (Restriction on number of layers) Rules 2017.

45.12 As per the informations & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entities with the understanding 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 or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.

45.13 There are no amounts due to be credited to investor education and protection fund in accordance with section 125 of the companies act, 2013 as at the year end.

45.14 The Company has over due receivables against the export realization of goods for INR equivalent to 3921.57 Lakhs (PY : 5337.13 Lakhs) due to the various business reasons. As per the information's available and as intimated by the management, the company is in process of availing extension from RBI through its authorized dealers for the overdue realizations however till the date of the balance sheet such extension has not been made.

45.15 The company's fixed assets which has been impaired and has become non useful to the company and which has disposed during the year, has been recognized in profit & loss account for loss on impirement of such assets.

45.16 With Respect to disclosures Pursuant to Section 186 (4) of the Companies Act, 2013 the company has not given any amount in the nature of loan nor has provided any guarantee or security to any entity in connection with loan during the year. The company has made investment in a wholly owned Indian subsidiary during the year. Further the investment in foreign subsidiary has been impaired and has been recognized to the profit & Loss account during the year as the said foreign subsidiary has been strike off and become non operation during the period.

45.17 No scheme of arrangement has been approved by the competent authority in terms of sections 230 to 237 of the companies act, 2013.

NOTE 46 :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of schedule III to the companies act, 2013, unless otherwise stated.

NOTE 47 :

The financial statements has been authorized for issue by the Board of directors on dated 5th May 2026.

NOTE 48 : EVENTS AFTER REPORTING DATE :

The Board of Directors at their Board meeting held on 5th May, 2026 have recommended final dividend of Rs. 0.40 (20%) per fully paid up equity share of ₹ 2/- each for the financial year ended 31st March, 2026, subject to approval of shareholders at ensuing Annual General Meeting of the Company

NOTE 49 :

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197MYANAT4344

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For and on behalf of the Board

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

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AEROFLEX INDUSTRIES LIMITED

CONSOLIDATED AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2026

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AUDITORS

SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Members of
AEROFLEX INDUSTRIES LIMITED
Mumbai

Report on the Audit of the Consolidated Financial Statements:

Opinion :

We have audited the accompanying Consolidated Financial Statements of **AEROFLEX INDUSTRIES LIMITED** (hereinafter referred to as **"the Holding Company"**) which includes the financial statements of its subsidiary (Indian Subsidiary **Hyd-air Engineering Pvt Ltd** **(The Holding company and its subsidiary together referred as the " the company/ Group")**, which comprise the consolidated Balance Sheet as at 31st March 2026, the consolidated Statement of Profit and Loss including consolidated other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements and a summary of material accounting policies and other explanatory information (**hereinafter referred to as "Consolidated Financial Statements**").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors of the subsidiary company, the aforesaid Consolidated financial statements, give the information required by the Companies Act 2013 as amended (" the Act ") in the manner so required and give a true and fair view in conformity with the 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, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2026, its consolidated profits including consolidated other comprehensive income, its consolidated cash flows and consolidated changes in the equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those accounting 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 together with the ethical requirements

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that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31 March 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below the key audit matters to be communicated in our report. Our audit procedures, amongst others, include the following:

A. Accuracy, Completeness and disclosure with reference to Ind AS-16 of Property, Plant and Equipment including Capital Work in Progress : The carrying value of property, plant and equipment includes the assets capitalized/transferred from capital work in progress during the year. The group has capital work in progress at the year ended as on 31st March 2026 of Rs. 2310.04 lakhs. Cost Recognition of Property, Plant and Equipment as specified in Ind AS 16 is based on completion of asset construction activities and management assessment and judgment that the asset is capable of operating in the manner intended. The group has incurred various expenses and purchases of machinery & equipment's related to the expansion of its production facilities and products manufacturing capacity for the company. The asset capitalization is the outcome of various procurements, approvals from operational experts in the Company and judgments by the management and therefore, required significant audit attention. Refer Note 3: Property, Plant and Equipment in Notes to the consolidated financial statements.

Auditor's Response : Our audit procedures, amongst others, include the following :

a) Obtaining an understanding of operating effectiveness of management's internal control over capital expenditure.

b) We assessed Company's process regarding maintenance of records, valuation and accounting of transactions pertaining to Property, Plant and Equipment including Capital

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Work in Progress with reference to Indian Accounting Standard 16: Property, Plant and Equipment.

c) We have reviewed management judgment pertaining to estimation of useful life and depreciation of the Property, Plant and Equipment.

d) We have verified the capitalization of borrowing cost incurred on qualifying asset in accordance with the Indian Accounting Standard 23. The company has made the capitalization from the accumulated funds and the internal accruals.

e) Ensuring adequacy of disclosures in the consolidated financial statements.

B. Disclosure with regards to certain legal and tax matters including uncertain tax positions and presentation of contingent liabilities & other litigations:

Assessment of litigations and related disclosure of contingent liabilities (Refer Note 2(C) & 2 (Q) to the consolidated financial statements - "Significant accounting judgments, estimates and assumptions - Provisions and contingent liabilities" and Note 43 to the consolidated financial statements "Contingent liabilities") as at 31 March 2026. The Company, in the normal course of business, is contesting various claims and proceedings including matters relating to direct and indirect taxes that arise from time to time. The Company assesses the need to make provision or disclose a contingency on a case to-case basis considering the underlying facts of each such litigation or dispute. This assessment is significant to our audit, to assess adequacy of disclosure or provision in the books of account. The accounting and disclosure for contingent liabilities is complex & involves judgment in assessing the outcome of the matter and estimating the potential impact if the outcomes are unfavorable, and the amounts involved are, or can be, material to the consolidated financial statements. Considering the amounts, which can be material and involves significant management judgments and estimation, we have identified this as a key audit matter.

The Company operates in the tax jurisdiction with certain tax exemption/ deduction that may be subject to challenge and audit by the tax authorities. Further, there are open tax matters under litigation with the tax authorities.

As at 31st March, 2026, the Company has disclosed various legal and tax matters, including local and state levies, availing of input tax credits, refunds and such other matters under the detailed note given under contingent liabilities.

These are key audit matter, as evaluation of these matters requires management judgment and estimation, related legal advice including those leading to interpretation of laws and regulations and application of relevant judicial precedents to determine the probability of the outflow of economic resources due to associated uncertainty related to

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the outcome of these tax and litigation matters for recognizing provisions, disclosing contingent liabilities and making related disclosures in the consolidated financial statements. Our audit procedures relating to provisions recognized and contingencies disclosed with regard to certain legal and tax matters included the following:

- We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the consolidated financial statements;

- Understanding and evaluating the design and testing the operating effectiveness of controls over the recognition, measurement, presentation and disclosures made in the consolidated financial statements in respect of these matters;

-

- Obtaining details of legal and tax matters, inspecting the supporting documents to evaluate management's assessment of probability of outcome and the magnitude of potential loss as well as testing related to provisions and disclosures in the financial statements through inquiries with the management and legal counsel;

- Assessing on test basis on the underlying calculation supporting the disclosure of litigation in the consolidated financial statements;

- Reviewing orders and other communication from tax and regulatory authorities and management responses thereto;

- Assessing the management expert's legal advice and opinion, as applicable, obtained by the Group's management to corroborate management assessment and evaluating competence and capabilities of the experts; and

- Based on the above procedures performed, Evaluated appropriateness and adequacy of the disclosures of the contingent liability made in the Consolidated financial statements in accordance with the requirements of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Asset' and Ind AS 12 - 'Income Taxes'.

C. Right-to-Use Assets and Lease Liabilities :

The Company has recognized Right-to-Use assets and corresponding lease liabilities in accordance with Ind AS 116 – Leases. As at the balance sheet date, the carrying value of ROU assets amounts to ₹ 740.54 lakhs.

The recognition and measurement of ROU assets involve significant management judgment, including determination of lease term, discount rate, and identification of lease contracts.

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Our audit procedures included, among others:

- Evaluating the Company's lease accounting policy for compliance with Ind AS 116
- Verifying sample lease agreements and assessing lease classification
- Testing the assumptions used in determining discount rates and lease terms
- Recomputing the lease liability and corresponding ROU asset on a sample basis

Based on our audit procedures, we found the recognition and measurement of ROU assets to be appropriate.

Information other than the Consolidated Financial Statements and Auditor's Report thereon :

The holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the integrated annual report, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon. The integrated annual report of the holding company including the Director's report, Chairman's statement, Management Discussion and Analysis and report on corporate governance is expected 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 during our audit or otherwise appears to be materially misstated.

When we read the integrated annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and describe actions under the relevant laws and regulations.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements:

The holding Company's Management & Board of Director's 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, consolidated state of affairs, consolidated profit & loss including consolidated other comprehensive income,

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consolidated cash flows and consolidated changes in equity of the group in accordance with the Indian Accounting Standards and accounting principles generally accepted in India including the accounting Standards specified under section 133 of the Act.

The respective management and Board of Directors of the Company are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the holding Company, as aforesaid.

In preparing the Consolidated financial statements, the Respective Management and Board of Directors included in the group 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 Management either intends to liquidate the group 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.

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:

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1. 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.

2. 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 system in place and the operating effectiveness of such controls.

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

4. Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of Consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. 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.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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Chartered Accountants

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31 March 2026 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of Indian subsidiary Hyd-air Engineering Pvt Ltd whose financial statements reflect total assets of ₹ 3785.60 lakhs as at 31st March, 2026 total revenues of ₹ 3162.04 lakhs and net cash inflows amounting to ₹ (86.07) lakhs for the year ended on that date, as considered in the consolidated financial statements. These consolidated financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

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Chartered Accountants

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. 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 purpose of our audit of the aforesaid consolidated financial statement.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including consolidated other Comprehensive Income, Consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under section 133 of the Act.

   e) On the basis of written representations received from the directors of the holding company as on March 31, 2026, and taken on record by the Board of Directors, of the holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies are disqualified as on 31 March 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 group with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India 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 group's internal financial controls with reference to consolidated financial statements.

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g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act of the Act.

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

   i. As per the informations given to us, the group does not have any other material pending litigation which would impact its financial position in financial statement other than the pending litigations of the Company as disclosed in **Notes 43** of the consolidated financial statements.

   ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March 2026.

   iii. There were no amounts which are required to be transferred to the Investors Education and Protection Fund by the Group companies incorporated in India during the year ended 31st March 2026.

   iv.

      a. The management of holding company which is the company incorporated in India in the group whose financial statements have been audited under the Act, has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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b. The management of holding company which is the company incorporated in India in the group whose financial statements have been audited under the Act, has represented us, that, to the best of its knowledge and belief, no funds have been received by the group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group 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 from or on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures as considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regards, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) & (ii) of Rules 11(e) as provided under (a) and (b) above, contain any material misstatement.

Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary company incorporated in India whose financial statements have been audited under the Act and

v. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary company incorporated in India whose financial statements have been audited under the Act and In respect of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 we here with report that the group have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

vi. During the year, the holding companies in the group which is incorporated in India has complied with Section 123 of the Act, wherever applicable, with regard to dividend declared and paid.

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The Board of Directors of the holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer note 48 to the consolidated financial statements)

FOR SHWETA JAIN & CO LLP.
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

Priyanka

PRIYANKA JAJU
(Partner)
Membership No. : 416197
Place : Mumbai
Date : 5th May 2026
UDIN : 26416197DGVJSN1354

SHWETA JAIN & CO LLP
THANE
Chartered Accountants

ANNEXURE " A "TO THE INDEPENDENT AUDITOR'S REPORT :

(As referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report to the members of **AEROFLEX INDUSTRIES LIMITED** on the accounts as at and for the year ended 31st March, 2026)

In terms of the information and explanations sought by us and given by the group and to the best of our knowledge and belief, we state that:

(i) With reference to the clause 3 (xxi) of the Order, there are no qualifications & adverse remark given by the respective auditor of the group companies in their auditor's report included in the consolidated financial statements.

