*Placement Document*
*Private and confidential*
*Serial number_____*

# PTC INDUSTRIES LIMITED

**Registered Office and Corporate Office:** Advanced Manufacturing & Technology Centre, NH25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh, India.
**Telephone No:** +91 522 7111017
**Corporate Identity Number**: L27109UP1963PLC002931
**Contact Person**: Pragati Gupta Agrawal, Company Secretary and Compliance Officer; **Email**: companysecretary@ptcil.com; **Website:** www.ptcil.com

PTC Industries Limited ("**Issuer**" or our "**Company**") was originally incorporated as "*Precision Tools & Castings Private Limited* on March 20, 1963 as a private limited company, under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Uttar Pradesh at Kanpur. Thereafter, our Company was converted into a public limited company and subsequently the name of our Company was changed to "*Precision Tools & Castings Limited*" and a fresh certificate of incorporation was issued by the Registrar of Companies, Uttar Pradesh at Kanpur consequent upon change of name of our Company on October 25, 1994. Further, the name of our Company was changed to '*PTC Industries Limited'* pursuant to special resolution of our Shareholders passed at the extra-ordinary general meeting of our Company dated December 28, 1998 and a fresh certificate of incorporation dated January 22, 1999, consequent to such name change was issued to our Company by the Registrar of Companies, Uttar Pradesh at Kanpur. For further details, please see the section entitled "*General Information*" on page 329.

Issue of 854,700 equity shares aggregate of face value ₹10 each (the "**Equity Shares**") at a price of ₹ 21,060.00 per Equity Share (the "**Issue Price**"), including a premium of ₹ 21,050.00 per Equity Share, aggregating to ₹179,999.82[*] lakhs (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 36.

[*] *Subject to allotment of Equity Shares pursuant to the Issue.*

**THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AS AMENDED AND THE RULES MADE THEREUNDER, AS AMENDED (THE "COMPANIES ACT, 2013").**

The Equity Shares of the Company are listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", together with **"NSE"**, the "**Stock Exchanges**"). The closing prices of the Equity Shares on BSE and NSE as on October 8, 2026 was ₹ 24,480.10 and ₹ 24,470.00 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**"), for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE on October 6, 2026, each. Our Company shall make applications to the Stock Exchanges for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

**OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED BELOW) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 AND 62 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER. THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT WAS CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES WERE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS ("QIBs").**

**YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.**

**INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "*RISK FACTORS*" BEGINNING ON PAGE 49 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THE PRELIMINARY PLACEMENT DOCUMENT AND/OR THIS PLACEMENT DOCUMENT, YOU SHOULD CONSULT OWN ADVISORS.**

A copy of the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereafter)) was delivered to the Stock Exchanges and a copy of this Placement Document (which shall also include disclosures prescribed under Form PAS-4) has been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the Registrar of Companies, Uttar Pradesh-I, Kanpur ("**RoC**"), within the stipulated period as prescribed under the Companies Act, 2013 and the PAS Rules. The Preliminary Placement Document and this Placement Document have not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs (as defined hereinafter). This Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue have been made pursuant to the Preliminary Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "*Issue Procedure*" beginning on page 271. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The information on our Company's website or any website directly or indirectly linked to our Company's website or the website of the Book Running Lead Managers (as defined hereinafter) or any of their respective affiliates does not constitute nor form part of this Placement Document and investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those offers and sales are made; and (ii) within the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) (a "**U.S. QIB**"), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act. The Equity Shares are transferable only in accordance with the restrictions described under the section "***Selling Restrictions***" beginning on page 289 for information about eligible offerees for the Issue and "***Transfer Restrictions and Purchaser Representations***" beginning on page 298 for information about transfer restrictions that apply to the Equity Shares sold in the Issue. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Placement Document as "QIBs".