FOR SHWETA JAIN & CO LLP.
CHARTERED ACCOUNTANTS
F.R.N. : **127673W/W101149**

Priyanka

SHWETA JAIN & CO LLP
THANE
Chartered Accountants

PRIYANKA JAJU
(Partner)
Membership No. : 416197
Place : Mumbai
Date : 5th May 2026
UDIN : 26416197DGVJSN1354

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")

We have audited the internal financial controls over financial reporting of the holding company **AEROFLEX INDUSTRIES LIMITED** ("hereinafter referred to as **"the Holding Company**") which is the company incorporated in India in conjunction with our audit of the consolidated financial statements of the group as of and for the year ended 31st March, 2026 .

Management's and Board of Directors Responsibility for Internal Financial Controls :

The Company's management and Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated financial statements based on the criteria 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 Institute of Chartered Accountants of India. 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 holding Company's internal financial controls which is company incorporated in India with reference to the consolidated financial statement based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 with reference to the consolidated financial statement. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statement were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included

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Chartered Accountants

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 judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained and the audit evidence obtained by the other auditors with reference to the companies under the group incorporated in India 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 on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated financial statements.:

A company's internal financial control with reference to consolidated financial statements. is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 with Reference to Consolidated Financial Statements:

Because of the inherent limitations of internal financial controls with Reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to fraud may occur and

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Chartered Accountants

not be detected. Also, projections of any evaluation of the internal financial controls with Reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with Reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Opinion :

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 other auditors referred to in the other Matters paragraph below with respect to the companies in group which are companies incorporated in India, in all material respects, an adequate internal financial controls with reference to the consolidated financial statement and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal financial control with reference to consolidated 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.

Other Matters :

Our aforesaid reports under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to financial statements of companies in the group Incorporated in India, to the extent applicable, is based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter

FOR SHWETA JAIN & CO LLP.
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP ★ THANE ★ Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No. : 416197
Place : Mumbai
Date : 5th May 2026
UDIN : 26416197DGVJSN1354

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. in lakhs)

PARTICULARS	Note	As At March 31, 2026	As At March 31, 2025
ASSETS			
NON CURRENT ASSETS			
a) Property, Plant and Equipment	3	20,384.77	16,966.10
b) Property, Plant and Equipment - WIP	3.1	2,310.04	984.22
c) Right-of-use asset	3.2	740.54	-
d) Investment Property			
e) Goodwill		126.75	126.75
f) Intangible Assets	4	85.68	88.26
g) Intangible Assets - WIP	4.1	-	-
h) Biological Assets other than bearer plants			
i) Financial assets			
i) Investments	5	0.55	-
ii) Trade receivables			
iii) Loans		-	-
iv) Other financial assets	6	308.83	272.62
j) Deferred tax assets net	7	-	-
k) Other non-current assets	8	273.25	305.01
Total Non-Current Assets		**24,230.41**	**18,742.95**
CURRENT ASSETS			
a) Inventories	9	8,372.46	6,668.28
b) Financial Assets			
i) Investments			
ii) Trade Receivables	10	12,981.61	11,651.79
iii) Cash and cash equivalents	11	1,898.82	2,630.19
iv) Bank balances other than cash and cash equivalent	12	5,066.14	44.85
v) Loans			
vi) Other financial assets			
c) Current Tax Assets Net			
d) Other current assets	13	3,952.13	2,917.04
Total Current Assets		**32,271.17**	**23,912.15**
TOTAL ASSETS		**56,501.58**	**42,655.11**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	14	2,646.62	2,586.41
b) Other equity	15	42,080.73	31,655.22
Total Equity		**44,727.35**	**34,241.62**
LIABILITIES			
Non-current Liabilities			
a) Financial liabilities			
i) Borrowings	16	61.82	32.64
(A) Lease liabilities	3.3	551.61	-
(ii) Trade payables			
(iii) Other financial liabilities(other than those specified in item(b) to be specified)			
b) Provisions			
c) Other Non current liabilities			
d) Deferred tax Liability (Net)	7	89.79	156.49
Total non-current liabilities		**703.22**	**189.13**
Current Liabilities			
a) Financial liabilities			
i) Borrowings	17	44.96	25.71
(A) Lease liabilities	3.3	230.97	-
ii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises	18	725.32	425.69
(B) Total outstanding dues of creditors other than micro & small enterprises	18	7,345.74	5,257.35
(iii) Other financial liabilities(other than those specified in item(c)			
b) Other current liabilities	19	2,149.85	1,976.87
c) Provisions			
d) Current Tax liabilities (Net)	20	574.18	538.75
Total Current Liabilities		**11,071.01**	**8,224.36**
Total Liabilities		**11,774.23**	**8,413.49**
TOTAL EQUITY AND LIABILITIES		**56,501.58**	**42,655.11**

The accompanying notes are an integral part of these Consolidated Financial Statements (Note No. "1 to 49")

As Per Our Report of even date

FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP THANE Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197DGVJSN1354

AEROFLEX INDUSTRIES LIMITED MUMBAI

For and on behalf of the Board

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in lakhs)

	Particulars	Note	Year Ended 31.03.2026	Year Ended 31.03.2025
	REVENUES:			
I	Revenue from operations	21	44,193.51	37,622.79
II	Other Income	22	135.91	253.45
	TOTAL INCOME		**44,329.42**	**37,876.24**
	EXPENSES:			
III	Cost of Material Consumed	23	25,959.80	21,585.71
IV.	Changes in Inventories	24	(867.23)	373.35
V.	Employee Benefit Expenses	25	4,131.33	3,379.01
VI.	Finance costs	26	93.65	35.92
VII	Depreciation and amortisation expense	27	2,607.74	1,127.23
VIII	Other expenses	28	4,995.76	4,380.22
	TOTAL EXPENSES		**36,921.04**	**30,881.43**
	Profit/(loss) before exceptional item and tax		**7,408.38**	**6,994.81**
IX	Exceptional item			-
	Dimunishing in value of Investment		-	-
	Profit/(loss) before tax		**7,408.38**	**6,994.81**
	Tax expense:			
X	(1) Current Tax		1,897.00	1,673.00
XI	(2) Deferred tax Liability/(Assets)		(66.70)	84.54
XII	(3) Taxation of Earlier Year		25.38	(13.49)
	Profit/(loss) for the year from continuing operation		**5,552.70**	**5,250.76**
XIII	Profit/(Loss) from discontinued operations.			
XIV	Tax expense of discontinued operations			
XV	Profit/(loss) from discontinued operation			
	Profit/(loss) for the year		**5,552.70**	**5,250.76**
	Other Comprehensive income/(loss)			
XVI	a) Item that will not be reclassified subsequently to profit or loss			
	i) Net change in fair values of investments in equity shares carried at fair value through OCI			
XVII	b) Income tax relating to item that will not be reclassified subsequently to profit or loss			
XVIII	c) Item that will be reclassified subsequently to profit or loss			
	i) Exchange differences on translation of financial statements of foreign operations			0.22
XIX	d) Income tax relating to item that will be reclassified subsequently to profit or loss			
	Total Other Comprehensive income/(loss)		-	0.22
	Total Comprehensive Income for the year		**5,552.70**	**5,250.99**
XX	Earnings per equity share : (for continued Operation) in Rs	29		
	(1) Basic		4.28	4.06
	(2) Diluted		4.28	4.06
XXI	Earnings per equity share : (for discontinued Operation) in Rs			
	(1) Basic			
	(2) Diluted			
XXII	Earnings per equity share : (for discontinued & continuing operations) in Rs	29		
	(1) Basic		4.28	4.06
	(2) Diluted		4.28	4.06

The accompanying notes are an integral part of these Consolidated Financial Statements (Note No. "1 to 49")

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP
THANE
Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197DGVJSN1354

AEROFLEX INDUSTRIES LIMITED
MUMBAI

For and on behalf of the Board

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

(Rs. in lakhs)

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before Tax	7,408.38	6,994.81
Add : Other Comprehensive income/(loss)	-	0.22
Add : Depreciation	2,607.74	1,127.23
Add : Interest Paid	93.65	35.92
Add : Loss on sale, disposal, discard of property, plant and equipment (net)	2.35	19.00
Less : Realised Exchange gain on Impairement of Investment	-	(1.04)
Less : Interest Received	(128.99)	(230.37)
Operating Profit before working capital changes	9,983.13	7,945.77
Adjustments for :		
(Increase)/Decrease in Non Current Other Financial Assets	(36.22)	73.22
(Increase)/Decrease in Other Non Current Assets	31.76	35.82
(Increase)/Decrease in Change in Inventories	(1,704.18)	(774.05)
(Increase)/Decrease in Current Trade Receivables	(1,329.82)	(2,179.51)
(Increase)/Decrease in Other Current Assets	(1,035.09)	(884.10)
Increase/(Decrease) in Current Trade Payables	2,388.02	168.78
Increase/(Decrease) in Other Current Liabilities	208.41	(68.03)
Cash Generated from Operations before tax	8,506.02	4,317.90
Income Tax Paid	(1,922.38)	(1,659.51)
Net Cash Flow from Operating Activities	6,583.64	2,658.39
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipements & Intangibles including CWIP	(7,108.55)	(10,346.28)
Proceed from Sale of Property, Plant & Equipements & Intangibles including CWIP	3.39	-
Goodwill in Subsidairy	-	(126.75)
Investment in Quoted Equity Shares	(0.55)	
Movement in other bank balances (net)	(5,021.28)	2,877.43
Interest Received	128.99	230.37
Net Cash Flow from Investing Activities	(11,998.01)	(7,365.24)
C. CASH FLOW FROM FINANCEING ACTIVITIES		
Proceeds from issuance of equity share capital	60.21	-
Proceeds from borrowings	81.00	64.00
Repayment of borrowings	(32.57)	(17.77)
Repayment of Lease liability	(204.81)	-
Interest Paid	(93.65)	(35.92)
Dividend Paid	(387.96)	(323.30)
Preferential Issue Expenses	(179.01)	-
Proceeds from issue of equity share capital (including securities premium)	5,439.79	-
Net Cash Flow from Financing activities	4,683.01	(312.99)
Net Increase in Cash & Cash Equivalents	(731.36)	(5,019.84)
Cash and Cash Equivalents at the beginning of the period	2,630.19	7,650.03
Cash and Cash Equivalents at the end of the period	1,898.82	2,630.19
Net Increase in Cash & Cash Equivalents as at ...	(731.36)	**(5,019.84)**
Reconciliation of cash and cash equivalentsat end of the year with Balance Sheet:		
Cash and cash equivalents as per balance sheet (As per Note 11)		
Cash on hand	1.38	1.20
In Rupees	4.43	5.25
In Foreign Currency	-	-
Balances with banks:	1,586.04	1,076.21
- On current accounts	306.97	1,547.54
Fixed deposits with maturity of less than 3 months *		
TOTAL	**1,898.82**	**2,630.19**

The accompanying notes are an integral part of these Consolidated Financial Statements (Note No. "1 to 49")

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

SHWETA JAIN & CO LLP THANE Chartered Accountants

Priyanka

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197DGVJSN1354

AEROFLEX INDUSTRIES LIMITED MUMBAI

For and on behalf of the Board

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

Notes:

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on the Statement of Cash Flow as notified under Companies (Indian Accounting Standard) Rules, 2015 as amended.