This Placement Document is dated October 9, 2026.

| **BOOK RUNNING LEAD MANAGERS** | |
|---|---|
| **ICICI Securities Limited** | **Goldman Sachs (India) Securities Private Limited** |

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## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company, its Subsidiaries and its Associate Company (collectively, our "**Group**") and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Group and the Equity Shares are, in all material respects, true and accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Group and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on reasonable assumptions and information presently available to our Group. There are no other facts in relation to our Group and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Group nor ICICI Securities Limited and Goldman Sachs (India) Securities Private Limited (the "**Book Running Lead Managers**" or "**BRLMs**") has any obligation to update such information to a later date.

The information contained in this Placement Document has been provided by our Company and from other sources identified herein, as applicable. The Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Placement Document to any person other than the Eligible QIBs specified by the Book Running Lead Managers or their representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any offering material in connection with the Equity Shares.

The Book Running Lead Managers have not separately verified all of the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers and/or any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with our Group and the Issue of the Equity Shares or distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has not relied either on the Book Running Lead Managers or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Group and the merits and risks involved in investing in the Equity Shares issued pursuant to this Issue. Investors should not construe the contents of this Placement Document as legal, tax, accounting or investment advice.

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or on behalf of the Book Running Lead Managers. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The distribution of this Placement Document and the issue of Equity Shares and the offering of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken or will be taken by our Company and the Book Running Lead Managers that would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country

or jurisdiction. Purchasers of the Equity Shares offered in this Issue will be deemed to make the representations, warranties, acknowledgements and agreements set forth in and the Equity Shares are transferable only in accordance with, the restrictions described in the sections titled "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 5, 289 and 298, respectively.

**The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including SEBI, the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold by our Company (a) in the United States only to persons reasonably believed to be 'qualified institutional buyers' (as defined in Rule 144A under the U.S. Securities Act) pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act; and (b) outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. For further details, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" beginning on pages 289 and 298, respectively.

This Placement Document does not purport to contain all the information that any Eligible QIB may require in order to make an investment decision in relation to the Equity Shares offered in the Issue. In making an investment decision, the investors must rely on their own examination of our Group and the Equity Shares and the terms of this Issue, including merits and risks involved. Investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the Book Running Lead Managers are not making any representations to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality or suitability of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorised financial advisor and/or legal advisor.

**Each investor, subscriber, offeree or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Sections 42 and 62 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act and rules made thereunder, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority, in India or any other jurisdiction from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each investor, subscriber, offeree or purchaser of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.**

The information on our Company's website, viz, www.ptcil.com or any website directly or indirectly linked to our Company or on the website of the Book Running Lead Managers or any of their respective affiliates, does not constitute nor form part of this Placement Document. Investors should not rely on such information contained in, or available through, any such websites. This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

Neither our Company nor the Book Running Lead Managers undertake to update this Placement Document to reflect subsequent events after the date of this Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

Our Company and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations (as defined hereinafter) and the QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations (as defined hereinafter) and other applicable laws, rules, regulations, guidelines and circulars.

Our Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchanges and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchanges all such information as the rules of the Stock Exchanges may require in connection with the listing of the Equity Shares on the Stock Exchanges.

**NOTICE TO INVESTORS IN THE UNITED STATES**

**THE EQUITY SHARES HAVE NOT BEEN RECOMMENDED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY OTHER U.S. FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS PLACEMENT DOCUMENT OR APPROVED OR DISAPPROVED THE EQUITY SHARES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF OUR COMPANY AND THE TERMS OF THE ISSUE, INCLUDING THE MERITS AND RISKS INVOLVED.**

**THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OR ANY OTHER APPLICABLE LAW OF THE UNITED STATES AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES ARE BEING OFFERED AND SOLD (A) IN THE UNITED STATES ONLY TO PERSONS REASONABLY BELIEVED TO BE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144(A) UNDER THE U.S. SECURITIES ACT) PURSUANT TO THE PRIVATE PLACEMENT EXEMPTION SET OUT IN SECTION 4(A)(2) OF THE U.S. SECURITIES ACT AND (B) OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS", AS DEFINED, AND IN RELIANCE ON, REGULATION S UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTIONS WHERE THOSE OFFERS AND SALES ARE MADE. THE EQUITY SHARES ARE TRANSFERABLE ONLY IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED UNDER THE SECTIONS "*SELLING RESTRICTIONS*" AND "*TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS*" BEGINNING ON PAGES 289 AND 298, RESPECTIVELY.**

**NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS**

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 289 and 298, respectively.