(ii) Cash and Cash Equivalent comprised of Cash and Cash Equivalents and Other Bank Balances as per Balance Sheet. (Refer Note 12 & 13)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 1 : GROUP CORPORATE INFORMATION :

The Consolidated Financial Statements comprise financial statements of **AEROFLEX INDUSTRIES LIMITED** ("The Company" or "the Parent") bearing Corporate Identity Number (CIN) L27509MH1993PLC074576 and subsidiaries (collectively referred to as "the Group") for the year ended 31st March 2026.

AEROFLEX INDUSTRIES LIMITED ("The holding Company ") is a public limited company incorporated under the provision of Companies Act, 2013. The equity shares of the Company are listed on Bombay Stock Exchange Ltd (BSE) and National Stock Exchange of India Ltd (NSE). The holding Company's registered office is at Plot No. 41,42/13, 42/14 & 42/18 Near Taloja MIDC, Village Chal, Behind IGPL, Panvel, Navi Mumbai, Raigarh-410208 & additional factory premises at unit No -2, Survey No. 49, A5B, Lodha Industrial and Logistics Park (LILP), Palava, Taluka, Narhen, Ambernath, Maharashtra -421501. The company is engaged in manufacturing of stainless steel flexible hose with braiding and without braiding and assemblies and production of Metal Bellows & Composite hoses, liquid cooling & other related products.

The holding Company is subsidiary company of Aeroflex Enterprises Limited (Formerly known as : Sat Industries Limited), a listed company, which holds 59.84% (PY : 61.23%) of the equity shares of the company at the year ended.

Subsidiaries :

1. The company has its wholly owned Subsidiary company named Hyd-Air Engineering Pvt Ltd **("The Subsidiary")** which is also operating in the same segment. The subsidiary company has principal place of Business in India and engaged in manufacturing of engineering goods.

The consolidated financial statements ("the financial statements") have been approved for issue by the Board of Directors of the Company in their meeting held on 5th May 2026, presents the financial position of the Group.

NOTE 2 : MATERIAL ACCOUNTING POLICY INFORMATION :

This note provides a list of the Material accounting policies adopted by the group in preparation of the consolidated financial statement. The Consolidated Financial Statements are for the Group consisting of the Company and its subsidiary.

A. Basis of Preparation, Presentation & Measurement of Financial Statement :

The Consolidated financial statements of the group have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules 2015, as amended and

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relevant provisions of the Companies Act, 2013 including presentation and disclosure requirements of Division II of Schedule III of the Act as amended from time to time.

The Consolidated financial statements comprises the Consolidated Balance Sheet as at 31 March, 2026, the Statement of Consolidated Profit and Loss for the year ended 31 March 2026, the Statement of Consolidated Cash Flows for the year ended 31 March 2026 and the Statement of Changes in Equity for the year ended as on that date, and material accounting policies, and notes & other explanatory information (together hereinafter referred to as '**Consolidated Financial Statements**').

The Consolidated financial statements of the group are prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis, as per the provisions of the Companies Act, 2013 ("the Act"), except for certain financial assets and liabilities that are measured at fair value at the end of each reporting year. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services. Fair value is the price that would be received to sale an assets or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The group measures the financial instruments at fair value. Assets held for sale – measured at fair value less cost of sale; Plan assets under defined benefit plans – measured at fair value Liability for cash settled, the carrying values of recognized assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The Consolidated financial statements are presented in Indian Rupee (INR), which is the group's functional currency and all amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Lakhs Rupees with two decimals, unless otherwise stated.

B. Basis of Consolidation :

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110 - Consolidated Financial Statements. The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiary. The Consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (referred as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules 2015 , as amended and relevant provisions of the Companies Act, 2013 including presentation and disclosure requirements of Division II of Schedule III of the Act as amended from time to time.

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(i) The Consolidated Financial Statements are prepared using the Financial Statements of the Parent Company and Subsidiary Company drawn up to the same reporting date i.e 31st March 2026.

(ii) The financial statements of the Group companies are consolidated on a line-by-line basis and all intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions including unrealized gain / loss from such transactions between the Group are eliminated in full on consolidation. These financial statements are prepared by applying uniform accounting policies in use in the Group. Assets and liabilities with the functional currency other than the functional currency of the holding company have been translated using the exchange rates prevailing on the date of the balance sheet.

(iii) The consolidated financial statements has been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements by the companies under the group.

C. Significant accounting estimates , judgments and assumptions :

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statement and the reported amount of revenues and expenses during the reporting period. The accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation. The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described as

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below. The group based on its assumptions, judgments and estimates on parameters available, when the financial statements were prepared, the existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The following are the areas involving critical estimates and judgments

- Useful lifes of property, plant and equipment :
- Provision for litigations and contingencies:
- Recognition of Deferred Tax
- Fair Valuation of Financial instruments
- Valuation of inventories
- Impairments
- Evaluation of recoverability of deferred tax assets and estimation of income tax payable and income tax expense in relation to an uncertain tax position Provisions and Contingencies & Tax litigations.

a. **Useful lifes of property, plant and equipment, right-of-use assets and intangible assets:**

The Group reviews the useful life of property, plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

b. **Impairment of property, plant and equipment** :

Determining whether property, plant and equipment is impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. property, plant and equipment which are out dated or not in use are impaired and shown at the net releasable value and difference to the written down value and net releasable value is transferred to profit & loss account for the year.

c. **Provision for litigations and contingencies:**

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events, the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimating the ultimate outcome of such past events and measurement of the obigation amount. Due to the judgments involved in such estimations the provisions are sensitive to the actual outcome in future periods.

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d. **Recognition of Deferred Tax :**
The extent to which deferred tax assets and liabilities can be recognized is based on an assessment of the profitability of the Company's future taxable income against which the deferred tax provisions can be utilized.

Managements Judgments related to the Provisions and contingencies, estimation of income tax payable and income tax expense in relation to an uncertain tax position and estimation of and are further areas involving critical estimates and judgments for which detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

D. Current or Non-current classification :

The group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is :

i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
ii) Held primarily for the purpose of trading, or
iii) Expected to be realized within twelve months after the reporting period. Or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified current when :

i) It is expected to be settled in normal operating cycle;
ii) Held primarily for the purpose of trading, or
iii) It is due to be settled within twelve months after the reporting period; or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as noncurrent assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The group has identified twelve months as its operating cycle.

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Further the management of the group provide the inputs related to the particular assets & liability whether the same is recoverable & payable within the operating cycle and to be considered as current assets & liabilities or the same is recoverable or payable after the said operating cycle and to be considered as noncurrent. Auditor has classified the same based on the prudence of the same as given by the management.

E. Property, plant and equipment and intangible assets and Depreciation / Amortisation :

a) Property, plant and equipment (PPE)

Property, plant and equipment represent a significant proportion of the asset base of the group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology or any other reason.

Recognition and measurement:

Property, plant and equipment held for use in the production, supply or administrative purposes are stated in the consolidated Balance sheet at cost less accumulated depreciation and impairment, if any.

The cost of Property, plant and equipment comprises its purchase price (including the costs of materials / components) net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets including exchange differences arising from foreign currency and such other incidental costs that may be associated with acquisition or creation of the asset ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance

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related to such assets which are in recurring nature and has no certainty of the useful life are charged to Statement of Profit and Loss during the year.

The Group based on the technical assessment made by the technical expert/ management estimate, depreciates certain items of building, plant and equipment's over the estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item or part of Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. 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 Statement of Profit & Loss as and when the asset is derecognized.

Capital work-in-progress :

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Capital Work-in-Progress represents expenditure incurred on capital assets that are under construction/erection or are pending to be commercialized and put to use. The same is carried at cost which is determined in the same manner as for any Property, plant and equipment. The Capital Work in progress is transferred to the respective assets head once the same is ready and actually put to use for commercial purposes. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost of assets not ready to use before such date are disclosed under '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.

Repairs and maintenance costs related to property; plant & equipment are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

b) Depreciation methods, estimated useful lives of PPE :

Depreciation is provided (other than Free hold Land and capital work-in-progress) on Written Down Value (WDV) method for the estimated useful life of assets as per

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Companies Act 2013. The estimated useful lives of assets for various class of assets are as follows:

Assets class	Period of useful life of Assets
Factory Building	30 Years
Addition to factory Building	3 - 10 Years
Server and Networks	6 Years
Plant & Machinery	25 Years
Solar Panels	15 Years
Computer	3 Years
Vehicles	6 Years
Workshop Tools & Equipment	8 Years
Testing Equipment	5 Years
Office Equipment	5 Years
Electrical Installation	5 Years
Furniture & Fixtures	10 Years

Fixed Assets purchased for specific projects will be depreciated over the periods of the project or the useful life stated as above, whichever is shorter. No Depreciation has been provided for the land.

Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition or till the date of sale/retirement/ impairment.

The economic useful life of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

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c) Impairment

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 Cash Generating Unit (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 and 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 depreciation) had no impairment loss been recognized for the asset in prior years

d) Intangible Assets :

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets. Intangible development costs are capitalized as and when technical and commercial feasibility of the asset is demonstrated and future economic benefits are probable.

Intangible assets are stated at acquisition cost, net of accumulated amortization. The group amortized intangible assets over their estimated useful lives using the Written Down method as per Companies Act, 2013. The Management of group has estimated the useful lives of intangible assets are as follows:

Computer Software	6 years

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and/or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

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. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

e) Goodwill :

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of acquired companies. Goodwill arising out of business combination is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from the synergies of the combination.
Goodwill is not amortized, instead it is tested for impairment annually, or more frequently if indication of impairment exists. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of

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the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Critical accounting judgement and key sources of estimation uncertainty

The recoverable amount is determined based on value in use or fair value less cost to sell calculations which require the use of assumptions as directly observable market prices generally do not exist for the Group's assets. However, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Group for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

F. Intangible Assets Under Development :

Expenditure incurred on acquisition/development of intangible assets which are not ready for their intended use at the consolidated balance sheet date has been disclosed under intangible assets under development -WIP.

G. Leases - The Group as a lessee :

The holding Company's lease asset classes primarily consist of leases for long-term period. The group 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 holding Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
(iii) the holding 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 holding Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives Receivable
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date amounts expected to be payable by the group under residual value guarantees

- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and

- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the holding Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

H. Investments:

The group has investments in the equity shares of the listed companies during the year. Such investment has been shown at historical cost only, in case there is no significant change in the market value of such investment at the year ended.

I. Foreign Currency Transactions :

a) Functional and presentation currency :

The consolidated financial statements are measured using the currency of the primary economic environment in which the group operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the group and the same is rounded off to the nearest Lakhs Rupees with two decimals.

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b) Transactions and balances :

For the preparation of the consolidated financial statements all the assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end and income and expense items are translated at the weighted average exchange rates prevailing during the period.

All foreign currency transactions are recorded by applying to the foreign currency amount at the exchange rate between the functional currency and the foreign currency at the date of the transaction on initial recognition. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

All non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Foreign exchange fluctuation for the outstanding amount towards the capital goods, has been attributed to the cost of the fixed assets.

J. Revenue Recognition :

Ind AS 115 applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

i) Sales of Goods :

The group recognizes revenue from sale of goods when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations and revenue under contracts with customers based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The group identifies contracts with customers and its performance obligations under the contract, determines

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the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

The majority of the group's revenue is derived from selling goods with revenue recognized at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are either dispatched or delivered to the customer, depending on the terms of the contract. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods.

Revenue from the sale of goods in the course of ordinary activities is recognized at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The revenue from sale is recognized when significant risk and reward of ownership /control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliable and recovery of the consideration is probable.

ii) Sale of services & Other Operating Revenue :

Income from services rendered is recognized based on agreements/ arrangements with the customers as the service is performed and there are no unfulfilled obligations. Revenue from services are recognized in the accounting year in which service are rendered. For fixed price contracts, revenue is recognized based on actual services provided to the end of the reporting year as a proportion of the total services to be provided.

iii) Foreign Exchange Fluctuation in Export & Imports Import :

As the group has been mainly engaged in export & import of goods therefore Profit and gains from the foreign exchange fluctuation from the receipts & payments of debtors & creditors and also the fluctuation on restatement of their balances at the year ended is forming part of the other operating revenue of the group.

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iv) Export benefits:

Export incentives are recognized as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

v) Other Income:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the normal interest rate as applicable. Other Income has been recorded where no significant uncertainty as to measurability or collectability exists.

K. Inventories :

Inventories are valued at lower of the cost and net realizable value considering the various other related parameters and uniformity of the valuation. Costs incurred in bringing each product to its present location and condition are accounted for as follows :

Raw materials, packaging materials and stores and spare parts are valued at after reviewing the cost and net realizable value considering the various other related parameters and uniformity of the valuation. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at cost of production till the date work completed. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average cost basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

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L. Segment Reporting:

The group operates in a single business segment and there are no separate reportable segments as per the requirements of Ind AS 108. The Chief Operating Decision Maker (CODM) reviews the group's financial performance on an overall basis for the purpose of resource allocation and performance assessment. Accordingly, the group has only one reportable segment. Further, the group operates predominantly from India and does not have significant production operations in other geographical segments.

M. Cash and cash equivalents:

For the purpose of presentation in the consolidated Balance sheet, Cash and Cash equivalents comprises cash at bank and cash on hand and other short-term deposits including interest accrued thereon and highly liquid investments with an original maturity (or with an option to or can be readily converted or liquidated into cash) of three months or less, which are subject to an insignificant risk of changes in value. Cash and Cash Equivalents consist of balances with banks which are unrestricted for withdrawals and usages.

N. Taxation :

Income tax expense comprises current Tax Expenses and deferred tax expenses. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Tax :

The Current Tax are measured at the amount expected to be payable based on the taxable profit for the year as per Income Tax Act 1961 based on applicable rate of taxes to which the group entities belongs. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates tax laws that have been enacted or substantially enacted by the end of the reporting year. Provisions for current income taxes are presented in the balance sheet after offsetting advance tax & TDS paid for the relevant year.

Deferred Tax :

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the group's financial statements and the corresponding tax bases

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used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognized for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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 assets are to be recovered. Unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that future taxable profits will be available against which the deferred tax assets to be recovered.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

O. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the year in which they are accrued or incurred.

P. Provisions :

Provisions are recognized when the group has a present obligation (legal or constructive) as a result of past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material). When some or all of the economic benefits required to settle, provisions are expected to be recovered from a third party, a receivable is recognized as an asset it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Q. CONTINGENT LIABILITIES :

Contingent liability is :

(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) A present obligation that arises from past events but is not recognized because :

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not accounted in the consolidated financial statements unless an inflow of economic benefits is probable

R. Dividend :

The dividend declared by the holding company during the year but not distributed at the end of the reporting period than the same is recognized as liability at the year ended when the dividend distribution is authorized and the distribution is no longer at the discretion of the holding Company on or before the end of the reporting period. As per the Companies Act, 2013, a distribution is authorized when it is approved by the shareholders. Such amount of dividend is recognized directly in equity. Claims against the group not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

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S. Financial instruments:

Financial assets and financial liabilities are recognized when the group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. However, Trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in the Statement of Profit and Loss. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Classification and Subsequent Measurement of Financial Assets:

The Management classifies financial assets, subsequently at amortized cost, Fair Value through Other Comprehensive Income ("FVTOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(a) Financial Assets measured at Amortized Cost :
A Financial Asset is measured at amortized Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

(b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) :
A Financial Asset is measured at FVTOCI if it is held within a business model 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 represent solely payments of principal and interest on the principal amount outstanding.

(c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL):
FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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Impairment:

The group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. The 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date.

For trade receivables or any contractual right to receive cash or another financial assets that results from transactions that are within the scope of Ind AS 18, the group always measures the loss allowance at an amount equal to lifetime expected credit losses. The group has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

De-recognition of Financial Assets :

The financial asset are derecognizes when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and the transfer qualifies for de-recognition under Ind AS 109. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of the transferred financial asset, the group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

CLASSIFICATION AND SUBSEQUENT MEASUREMENT OF FINANCIAL LIABILITIES :

(a) Financial liabilities measured at Fair Value through Profit or Loss :

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate. All financial liabilities are

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(b) Other Financial liabilities :
Other financial liabilities (including loans and borrowings, bank overdrafts and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and amounts paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognized in the Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Debt and Equity Instruments:

Classification
Financial liabilities and equity instruments issued by the group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognized at the proceeds received net of direct issue costs.

Subsequent measurement
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting year. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method.

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Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Interest expenses of these financial liabilities are included in finance cost. Expenditure incurred for management of the finance of the company are forming part of the finance cost.

Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and presented on net basis in the balance sheet when there is a legally enforceable right to set-off the recognized amounts and it is intended to either settle them on net basis or to realise the asset and settle the liability simultaneously.

Fair Value of Financial Instruments:

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices, where applicable. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. Financial instruments by category are separately disclosed indicating carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

Foreign exchange gains and losses for assets & liabilities :

Financial Assets and liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting year; the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial Assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial Assets and liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss except in case of the amount outstanding to creditors towards the fixed assets where the amount is outstanding payable, in that case every year the difference in the exchange fluctuation has been adjusted towards the cost of the fixed assets so purchased and has to uniformly followed the practice.

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De-recognition of Financial Liability:

A Financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

T. Employee Benefits:

The group has its subsidiary at different geographical location therefore under the consolidated financial statement, the employee benefits has been considered as per the applicable provisions of that geographical location of the entities as provided in the relevant standalone balance sheet has been covered under the consolidated financial statement.

Short-term Employee Benefits:

All employee Benefits such as Salaries, wages and short term compensated absences including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheet.

Post-employment benefits

a) Defined contribution plans

The group makes defined contributions to Employee Provident Fund, Employee Pension Fund, Employees State Insurance which are defined contribution schemes. The contribution paid/payable under these schemes is recognized during the period in which the employee renders the related services which are recognized in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the services."

Provident fund: The employees of the group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the group make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. Such benefits are classified as Defined Contribution Schemes as the

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Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

b) Defined benefit plans

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Gratuity: The Group has an obligation towards gratuity. The gratuity liability of the holding company is funded through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) under which the annual contribution is paid to LIC. The holding Company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities where the terms of government securities are consistent with the estimated terms of the defined benefit obligations at the Balance Sheet date. The group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. In case of subsidiary in the group, the gratuity provision is identified by the respective management and provided accordingly and has been considered as liability under the group.

U. Earnings Per Share :

The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding at the year ended. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

V. New Standards, Interpretations and Amendments Adopted by the Group :

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from

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time to time. During the year ended March 31, 2026, The Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Second Amendment Rules,

2025, in August 2025, bringing key changes effective for the FY 2025-2026. Major amendments concern Ind AS 1 (liability classification), Ind AS 7 and 107 (supplier finance disclosures), and Ind AS 12 (international tax reforms). The Ministry of Corporate Affairs has further notified amendments to Ind AS 21 via the Companies (Indian Accounting Standards) Amendment Rules, 2025, issued on 07 May 2025. The amendments introduce guidance on assessing currency exchangeability and estimating spot rates when exchangeability is lacking, applicable for annual periods beginning on or after 01 April 2025. The Group has assessed that there is no significant impact on its financial statements.

For the financial year 2026-2027, the MCA has introduced significant amendments to Ind AS, effective from April 1, 2026. Key changes include mandatory disclosures for Supplier Finance Arrangements (Ind AS 7 & 107), stricter debt classification based on covenants (Ind AS 1), and integration of OECD Pillar Two global minimum tax rules (Ind AS 12). The amendments are effective for annual periods beginning on or after 01 April 2026. The Group is currently assessing the probable impact of these amendments on its standalone financial statements.

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AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in Lakhs)

STATEMENT OF CHANGE IN EQUITY

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting Year	Changes in equity share capital due to Prior Year Errors	Restated Balance at the beginging of the current reporting Year	Changes in equity share capital during the year	Balance at the end of the reporting Year
For the year ended on 31/03/2026	2,586.41			60.21	2,646.62
For the year ended on 31/03/2025	2,586.41	-	-	-	2,586.41

B. Promotors Holding

Name of Promotors	Shares Held at the end of the YEAR 31/03/2026		Shares Held at the end of the YEAR 31/03/2025		% of Change during the year
	No of Shares Held	% of Total Shares	No of Shares Held	% of Total Shares	
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	7,91,81,833	59.84%	7,91,81,833	61.23%	-1.39%

C. Other Equity

	Share Application Money pending allotment	Equity component of compound financial instrument	Reserves & Surplus				Debt Instruments through other comprehensive income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow hedges	Revaluation Surplus	Exchange difference on translating financial difference on foreign operation	Other Items of other comprehensive income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities premium	General Reserve	Retained earnings								
Balance at the beginning of the reporting YEAR- 01.04.2025	-	-	-	16,080.08	-	15,575.13	-	-	-	-	-	-	-	**31,655.22**
Changes in accounting policy/ prior YEAR errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	5,552.70	-	-	-	-	-	-	-	5,552.70
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(387.96)	-	-	-	-	-	-	-	(387.96)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on issue of New Share				5,439.79										5,439.79
Preferential Expense				(179.01)	-									(179.01)
Balance at the end of the reporting YEAR - 31.03.2026	-	-	-	**21,340.86**	-	**20,739.87**	-	-	-	-	-	-	-	**42,080.73**

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C. Other Equity

	Share Application Money pending allotment	Equity component of compound financial instrument	Reserves & Surplus				Debt Instruments through other comprehensive income	Equity Instruments through other Comprehensive Income	Effective portion of Cash Flow hedges	Revaluation Surplus	Exchange difference on translating financial difference on foreign operation	Other Items of other comprehensive income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities premium	General Reserve	Retained earnings								
Balance at the beginning of the reporting YEAR- 01.04.2024	-	-	-	16,080.08	-	10,648.49	-	-	-	-	-	-	-	26,728.57
Changes in accounting policy/ prior YEAR errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting YEAR	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	5,250.76	-	-	-	-	-	-	-	5,250.76
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	(0.82)	-	-	-	-	-	-	-	(0.82)
Dividends	-	-	-	-	-	(323.30)	-	-	-	-	-	-	-	(323.30)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Security Premium on issue of New Share														-
IPO Expense				-	-									-
Balance at the end of the reporting YEAR - 31.03.2025	**-**	**-**	**-**	**16,080.08**	**-**	**15,575.13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**31,655.22**

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197DGVJSN1354

For and on behalf of the Board

ASAD DAUD
(MANAGING DIRECTOR)
(DIN-02491539)

MUSTAFA A KACHWALA
(WHOLETIME DIRECTOR & CFO)
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)

AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 3 : PROPERTY, PLANT AND EQUIPMENTS (Rs. in lakhs)