## REPRESENTATIONS BY INVESTORS

All references herein to "you" or "your" in this section are to the Investors in the Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreements set forth in the sections "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations"*** on pages 2, 289 and 298, respectively, and to have represented, warranted, acknowledged to and agreed with our Company and the Book Running Lead Managers, as follows:

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Group which is not set forth in the Preliminary Placement Document and this Placement Document;

- You are a "**Qualified Institutional Buyer**" ("**QIB**") as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, and all other applicable laws; and (ii) comply with all requirements under SEBI ICDR Regulations, the Companies Act, and all other applicable laws in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

- You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;

- If you are not a resident of India, but a QIB, you are an Eligible FPI (as defined hereinafter) (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI (as defined hereinunder). You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;

- You are aware that in terms of the SEBI FPI Regulations and FEMA Rules, the issue of Equity Shares to a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable;

- You will provide the information as required under the provisions of the Companies Act, 2013, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue

and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

- If you are Allotted Equity Shares pursuant to this Issue, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. For more information, see *"Selling Restrictions"* and *"**Transfer Restrictions and Purchaser Representations**"* on pages 289 and 298, respectively;

- You are aware that the Preliminary Placement Document and this Placement Document has not been and will not be registered as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document was filed and this Placement Document has been filed with the Stock Exchanges for record purposes only and is displayed on the websites of our Company and the Stock Exchanges;

- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in the Preliminary Placement Document and this Placement Document), and will honour such obligations;

- You are aware that, our Company, the Book Running Lead Managers or any of its respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the Book Running Lead Managers. The Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;

- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in the Preliminary Placement Document and this Placement Document;

- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association (as defined hereinafter) and Articles of Association (as defined hereinafter) of

our Company and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared.

- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Group present and future business strategies and environment in which our Group will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;

- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

- You are aware that in terms of the requirements of the Companies Act, 2013 upon Allocation, our Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

- You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures;

- You have been provided serially numbered copies of the Preliminary Placement Document and this Placement Document and have read it in its entirety; including, in particular "*Risk Factors*" on page 49;

- In making your investment decision, you have (i) relied on your own examination of the Group, and the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, its Subsidiaries and Associate Company and the Equity Shares and the terms of the Issue based on information as is publicly available, and in reliance of the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

- Neither our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of their respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

- If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;

- You are not a "promoter"(as defined under the Companies Act, 2013 and the SEBI ICDR Regulations) of our Company and are not a person related to any of our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any of our 'Promoters', or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;

- You have no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board (as defined hereinafter), other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares. (A QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

- You agree that in terms of Section 42(7) of the Companies Act, 2013 and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Placement Document and other filings required under the Companies Act, 2013;

- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);

- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible, as per any applicable law;

- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;

- Your aggregate equity shareholding in our Company, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

  Eligible QIBs "belonging to the same group" shall mean entities where:

(a) any of them controls, directly or indirectly, through its subsidiaries or holding company, not less than 15% of the voting rights in the other;

(b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or

(c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiaries or holding company and any other Eligible QIB; and

'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

- You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchanges;

- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;

- You are aware and understand that the Book Running Lead Managers have entered into a Placement Agreement with our Company whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;

- You understand the contents of the Preliminary Placement Document and this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on their behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in the Preliminary Placement Document and this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document and this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Book Running Lead Managers or our Company or any other person, and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the Book Running Lead Managers and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;

- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws;

- If you are within the United States, you are a U.S. QIB, who is or are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the definition of a U.S. QIB for investment purposes only, and not with a view to, or for offer or sale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part;

- If you are outside the United States, you are purchasing the Equity Shares in an "offshore transaction", as defined in, and in reliance on, Regulation S of the U.S. Securities Act and in compliance with laws of all jurisdictions applicable to you;

- You understand that the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any such Equity Shares;

- You are not acquiring or subscribing for the Equity Shares as a result of any "general solicitation" or "general advertising" (within the meaning of Regulation D under the U.S. Securities Act) or "directed selling efforts" (as defined in Regulation S of the U.S. Securities Act) and you understand and agree that offers and sales are being made in reliance on an exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof;

- You understand that our Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended ("**Investment Company Act**") and you will not be entitled to the benefits of the Investment Company Act;

- You are able to purchase the Equity Shares in accordance with the restrictions described in "***Selling Restrictions***" on page 289 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" on page 289 and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Lucknow, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;

- You agree to indemnify and hold our Company, the Book Running Lead Managers and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

- You acknowledge that the Preliminary Placement Document does not, and this Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;

- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, read with Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules;

- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Book Running Lead Managers;

- You represent that you are not an affiliate of our Company or the Book Running Lead Managers or a person acting on behalf of such affiliate. However, affiliates of the BRLMs, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see "*Offshore Derivative Instruments*" on page 12;

- Our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the Book Running Lead Managers; and

- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

## OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations and the Master Circular for Foreign Portfolio Investors and Designated Depository Participants and Eligible Foreign Investors dated May 30, 2024, as amended from time to time ("**FPI Master Circular**"), an Eligible FPI including the affiliates of the Book Running Lead Managers, which is registered as a category I FPIs may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**"), and persons who are eligible for registration as Category-I FPI can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments.

For further details relating to investment limits of FPIs, see "*Issue Procedure*" on page 271. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. The FPI Master Circular prescribes additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to the Preliminary Placement Document and this Placement Document.

In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Such P-Notes can be issued subject to compliance with the KYC norms and such other conditions as specified by SEBI from time to time, including payment of applicable regulatory fee. P-Notes have not been and are not being offered or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including without limitation any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control,) is not permitted to be 10.00% or above of our post-Issue paid-up Equity Share capital on a fully diluted basis ("**Investment Restrictions**"). The SEBI has, *vide* the FPI Master Circular, issued guidance for FPIs, designated depository participants and eligible foreign investors, to facilitate implementation of the SEBI FPI Regulations. In terms of such guidance, the Investment Restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event an investor has investments as an FPI investment and as a subscriber of P-Notes, these Investment Restrictions shall apply on the aggregate of the FPI and P-Notes positions held in the underlying company.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with Consolidated FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

Further, in accordance with Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments including P-Notes.

Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and does not constitute any obligations of or claims on the Book Running Lead Managers.

**Investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

Please also see "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 289 and 298, respectively.

## DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of any of the contents of the Preliminary Placement Document and this Placement Document;

(2) warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Promoters, our management or any scheme or project of the Company.

It should not for any reason be deemed or construed to mean that the Preliminary Placement Document and this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

### Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'Bidder', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue and references to 'our Company', 'Company', 'the Company' and the 'Issuer', are to PTC Industries Limited, on a standalone basis and references to 'we', 'us', or 'our' are to our Group as at and during relevant fiscal/period on a consolidated basis.

### Currency and units of presentation

In this Placement Document, all references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India and '$', 'USD' and 'Dollar' are legal currency of United States of America and '£' and 'GBP' are legal currency of the United Kingdom. All references herein to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and all references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable.