Particulars	Freehold Land	Freehold Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment's	Air Conditioner	Computer	Electrical Installation	Testing Equipment's	Workshop Tool & Equipment's	Water Cooler	TOTAL
Year Ended as on 31st March 2026													
Opening Gross Carrying Amount	3,344.46	4,811.86	15,088.39	609.85	132.39	310.64	44.10	303.42	570.07	131.70	532.32	26.70	**25,905.90**
Additions	-	300.89	4,473.85	72.02	114.36	79.09	7.51	154.18	30.13	28.13	489.01	-	**5,749.16**
Exchange Difference													**-**
Assets include in a disposal group for sale													**-**
Disposals			(19.00)		(7.08)								**(26.08)**
Closing Gross Carrying Amount	**3,344.46**	**5,112.75**	**19,543.24**	**681.87**	**239.67**	**389.73**	**51.62**	**457.59**	**600.21**	**159.82**	**1,021.33**	**26.70**	**31,628.99**
Accumulated Depreciation	-	2,365.24	4,680.74	365.13	65.39	204.77	31.41	273.74	517.02	89.52	323.94	22.91	**8,939.80**
Depreciation charge during the year		575.02	1,395.18	67.78	36.53	61.24	7.84	32.23	25.78	25.49	96.07	1.61	**2,324.76**
Assets include in a disposal group for sale													**-**
Exchange Difference													**-**
Disposals			(16.29)		(4.05)								**(20.34)**
Closing Accumulated Depreciation	**-**	**2,940.25**	**6,059.63**	**432.90**	**97.88**	**266.00**	**39.25**	**305.97**	**542.81**	**115.01**	**420.00**	**24.52**	**11,244.22**
NET CARRIYING AMOUNT	**3,344.46**	**2,172.50**	**13,483.61**	**248.97**	**141.79**	**123.72**	**12.37**	**151.62**	**57.40**	**44.82**	**601.33**	**2.19**	**20,384.77**
Year Ended as on 31st March 2025													
Opening Gross Carrying Amount	2,168.46	2,943.81	8,742.70	449.44	61.31	204.61	34.01	283.46	524.62	89.75	385.35	25.93	**15,913.44**
Additions	1,176.00	1,868.05	6,602.32	160.40	85.72	106.03	10.10	19.96	45.46	41.95	146.97	0.78	**10,263.73**
Exchange Difference													**-**
Assets include in a disposal group for sale													**-**
Disposals			(256.62)		(14.64)								**(271.26)**
Closing Gross Carrying Amount	**3,344.46**	**4,811.86**	**15,088.39**	**609.85**	**132.39**	**310.64**	**44.10**	**303.42**	**570.07**	**131.70**	**532.32**	**26.70**	**25,905.90**
Accumulated Depreciation	-	2,079.91	4,290.43	329.42	57.99	174.63	27.83	241.72	506.38	77.43	280.51	20.24	**8,086.50**
Depreciation charge during the year		285.33	615.97	35.70	18.87	30.14	3.57	32.02	10.65	12.09	43.43	2.67	**1,090.43**
Assets include in a disposal group for sale													**-**
Exchange Difference													**-**
Disposals			(225.66)		(11.46)								**(237.12)**
Closing Accumulated Depreciation	**-**	**2,365.24**	**4,680.74**	**365.13**	**65.39**	**204.77**	**31.41**	**273.74**	**517.02**	**89.52**	**323.94**	**22.91**	**8,939.80**
NET CARRIYING AMOUNT	**3,344.46**	**2,446.62**	**10,407.65**	**244.72**	**67.00**	**105.87**	**12.70**	**29.68**	**53.05**	**42.18**	**208.39**	**3.80**	**16,966.10**

Note : The company has not revalued Property , Plant and equipments during the year.

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NOTE 3.1 : CAPITAL WORK IN PROGRESS (CWIP) :

The company has incurred expenses towards purchase of the machineries and equipment's which are not ready for put to use till the year ended has been shown under the capital work in progress for the company. The Ageing schedule of tangible assets under CWIP is as follows :

(Rs. in lakhs)

Capital Work In Progress (Tangible Assets)	Amount of CWIP for the year ended 31.03.2026				TOTAL	Amount of CWIP for the year ended 31.03.2025				TOTAL
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Expansion Projects in progress	2,310.04				**2,310.04**	984.22				**984.22**

NOTE 3.2 : RIGHT TO USE ASSETS & LEASE LIABILITY

Particulars	Buildings	Amount
As at 31st March, 2026		
Gross Carrying Value		
Opening Balance	-	-
Additions pursuant to business combinations	987.39	**987.39**
Exchange Difference	-	-
Disposals	-	-
Closing Gross Carrying Amount	**987.39**	**987.39**
Accumulated Depreciation and Amortisation		
Opening Balance	-	-
Depreciation and Amortisationfor the year	246.85	**246.85**
Deduction	-	
Closing Accumulated Depreciation	**246.85**	**246.85**
NET CARRIYING AMOUNT	**740.54**	**740.54**

NOTE 3.3 : LEASE LIABILITY

Particulars	Buildings	Amount
As at 31st March, 2026		
Opening Balance	-	-
Additions pursuant to business combinations	987.39	**987.39**
Interest accrued	75.47	**75.47**
Lease principal payments	(204.81)	**(204.81)**
Lease interest payments	(75.47)	**(75.47)**
Closing Lease Liabilities	**782.58**	**782.58**

Breakup of lease liabilities:

Particulars	As at 31 March, 2026	
	Current	Non-Current
Lease Liabilities against Right of Use Assets	230.97	551.61
Total liabilities	**230.97**	**551.61**

AEROFLEX INDUSTRIES LIMITED MUMBAI

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NOTE 4: Intangible Assets

Particulars	Software & Licences	TOTAL
Year Ended as on 31st March 2026		
Opening Gross Carrying Amount	232.05	232.05
Additions	33.56	33.56
Exchange Difference	-	-
Assets include in a disposal group for sale	-	-
Disposals	-	-
Closing Gross Carrying Amount	**265.61**	**265.61**
Accumulated Depreciation	143.80	143.80
Depreciation charge during the year	36.14	36.14
Assets include in a disposal group for sale	-	-
Exchange Difference	-	-
Disposals	-	-
Closing Accumulated Depreciation	**179.93**	**179.93**
NET CARRIYING AMOUNT	**85.68**	**85.68**
Year Ended as on 31st March 2025		
Opening Gross Carrying Amount	166.62	166.62
Additions	65.43	65.43
Exchange Difference	-	-
Assets include in a disposal group for sale	-	-
Disposals	-	-
Closing Gross Carrying Amount	**232.05**	**232.05**
Accumulated Depreciation	106.99	106.99
Depreciation charge during the year	36.80	36.80
Assets include in a disposal group for sale	-	-
Exchange Difference	-	-
Disposals	-	-
Closing Accumulated Depreciation	**143.80**	**143.80**
NET CARRIYING AMOUNT	**88.26**	**88.26**

NOTE 4.1 : INTANGIBLE ASSETS UNDER DEVELOPMENT :

(Rs. in lakhs)

Capital Work In Progress (Intangible Assets)	Amount of CWIP for the year ended 31.03.2026				TOTAL	Amount of CWIP for the year ended 31.03.2025				TOTAL
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
New Software under development	-	-	-	-	-	-	-	-	-	-

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AEROFLEX INDUSTRIES LIMITED

(CIN NO : L27509MH1993PLC074576)

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 5 : NON CURRENT - INVESTMENTS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Investment in Equity Instruments		
Quoted		
ELGI Equipments Ltd - Share Investment	0.34	-
Sterling and Wilson Renewable Energy Ltd - Share Investment	0.21	-
(Market Value of shares as on 31.03.2026 is Rs 0.54 Lakhs.)		
TOTAL	**0.55**	**-**

NOTE 6 : NON CURRENT - OTHER FINANCIAL ASSETS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Security Deposits	308.83	272.62
TOTAL	**308.83**	**272.62**

NOTE 7 : DEFERRED TAX (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Particulars		
Opening Balance for Deferred tax Assets / (liabilities)	(156.49)	(71.95)
Add/Less: Deferred Tax Assets/(Liabilities) for Depreciation Difference	23.18	(67.69)
Add/Less: Deferred Tax Assets/(Liabilities) for Provision for Gratuity	18.31	(16.85)
Add/Less: Deferred Tax Assets/(Liabilities) for Lease Liability	196.97	-
Add/Less: Deferred Tax Assets/(Liabilities) for Bad Debts	14.62	-
DEFERRED TAX ASSETS/(LIABILITY) - *(Refer below Notes)*	**96.61**	**(156.49)**
Opening Balance for Deferred tax Assets / (liabilities)	-	
Add/Less: Deferred Tax Assets/(Liabilities) for Lease Assets	(186.39)	
DEFERRED TAX ASSETS/(LIABILITY)	**(186.39)**	
Net amount charged to Statement of Profit and Loss	**66.70**	**(84.54)**
DEFERRED TAX ASSETS/(LIABILITY)(net)	**(89.79)**	**(156.49)**

Note -

1 The Amount is arised on account of Difference between the depriciation of Companies Act and Income Tax Act.
2 The Amount is arised on account of Provision for Gratuity at the year ended.
3 The Amount is arised on account of Lease Liability Oustanding at the year ended.
4 The Amount is arised on account of Provision for Bad Debts at the year ended.
5 The Amount is arised on account of Lease Assets at the year ended.

NOTE 8 : NON CURRENT - OTHER NON CURRENT ASSETS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Advance to Supplier	219.34	224.52
Repair & Maintenance (To be amortised)	17.91	36.83
Advance to Employees & Workers	36.00	36.00
Retention Money	-	1.43
QIP Related Expenses	-	6.23
TOTAL	**273.25**	**305.01**

NOTE 9 : CURRENT - INVENTORIES (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Raw Material In Stock	3,803.13	2,932.73
Work In Progress In Stock	3,812.98	2,396.02
Finished goods In Stock	506.97	1,056.71
Stock of Spares & Other Items	249.37	282.82
TOTAL	**8,372.46**	**6,668.28**

* Stock are Valued at Cost or Net realisable value whichever is Lower & has been certified by the management.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 10 :TRADE RECEIVABLES

(Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
(a) Trade Receivables considered good- secured		-
(b) Trade Receivables considered good- unsecured	13,039.72	11,636.40
(c)Trade Receivables which have significant increase in Credit Risk	-	15.40
(d) Trade Receivables -Credit impaired		
	13,039.72	**11,651.79**
Less: Allowance for doubtful debts	58.10	
Total	**12,981.61**	**11,651.79**

Note 10.1 :No trade receivables are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member, other than dues from related parties .