All the numbers in this Placement Document have been presented in ₹ lakhs, unless stated otherwise. The amounts derived from financial statements included herein are presented in ₹ lakhs. Except as otherwise set out in this Placement Document, all figures set out in this Placement Document have been rounded off to the nearest whole number and rounded off to two decimal places, as applicable. However, all figures expressed in terms of percentage, have been rounded off to one or two decimal places, as applicable. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Unless otherwise specified, all financial numbers in parentheses represent negative figures.

In this Placement Document, references to "Lakhs" represents "1,00,000", "million" represents "10 lakh" or "1,000,000", "Crore" represents "1,00,00,000" or "10 million" or "100 lakhs", and "billion" represents "1,000,000,000" or "1,000 million" or "100 Crore".

### Page numbers

Unless stated otherwise, all references to page numbers in this Placement Document are to the page numbers of this Placement Document.

### Financial Data and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'fiscal' or 'FY' are to the twelve-month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that particular year.

Our Company has published its Condensed Interim Financial Statements for the three months periods ended June 30, 2026 and June 30, 2025 in Indian Rupees in lakhs, Audited Consolidated Financial Statements for the Fiscal 2026, Fiscal 2025 and Fiscal 2024 in Indian Rupees in lakhs, and the Unaudited Consolidated Financial Results as at and for the three months period ended on June 30, 2026 and June 30, 2025 in Indian Rupees in lakhs, for inclusion in this Placement Document.

As required under the applicable regulations, and for the convenience of investors, we have included the following in this Placement Document:

(a) unaudited condensed consolidated interim financial statements as at and for the three months ended June

30, 2026 and June 30, 2025 prepared in accordance with the Indian Accounting Standard 34, Interim Financial Reporting ("**Ind AS 34**"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India ("**Condensed Interim Financial Statements")** together with their report issued by our Statutory Auditors.

(b) consolidated unaudited financial results of our Company, as at and for the three-months period ended on June 30, 2026 prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI Listing Regulations (the "**Consolidated June 2026 Unaudited Financial Results**"), together with their report issued by our Statutory Auditors.

(c) the audited consolidated financial statements of our Company, as at and for the financial year ended March 31, 2026 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013 read with the presentation requirements of Division II of Schedule III to the Companies Act, 2013 and which comprises the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, along with notes to the consolidated financial statements, a summary of material accounting policies and other explanatory information (the "**Fiscal 2026 Audited Consolidated Financial Statements**");

(d) consolidated unaudited financial results of our Company, as at and for the three-months period ended on June 30, 2025 prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI Listing Regulations (the "**Consolidated June 2025 Unaudited Financial Results**" and collectively, together with the Consolidated June 2026 Unaudited Financial Results, the "**Unaudited Consolidated Financial Results**"), together with their report issued by our Statutory Auditors.

(e) the audited consolidated financial statements of our Company, as at and for the financial year ended March 31, 2025 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013 read with the presentation requirements of Division II of Schedule III to the Companies Act, 2013 and which comprises the consolidated balance sheet as at March 31, 2025, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, along with notes to the consolidated financial statements, a summary of material accounting policies and other explanatory information (the "**Fiscal 2025 Audited Consolidated Financial Statements**");

(f) the audited consolidated financial statements of our Company as at and for the financial year ended March 31, 2024 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013 read with the presentation requirements of Division II of Schedule III to the Companies Act, 2013 and which comprises the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, along with notes to the consolidated financial statements, a summary of material accounting policies and other explanatory information (the "**Fiscal 2024 Audited Consolidated Financial Statements**" and collectively, together with the Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2026 Audited Consolidated Financial Statements, (the "**Audited Consolidated Financial Statements**").

The Audited Consolidated Financial Statements have been audited by our Statutory Auditors, S N Dhawan & CO LLP on which they have issued the respective audit reports, each dated May 30, 2026, May 30, 2025, and May 28, 2024 for Fiscal 2026, Fiscal 2025 and Fiscal 2024 respectively. Further, the limited review of the Condensed Interim Financial Statements has been carried out by the Statutory Auditors, on which they have issued the limited review report dated October 5, 2026. Further, the Unaudited Consolidated Financial Results has been carried out by the Statutory Auditors, on which they have issued the respective limited review reports each dated August 8, 2026 and August 14, 2026, respectively.