Trade receivables ageing schedule as at 31st March 2026

Particulars	Outstanding for following YEARs from due date of payment					
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed Trade receivables – considered good	11,633.97	345.17	823.43	207.19	29.95	13,039.72
(ii) Undisputed Trade receivables – which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables					-	-
(v) Disputed Trade Receivables – credit impaired						
(vi) Disputed Trade Receivables- which have significant increase in credit risk						
Total	**11,633.97**	**345.17**	**823.43**	**207.19**	**29.95**	**13,039.72**

Trade receivables ageing schedule as at 31st March 2025

Particulars	Outstanding for following YEARs from due date of payment					
	Less than 6	6 months- 1 year	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed Trade receivables – considered good	10,422.68	820.54	362.72	30.45	-	11,636.40
(ii) Undisputed Trade receivables – which have significant increase in credit risk						-
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables					15.40	15.40
(v) Disputed Trade Receivables – credit impaired						
(vi) Disputed Trade Receivables- which have significant increase in credit risk						
Total	**10,422.68**	**820.54**	**362.72**	**30.45**	**15.40**	**11,651.79**

AEROFLEX INDUSTRIES LIMITED MUMBAI

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NOTE 11 : CASH & CASH EQUIVALENTS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Cash on hand		
In Rupees	1.38	1.20
In Foreign Currency	4.43	5.25
Balances with banks:		
- On current accounts	1,586.04	1,076.21
Fixed deposits with maturity of less than 3 months *	306.97	1,547.54
TOTAL	1,898.82	2,630.19

Note : *Includes interest accrued Rs. 6.97 lakhs (pr. yr. Rs.47.54 lakhs)

NOTE 12 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date *	5,066.14	44.85
TOTAL	5,066.14	44.85

Note : *Includes interest accrued Rs. 42.14 lakhs (pr. yr. Rs. 0.07 lakhs)

NOTE 13 : CURRENT - OTHER CURRENT ASSETS (Rs. in lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Advances other than capital advances		
Advance to Suppliers	2,358.86	1,201.72
Other Advances		
Balance with Revenue Authorities	1,368.26	1,550.33
Prepaid Expenses	176.22	113.25
Advance to Employees	48.80	51.73
TOTAL	3,952.13	2,917.04

NOTE 14 : SHARE CAPITAL

a) Shares Details (Rs. in lakhs)

PARTICULARS	As at 31 March, 2026	As at 31 March, 2025
	AMOUNT (`)	AMOUNT (`)
Authorised Share Capital		
Equity Shares of ` 2/- each	3,500.00	3,500.00
Series "A" Compulsorily Convertible Preference Shares of Rs. 10/- each	100.00	100.00
Series "A" Compulsorily Convertible Preference Shares of Rs. 200/-	2,000.00	2,000.00
	5,600.00	5,600.00
Issued, Subscribed & Paid up		
Equity Shares of ` 2/- each	2,646.62	2,586.41
TOTAL	2,646.62	2,586.41

b) Reconciliation of Equity shares : (Rs. in lakhs)

PARTICULARS	As at 31 March, 2026	As at 31 March, 2025
	AMOUNT (`)	AMOUNT (`)
Shares outstanding at the beginning of the year	2,586.41	2,586.41
Shares Issued during the year	60.21	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	2,646.62	2,586.41

c) Shares held by its holding Companies:

Name of Shareholder	As at 31 March, 2026	As at 31 March, 2025
	%	%
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	59.84%	61.23%

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AEROFLEX INDUSTRIES LIMITED MUMBAI

d) Name of the shareholders holding more than 5% Equity shares in the company:

Name of Shareholder	As at 31 March, 2026	As at 31 March, 2025
	%	%
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	59.84%	61.23%
Italica Global FZC	5.63%	5.76%

Note:

14.01 "The Holding Company has only one class of shares referred to as the equity shares having face value of Rs. 2/- each . Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the Shareholders at the Annual General Meeting."

14.02 The Holding Company has issued 30,10,398 equity shares on a preferential basis during the year at a price of ₹182.70 per share (face value ₹2 each and securities premium of ₹180.70 per share), pursuant to the Board Resolution dated 3rd February 2026.

14.03 No Equity shares have been forfeited.

14.04 There are no calls unpaid on equity shares.

14.05 The Group has not allotted any shares pursuant to contract without payment being received in cash.

Note 15 : OTHER EQUITY (Rs. In lakhs)

PARTICULARS		As at March 31, 2026	As at March 31, 2025
1.SEURITIES PREMIUM			
As per the last year accounts		16,080.08	16,080.08
Add: Addition during the year		5,439.79	-
Less: Preferential Issue Expenses*		179.01	-
	Total (A)	**21,340.86**	**16,080.08**
2. RETAINED EARNINGS			
As per the last year accounts		15,575.13	10,647.67
Add: Surplus for the year		5,552.70	5,250.76
		21,127.83	15,898.44
Less : Dividend on equity shares		387.96	323.30
	Total (B)	**20,739.87**	**15,575.13**
3) Equity Instruments through Other Comprehensive Income:			
As per the last year accounts		-	0.82
Add: Addition during the year		-	0.22
		-	**1.04**
Less : Realised Exchange gain on Impairement of Investment		-	(1.04)
	Total (C)	-	-
TOTAL (A+B)		**42,080.73**	**31,655.22**

* **Securities Premium :** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The Security Premium reserve is utilised in accordance with the provisions of the Companies Act, 2013.

* **Preferential Issue Expenses :** Preferential issue expenses incurred for Equity shares issued during the year on Preferential basis has been treated as a deduction from securities premium in accordance with applicable provisions of the Companies Act.

* **Retained Earnings :** This Reserve represents the cumulative profits of the Group and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTE 16 : NON CURRENT BORROWINGS (Rs. In lakhs)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Secured Loans:		
From Bank & Financial Institution		
Term Loan		
(a) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV2996785 (Secured against hypothecation of Bus)	4.77	15.48
(b) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3075297 (Secured against hypothecation of Bus)	6.62	17.16
(c) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3581487 (Secured against hypothecation of Bus)	15.88	-
(d) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654471 (Secured against hypothecation of Bus)	17.28	-
(e) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654467 (Secured against hypothecation of Bus)	17.28	-
TOTAL	**61.82**	**32.64**

(a) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 7668. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 20-July-2024 and the last instalment is payble on 20-Aug-2027 Rate of Interest as on 31.03.2026 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.

(b) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 9456. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 15-Sep-2024 and the last instalment is payble on 15-Oct-2027 Rate of Interest as on 31.03.2026 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.

(c to e) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 DC 1572, MH 46 DC 2382 & MH 46 DC 2383. The loan is repayable in 38 equated monthly instalments of Rs. 82,305/- each commencing from 10-Nov-2025, 05-Jan-2026 & 05-Jan-2026 respectively and the last instalment is payble on 10-Dec-2028, 05-Feb-2029 & 05-Feb-2029 respectively. Rate of Interest as on 31.03.2026 is @ 9.05% There was no continuing default in the repayment of instalment and interest thereon.

NOTE 17 : CURRENT BORROWINGS **(Rs. in lakhs)**

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Secured Loans:		
From Bank & Financial Institution		
Term Loan		
(a) Kotak Mahindra Bank Ltd - Vehicle Loan (Secured against hypothecation of Bus)	-	6.34
(b) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV2996785 (Secured against hypothecation of Bus)	10.71	9.77
(c) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3075297 (Secured against hypothecation of Bus)	10.54	9.60
(d) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3581487 (Secured against hypothecation of Bus)	7.97	-
(e) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654471 (Secured against hypothecation of Bus)	7.87	-
(f) Kotak Mahindra Bank Ltd - Vehicle Loan - LCV-3654467 (Secured against hypothecation of Bus)	7.87	-
TOTAL	**44.96**	**25.71**

(a) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 BM 7420. The loan is repayable in 60 equated monthly instalments of Rs. 55,614/- each commencing from 15-Apr-2021 and the last instalment is payble on 15-Mar-2026 Rate of Interest as on 31.03.2025 is @ 9.48% There was no continuing default in the repayment of instalment and interest thereon.
(b) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 7668. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 20-July-2024 and the last instalment is payble on 20-Aug-2027 Rate of Interest as on 31.03.2025 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.
(c) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 CL 9456. The loan is repayable in 38 equated monthly instalments of Rs. 97,550/- each commencing from 15-Sep-2024 and the last instalment is payble on 15-Oct-2027 Rate of Interest as on 31.03.2025 is @ 9.30% There was no continuing default in the repayment of instalment and interest thereon.
(d to f) Term loan from Kotak Mahindra Bank Limited is secured against hypothecation of Bus no. MH 46 DC 1572, MH 46 DC 2382 & MH 46 DC 2383. The loan is repayable in 38 equated monthly instalments of Rs. 82,305/- each commencing from 10-Nov-2025, 05-Jan-2026 & 05-Jan-2026 respectively and the last instalment is payble on 10-Dec-2028, 05-Feb-2029 & 05-Feb-2029 respectively. Rate of Interest as on 31.03.2026 is @ 9.05% There was no continuing default in the repayment of instalment and interest thereon.

NOTE 19 : CURRENT - OTHER CURRENT LIABILITIES **(Rs. in lakhs)**

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Statutory due payable	161.83	138.79
Advance from customer	469.53	482.40
Amount payable for capital goods	294.64	301.29
Other liabilities*	1,223.85	1,054.38
TOTAL	**2,149.85**	**1,976.87**

Note : Other Liabilities includes unpaid dividend of Rs 0.28 Lakhs (Previous year : 0.22 Lakhs)

NOTE 20 : CURRENT - CURRENT TAX LIABILITIES **(Rs. in lakhs)**

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Provisions for Tax (Net of Advance Tax & TDS)	574.18	538.75
TOTAL	**574.18**	**538.75**

NOTE 21 : REVENUE FROM OPERATION **(Rs. in lakhs)**

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Sale of Products :		
- Finished Goods - Domestic Sales	12,926.06	8,983.12
- Finished Goods - Export Sales	29,401.40	27,675.57
TOTAL	42,327.46	36,658.69
Other operating Revenue :		
Foreign Exchange Fluctuation	1,502.73	636.84
Misc. Operating Revenue	363.33	327.26
TOTAL	**44,193.51**	**37,622.79**

NOTE 22 : OTHER INCOME **(Rs. in lakhs)**

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Interest Income		
- On fixed deposits designated as amortized cost	128.99	230.37
- On Others	-	-
- Interest on Income Tax Refund	0.60	
Other Income	6.32	23.08
TOTAL	**135.91**	**253.45**

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 18: TRADE PAYABLE

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	725.32	425.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,345.74	5,257.35
TOTAL	**8,071.06**	**5,683.04**

Note : There are no unbilled and Not due trade payables, hence the same are not disclosed in the ageing schedule

Trade payables ageing schedule as at 31st March 2026

Particulars	Outstanding for following YEARs from due date of payment				
	Less than 6 Months	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed -Micro & small enterprises	725.32	-	-	-	725.32
(ii) Undisputed Others	7,339.30	3.48	0.56	2.40	7,345.74
(iii) Disputed dues – Micro & small enterprises					
(iv) Disputed dues - Others					
Total	**8,064.62**	**3.48**	**0.56**	**2.40**	**8,071.06**

Trade payables ageing schedule as at 31st March 2025

Particulars	Outstanding for following YEARs from due date of payment				
	Less than 6 Months	1-2 years	2-3 years	More then 3 year	Total
(i) Undisputed -Micro & small enterprises	425.69	-	-	-	425.69
(ii) Undisputed Others	5,252.08	2.87	-	2.40	5,257.35
(iii) Disputed dues – Micro & small enterprises					
(iv) Disputed dues - Others					
Total	**5,677.76**	**2.87**	**-**	**2.40**	**5,683.04**

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NOTE 23 : COST OF MATERIAL CONSUMED (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Opening Stock of Raw Material & Consumables	2,932.73	1,884.02
Add : Purchase of Raw Material & Consumables	26,830.20	22,634.42
	29,762.93	**24,518.44**
Less : Closing Stock of Raw Material & Consumables	3,803.13	2,932.73
TOTAL	**25,959.80**	**21,585.71**

NOTE 24 : CHANGE IN INVENTORIES (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Inventories at the beginning of the year		
-Work-in-progress	2,396.02	3,521.21
-Finished goods	1,056.71	304.87
	3,452.73	**3,826.08**
Less: Inventories at the end of the year		
-Work-in-progress	3,812.98	2,396.02
-Finished goods	506.97	1,056.71
	4,319.96	**3,452.73**
Decrease/(Increase) in Inventories	**(867.23)**	**373.35**

NOTE 25 : EMPLOYEES BENEFITS EXPENSES (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Salary, Wages, Bonus and Other Benefits	3,840.24	3,110.62
Contribution to Provident Fund, ESIC and other funds	161.73	134.15
Gratuity fund contributions	76.70	71.40
Staff welfare expenses	52.65	62.84
TOTAL	**4,131.33**	**3,379.01**

NOTE 26 : FINANCE COST (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
(a) Interest Expense		
(i) Interest on borrowing	7.11	5.00
(ii) Interest on delayed payment of taxes	7.73	8.94
(iii) Other borrowing costs - Bank Loan Processing Charges	0.56	2.27
(iv) Interest to Others	2.78	19.70
(v) Interest on Lease Liabilities	75.47	-
TOTAL	**93.65**	**35.92**

NOTE 27 : DEPRECIATION AND AMORTIZATION EXP (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Depreciation Cost	2,324.76	1,090.43
Amortization Cost	282.98	36.80
TOTAL	**2,607.74**	**1,127.23**

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NOTE 28 : OTHER EXPENSES (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Electricity and Power	556.28	471.09
Stores & Spares Consumed	361.39	420.75
Repair & Maintenance	203.16	175.95
Factory Expense	1,045.65	704.39
Processing Labour Charges	132.15	159.84
Testing and Calibration Charges	70.59	35.95
Cylinder Rent	11.45	10.64
Export Freight, Handling, Clearing & Other Charges	395.65	531.88
Carriage Outward	210.05	130.84
Commission Expenses	112.11	120.42
Consultancy Charges	266.20	211.86
Depository Fees expense	10.65	8.36
Water Charges	27.06	9.89
Rates & Taxes	46.61	19.54
Conveyance & Travelling Expenses	379.39	368.66
Bank Charges & Commission	58.81	57.89
Office Expenses	471.73	433.74
Insurance Charges	91.81	86.38
Printing & Stationary	31.18	40.65
Telephone & Communication Expenses	48.29	41.23
Auditor Remuneration	6.50	9.08
Exhibition, Marketing & Businesss Promotion Expenses	106.08	118.10
Miscellaneous Expenses	69.35	44.59
CSR Activity Exp.	112.23	90.30
Loss on Impirement /Sale of Fixed Assets	2.35	19.00
Balances Written off	87.71	44.41
Listing Fees Expense	5.85	13.85
Lease Expense	73.70	-
Research & Development Expense	1.75	-
Office Rent Paid	-	0.92
TOTAL	**4,995.76**	**4,380.22**

NOTE 29 : EARNING PER SHARE (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Net profit after taxation for the year (` in Lakhs)	5,552.70	5,250.99
Number of Equity shares for Basic /Diluted EPS	13,23,30,768	12,93,20,370
Weighted Number of Equity shares for Basic /Diluted EPS	12,97,82,239	12,93,20,370
Nominal Value of Equity Shares (`)	2.00	2.00
Basic /Diluted earnings per Equity Share (`)	**4.28**	**4.06**

NOTE 30 : REMUNERATION TO AUDITORS: (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Statutory Audit Fee	3.50	6.08
Tax Audit Fee	3.00	3.00
TOTAL	**6.50**	**9.08**

NOTE 31 : RECONCILIATION OF EFFECTIVE INCOME TAX RATE : (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Profit Before Tax	7,408.38	6,994.81
Current Year Tax	1,897.00	1,673.00
Tax Using the Company's Domestic Tax Rate 25.168%	1,864.54	1,760.45
Tax effect of adjustment to reconcile expected income tax Expenses to Reported Income Tax Expenses	-	-
Tax effects of amounts which are not deductible for taxable income	(27.09)	1.53
Effect of Depreciation under Income Tax	62.25	(79.38)
	1,899.70	1,682.61
Effective Tax Rate	**25.64**	**24.06**

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NOTE 32 : DETAILS OF SUBSIDIARY : (Rs. in lakhs)

PARTICULARS	% of Ownership As at 31.03.2026	% of Ownership As at 31.03.2025
(1) Hyd-Air Engineering Private Limited	100.00%	100.00%

NOTE 33 : CORPORATE SOCIAL RESPONSIBILITY : (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Gross amount required to be spent by the Group during the year	111.96	90.28
Amount of expenditure incurred	112.23	90.30
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Nature of CSR activities:		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above		
- Health and education & Contribution to eligible Trust for CSR Related Activities	112.23	90.30

* Out of the above spending ₹ 111.00 lakhs (Previous Year ₹ 88.80) contributed to SAT Foundation which is related party.
* The Group has not carried forward any provisions for corporate social responsibility expenses for the current year and the previous year.

NOTE 34 : FOREIGN EXCHANGE INFLOW & OUTFLOW :

a) Foreign Exchange Outflow: (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Traveling & Hotel Expenses	225.69	216.41
Payment Towards Services & Other Expenses	125.73	54.99
TOTAL	**351.42**	**271.40**

b) Foreign Exchange inflow: (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
F.O.B Value of Exports	31,470.37	27,381.45
TOTAL	**31,470.37**	**27,381.45**

c) CIF Value of Import: (Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Raw Material & Fittings	5,291.12	4,749.17
Capital Goods	1,340.33	1,142.11
TOTAL	**6,631.45**	**5,891.28**

NOTE 36 : RELATED PARTY DISCLOSURES:

i. **Key Management Personnel:**

Asad Daud	: Managing Director
Mustafa Abid Kachwala	: Wholetime Director & CFO
Kinjal Shah	: Company Secretary & Compliance Officer. (Resigned on 15th July 2025)
Ruthu John Parampogi	: Company Secretary & Compliance Officer. (Appointed on 28th July 2025)
Harikant Turgalia	: Director
Nadir Karachiwala	: Director

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

NOTE 35 : DISCLOSURE OF ADDITIONAL INFORMATION AS REQUIRED BY THE SCHEDULE III :

(Rs. in lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
Parent Company								
Aeroflex Industries Limited	99.84%	**44,653.60**	99.56%	**5,528.22**	-	-	93.46%	**5,189.81**
Subsidiary Company								
Hyd Air Engineering Private Limited	6.10%	**2,727.21**	0.44%	**24.48**	-	-	0.89%	**49.27**
Consolidation Adjustments	-5.93%	**(2,653.46)**	-	-	-	-	5.65%	**313.61**
	100.00%	**44,727.35**	**100.00%**	**5,552.70**	**0.00%**	-	**100.00%**	**5,552.70**

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ii. **Other related parties with whom there were transactions during the year:**

Hyd-Air Engineering Private Limited	: Wholly Owned Subsidiary Company
Aeroflex Industries Ltd UK	: Wholly Owned Subsidiary Company
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	: Holding Company:
Italica Global FZC	: Wholly Owned Subsidiary Company of Holding Company
M.R. Organisation Limited	: Subsidiary Company of Holding Company
SAT Foundation	: Director's relative is a trustee

Transaction carried out with Related Parties & KMP during the year: **(Rs. in lakhs)**

PARTICULARS	Nature of Transaction	For the year ended 31.03.2026	For the year ended 31.03.2025
Asad Daud	Director Remuneration	126.51	115.41
	Dividend Paid	0.00	0.001
Mustafa A Kachwala	Director Remuneration	13.62	13.04
	Dividend Paid	0.00	0.001
Nadir Karachiwala	Director Remuneration	3.00	12.000
	Sale of Car	-	3.36
Harikant Turgalia	Dividend Paid	0.00	0.001
Italica Global FZC	Sales	2,256.19	283.91
	Business Development Service	36.45	-
	Dividend Paid	22.36	18.64
Aeroflex Enterprises Limited (Formerly Known as : Sat Industries Limited)	Dividend Paid	237.55	197.95
SAT Foundation	CSR fund - Donation	111.00	88.80
M.R. Organisation Limited	Machine Maintenance Services	-	356.36
Kinjal Shah	Salary Paid	3.30	11.47
Ruthu John Parampogi	Salary Paid	8.07	-

NOTE 37 : DERIVATIVES & FORWARD CONTRACT INSTRUMENTS

(Rs. in lakhs)

PARTICULARS	CURRENCY	For the year ended 31.03.2026	For the year ended 31.03.2025
Amount Receivable in foreign Currency			
1. Export of Goods & Services			
	RS	**9,768.24**	**9,919.11**
	USD	83.52	90.40
	EURO	14.48	21.29
	UKP	2.26	1.96
2. Advance to Suppliers			
	RS	**309.55**	**148.98**
	USD	3.27	1.74
Amount Payable in Foreign Currency			
1. Import of Goods & Services			
	RS	**816.22**	**632.42**
	USD	8.62	7.39
2. Advance - Customers			
	RS	**517.81**	**523.53**
	USD	5.07	5.58
	EURO	0.35	0.49
	UKP	-	-
3. Spares & Others			
	RS	**-**	**4.56**
	USD	-	-
	EURO	-	0.05

NOTE 38 : INFORMATIONS RELATED TO MICRO, SMALL & MEDIUM ENTERPRISES

The group has amount due to suppliers under Micro, Small and Medium Enterprises Development Act 2006 (MSMED) as at 31st March, 2026. The following informations has been given in respect to such suppliers who have identified themselves as "Micro, Small & Medium Enterprises" under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) as at 31st March 2026.

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Outstanding Amount	725.32	425.69

There are no Micro, Small and Medium Enterprises, to whom the Company owes (principal and/or interest), which has been outstanding for more than 45 days as at the balance sheet date. There were delay in payments to Micro, Small and Medium Enterprises for more than 45 days during the year for which no provision for interest has been made. As per the management, the group has mutual understanding with such parties for different payment terms while purchasing materials from them and the payment to them is made as per agreed terms accordingly. As per management there are no MSME registered parties with whom the company has any dispute related to the principal or interest towards the delay payments so happened during the year over and above the agreed terms of payment.

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NOTE 39 : EMPLOYEE BENEFITS :

A) Defined Contribution Plan

Provident Fund: The contribution to the provident fund of employees are made to a government administered provident fund and there are no further obligations beyond making such contribution.

B) Defined Benefit Plan

Gratuity: The holding Company participates in the employee's group gratuity-scheme of life insurance corporation limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of gratuity (Amendment) act, 1997, or as per company's scheme whichever is more beneficial to the employees. The holding company made payments for the gratuity for the year ended based on the actuarial Valuation of the gratuity liability as done by the LIC and the same has been provided in the books of accounts. Payments of the company to such gratuity fund has been considered as expenditure for the year and the fund laying with LIC under the gratuity fund has not been accounted as assets as the same is towards the defined future liability of the company.

Provident fund: The group makes provident fund contribution to the government administered provident fund and has no further liability towards the same.

C) Amounts Recognized as Expense:

i) Defined Contribution Plan: Employer's contribution to provident fund amounting to Rs. 133.16 lakhs has been included under contribution to provident funds

ii) Defined Benefit Plan: Gratuity amount payable for Rs. 72.77 lakhs has been shown as payable at the year ended to the LIC gratuity fund as calculated based on actuarial valuation of the gratuity made by the Life insurance corporation.

NOTE 40 : FINANCIAL INSTRUMENTS, AND RELATED DISCLOSURES :

1. CAPITAL MANAGEMENT:

The group's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The company funds its operations through internal accruals, borrowings etc. The company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Borrowings		
Long term and Short term borrowings	61.82	32.64
Current maturities of Long term borrowings	44.96	25.71
Less: cash and cash equivalents	1,898.82	2,630.19
Less: Bank balances other than cash and cash equivalents	5,066.14	44.85
Adjusted net debt	**(6,858.18)**	**(2,616.70)**
Total Equity	44,727.35	34,241.62
Adjusted net debt to adjusted equity ratio	**(0.15)**	**(0.08)**

2. CATEGORIES OF FINANCIAL INSTRUMENTS:

Carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

Particulars	As at 31st March, 2026	As at 31st March, 2025
Financial assets	**Fair Value**	**Fair Value**
Measured at amortized cost		
i) Cash and cash equivalent	1,898.82	2,630.19
ii) Other Bank balance	5,066.14	44.85
iii) Trade receivables	12,981.61	11,651.79
iv) Other Financial Assets – Non Current	308.83	272.62
v) Other financial assets - Current	3,952.13	2,917.04
Total Financial assets	**24,207.54**	**17,516.49**
Financial Liabilities		
Measured at amortized cost		
i) Cash Credit facilities	-	-
ii) Borrowings-Non current	61.82	32.64
iii) Borrowings – Current	44.96	25.71
iv)Trade payables	8,071.06	5,683.04
v) Other Financial Liabilities – Non Current	-	-
vi) Other Financial Liabilities – Current	2,149.85	1,976.87
vii) Current Tax Liabilities(Net)	574.18	538.75
Total financial liabilities	**10,901.86**	**8,257.00**

The financial instruments are categorized into following levels based on the inputs used to arrive at fair value measurements described below

Level 1 : Quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2 : Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

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

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3. FINANCIAL RISK MANAGEMENT :

The activities of the group exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The group seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The groups does regularly monitoring, analysis and manage the risks faced by the company and to set and monitor appropriate risk limits and controls for mitigation of the risks

A) **Management of Market Risk** : Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk companies of three type of risk interest rate risk, price risk and currency rate risk. Financial instrument affected by market risk includes borrowings and investments. The group has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

i) Management of interest rate risk :

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The group is having least interest rate risk since its borrowing has mainly in fixed rate of interest which is repayable in installments for the term loan availed by it from bank.

ii) Management of currency risk :

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group has foreign currency trade receivables and payable which are exposed to foreign exchange risk. The group mitigates the foreign exchange risk by setting appropriate exposure limits, periodiclally monitoring of the exposures etc. The exchange rates have been volatile in the recent period and may continue to be volatile in the future. Hence the operating results and financials of the group may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk : The Group has exposure mainly in USD/EURO/GBP converted to functional currency i.e. INR. The Group has the following financial assets and financial liabilities as at 31st March, 2026 :

Particulars	Exposure Currency	For the year ended 31.03.2026	For the year ended 31.03.2025
Financial Assets	USD	8,221.09	7,936.33
	EURO	1,582.85	1,230.35
	GBP	284.93	101.73
	YUAN	0.22	0.11
	RUBEL	0.67	-
	SGD	0.50	-
	AED	-	0.14
TOTAL		**10,090.25**	**9,268.66**
Financial Liabilities	USD	1,295.98	748.90
	EURO	38.05	93.44
	GBP	-	5.84
TOTAL		**1,334.03**	**848.18**

iii) Management of price risk :

The group has no surplus for investment in debt mutual funds, deposits etc. The group has very material deposit with the Banks to provide security/margin against guarantee given by the banks when required and also to mitigate the liquidity issues to face the price risk. Deposit is made in Fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

B) Management of Credit Risk :

Credit risk refers to the risk of default on its obligations by a counterparty to the group resulting in a financial loss to the group. The group is exposed to credit risk from its operating activities ie trade receivable, foreign exchange transactions and financial instruments. Credit risk from trade receivables is managed through the company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the group extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The group has no concentration of credit risk as the customer base is widely distributed. The group's historical experience of collecting receivables and level of default indicate that credit risk is low and generally uniform across markets consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, wherever considered appropriate by the company management.

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Unsecured		
- Considered good	12,981.61	11,651.79
Gross Trade Receivables	**12,981.61**	**11,651.79**
Less: Loss Allowance	-	-
Net Trade Receivables	**12,981.61**	**11,651.79**

C) Management of Liquidity Risk :

Liquidity risk is the risk that the company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The group's objective is to maintain at all times, optimum levels of liquidity to meet obligations. The group closely monitors its liquidity position and has a cash management system. The group maintains adequate sources of financing including debt and overdraft from banks and financial markets at optimized cost. The group's current assets aggregate to Rs. 32,271.17 lakhs (PY 2025-Rs. 23,912.15 Lakhs) including cash and cash equivalents and other bank balances of Rs. 6,964.96 lakhs (2025-Rs. 2,675.04 Lakhs) against an aggregate current liability of Rs. 11,071.01 lakhs (2025-Rs. 8,224.36 lakhs) and non-current liabilities due between one year to three years amounting to Rs. NIL lakhs (2025- NIL) and non-current liabilities due after three years amounting to NIL (2025 – NIL) on the reporting date. Further, while the company's total equity stands at Rs. 44,740.69 Lakhs (2025-Rs. 34,241.62 Lakhs), it has non-current borrowings of Rs. 61.82 lakhs (2025-Rs. 32.64 Lakhs). In such circumstances, liquidity risk or the risk that the group may not be able to settle or meet its obligation as they become due does not exist.

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NOTE 41 : DIVIDEND :

The Holding company has declared & paid dividend for the FY 2024-25 in the Annual General meeting of the company held on 5th August 2025. The dividend so declared has been accounted and adjusted during the year towards the brought forward balances of the profit & loss

NOTE 42 : SEGMENT INFORMATION :

The company operate's in a single segment therefore segment-wise reporting is not applicable for the company as required in accordance with Ind AS 108 for the year ended 31.03.2026.

NOTE 43 : CONTINGENT LIABILITIES :

43.01 The Holding company has received Assessment order from the GST department for Demand for Financial year 2023-24 for Rs 359.47 Lakhs towards the disallowance of the GST Input credit claimed for the IPO expenses and has also raised demand towards the Penalty for Rs 359.47 Lakhs against the said disallowances and has also raised demand of Rs 0.23 Lakhs towards inadmissible Input Tax credit & demand of Rs 0.23 Lakhs towards penalty for such inadmissible Input Tax credit. The said demand has been raised by GST department vide Order dated 30.03.2026. The company is in process of filing appeal with the higher authority related to the demand so raised by the assessing officer.

43.02 The Holding company has further received Assessment order from the GST department for Demand for Financial year 2019-20 for Rs 136.18 Lakhs which includes Rs 43.38 Lakhs of CGST & SGST towards the Tax not paid on Consideration Received as per Registered Agreement with respect to Transfer or Assignment of Lease Right by Transferor to any person and Rs 49.42 Lakhs for the Interest on the GST liability so determined & Penalty of Rs 43.38 lakhs. The said demand has been raised by GST department vide Order dated 27.03.2026. The company is in process of filing appeal with the higher authority related to the demand so raised by the assessing officer.

43.03 The holding company has received Assessment order from the Income Tax Department towards the assessment dues for the AY 2018-19 for Rs 4175.89 Lakhs towards the waiver of interest on working capital loans by the financial institution at the time of one-time settlement amounting to Rs. 6091.81 Lakhs has been added in the total income of the company under the head "undisclosed business income" for the AY 2018-19. Penalty proceedings under sections 270A has been initiated for under reporting of income. The said demand has been raised by Income Tax department vide Order dated 25.03.2026. The company has filed appeal with Commissioner of Income Tax (Appeals) on dated 8th April 2026 and the matter is subjudice.

43.04 The holding company has received Notice of Demand from the Panvel Muncipal Corporation towards the Property Tax of Rs 72.10 Lakhs for the FY 2025-26 vide their Notice dated 16.02.2026. The management is producng the the documents related to the payment of the property Tax of earlier year to the then Gram Panchayat authority therefore the muncipal corporation should not charge the additional amount as arrear byt the matter is still pending to conclude till the date of the balance sheet.

NOTE 44 : OTHER DISCLOSURES

44.01 In the opinion of the Board of Directors, the current assets are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and are not in excess of the amount considered reasonably necessary. Sundry debtors and creditors balances which are not receivable or payable due to the operational reasons, has been written off or written back during the year and accounted accordingly. Further the company has accounted provision for the doubtful debts during the year where there is contingencies of the recovery of the book debts.

44.02 Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment. Also interest liability for the delay payment of the statutory dues, if any, has been accounted for in the year in which the same

44.03 Balances of Debtors & Creditors & Loans & Advances taken & given are subject to confirmation and consequential adjustments, if any. Debtors & creditors balances has been shown separately and the advances received & paid from/to the parties is shown as advance from customers and advance to suppliers.

44.04 The group has not traded or invested in crypto currency or virtual currency during the financial year.

44.05 As per informations available, the group has no transactions which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provisions of the Income Tax Act, 1961.

44.06 The group do not hold any benami property and no proceedings has been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act 1988 and rules made there under.

44.07 Title deeds of all the immovable properties held by the group are in the name of the company. No revaluation of the property, plant and equipment's and intangible assets held by the company were done during the previous year, as the management is in the opinion that the same is not material and the same will be revewed in the subsequent years. Further the group is not holding any leased assets which are required to be disclosed separately.

44.08 The group has outstanding term loan availed from Kotak Mahindra Bank at the year ended against hypothecation of vehicle and the charge for the same is duly registered with Registrar of Companies within statutory period.

44.09 The group has not been declared as willful defaulter by any bank or financial Institution or any other lender during the financial year.

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44.10 The group do not had any transactions during the year with the companies which are struck off under section 248 of the companies Act 2013.

44.11 As per the informations & details available on records and the disclosure given by the management, the group has complied with the number of layers prescribed under clause (87) of section 2 of the companies Act read with the Companies (Restriction on number of layers) Rules 2017.

44.12 As per the informations & details available on records and the disclosure given by the management, the group has not advanced, loaned or invested to any other person or entity or foreign entities with the understanding 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 group or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.

44.13 There are no amounts due to be credited to investor education and protection fund in accordance with section 125 of the companies act, 2013 as at the year end.

44.14 The Holding company has over due receivables against the export realization of goods for INR equivalent to 3921.57 Lakhs (PY : 5337.13 Lakhs) due to the various business reasons. As per the information's available and as intimated by the management, the company is in process of availing extension from RBI through its authorized dealers for the overdue realizations however till the date of the balance sheet such extension has not been made.

44.15 The group's fixed assets & investment which has been impaired and has become non useful to the group has been recognized to the profit & loss account for the value over and above the recovered value of such assets and investments.

44.16 With Respect to disclosures Pursuant to Section 186 (4) of the Companies Act, 2013 the group has not given any amount in the nature of loan nor has provided any guarantee or security to any entity in connection with loan during the year.

44.17 No scheme of arrangement has been approved by the competent authority in terms of sections 230 to 237 of the companies act, 2013.

NOTE 45 :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs and decimal thereof as per the requirements of schedule III to the companies act, 2013, unless otherwise stated.

NOTE 46 : GOODWILL :

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of acquired companies. Goodwill arising out of business combination is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any

Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if indication of impairment exists. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

PARTICULARS	For the year ended 31.03.2026	For the year ended 31.03.2025
Goodwill		
Opening Balance for the year	126.75	-
Add : Additions due to acquisition	-	126.75
Less : Exchange differences	-	-
Closing Balance for the year	**126.75**	**126.75**

NOTE 47 :

The consolidated financial statements has been authorized for issue by the Board of directors on dated 5th May 2026.

NOTE 48 : EVENTS AFTER REPORTING DATE :

The Board of Directors of the holding company at their Board meeting held on 5th May, 2026 have recommended final dividend of Rs. 0.40 (20%) per fully paid up equity share of ₹ 2/- each for the financial year ended 31st March, 2026, subject to approval of shareholders at ensuing Annual General Meeting of the Company

NOTE 49 :

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure

As Per Our Report of even date
FOR SHWETA JAIN & CO LLP
CHARTERED ACCOUNTANTS
F.R.N. : 127673W/W101149

Priyanka

SHWETA JAIN & CO LLP THANE Chartered Accountants

PRIYANKA JAJU
(Partner)
Membership No : 416197
Place : Mumbai
Dated : 5th May 2026
UDIN No : 26416197DGVJSN1354

For and on behalf of the Board

AEROFLEX INDUSTRIES LIMITED MUMBAI

ASAD DAUD
MANAGING DIRECTOR
(DIN-02491539)

MUSTAFA A KACHWALA
WHOLETIME DIRECTOR & CFO
(DIN-03124453)

RUTHU PARAMPOGI
COMPANY SECRETARY AND COMPLIANCE OFFICER
(M.No : A60982)