The Audited Consolidated Financial Statements should be read along with the respective audit reports and the Unaudited Consolidated Financial Results should be read along with the respective review reports. Further, our Condensed Interim Financial Statements and the Unaudited Consolidated Financial Results are not necessarily indicative of results that may be expected for the full financial year or any future reporting period and are not comparable with the annual financials. Except as specifically indicated otherwise and unless the context requires otherwise, all the financial information as at and for Fiscals 2026, 2025 and 2024 included in this Placement Document have been derived from the Audited Consolidated Financial Statements.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**") and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. Accordingly, the degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, 2013, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited. Also see, "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our results of operations, financial condition and cash flows. Accordingly, financial statements included in this Placement Document might not provide meaningful information to readers whose level of familiarity with Indian accounting practices is limited.*" on page 75

For further details, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 108. All numerical and financial information as set out and presented in this Placement Document, except for the information in the section "*Industry Overview*", for the sake of consistency and convenience have been rounded off or expressed in two decimal places in ₹ lakhs. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them and the sum or percentage change of such numbers may not conform exactly to the total figure given.

**Non-GAAP financial measures**

Certain non-GAAP measures and certain other statistical information such as EBITDA, EBITDA Margins, ROE, Debt/Equity, Interest Coverage Ratio, ROCE, RONW, PAT Margins (together referred as "**Non-GAAP Measures**") presented in this Placement Document are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance or liquidity. Investors should read this information in conjunction with the financial statements included in "***Financial Information***" starting on page 327.

## INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and analysts and on data from other external sources, and on our knowledge of markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been obtained from the report titled "*Industry Report on Aerospace & Defence (Global & Indian Scenario)"* prepared by Dun & Bradstreet dated September 28, 2026 ("**D&B Report**") which is a report exclusively commissioned and paid for by our Company in connection with the Issue. Dun & Bradstreet is not related in any manner to our Company, our Directors, our Subsidiaries, our Associate Company, our Key Managerial Personnel, our Senior Management, our Promoters or the BRLMs appointed in relation to the Issue.

The data in the D&B Report is based on information as of specific dates and may no longer be current or reflect current trends. The D&B Report may also base their data on estimates, projections, forecasts and assumptions that may prove to be incorrect. This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Certain sections of this Placement Document contain information from a third-party report that was commissioned and paid for by us, and reliance on such information for making an investment decision in the Issue is subject to inherent risks.*" on page 68. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information. Similarly, while we believe that our internal estimates are reasonable, such estimates have not been verified by any independent sources, and neither our Company nor the Book Running Lead Managers can assure potential investors as to their accuracy.

Neither we nor the Book Running Lead Managers have independently verified the industry and third-party information therein and do not make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Book Running Lead Managers can assure potential investors as to their accuracy.

## AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, our Company will, during any period in which it is neither subject to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, promptly furnish or cause to be furnished to the BRLMs and, upon request of any holder or beneficial owner of such restricted securities or any prospective purchaser of such restricted securities designated by such holder or beneficial owner, to such holder, beneficial owner or prospective purchaser, the information required to be delivered to holders, beneficial owners and prospective purchasers of the Equity Shares being issued by Rule 144A(d)(4) under the U.S. Securities Act, subject to compliance with the applicable provisions of Indian law.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute forward-looking statements. The investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'goal', 'intend', 'may', 'will', 'plan', 'objective', 'potential', 'project', 'pursue', 'seek to', 'shall', 'should', 'would', 'will likely result', 'will continue', 'will pursue', 'will achieve', 'is likely' or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements and any other projections include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document regarding matters that are not historical facts. These forward-looking statements contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- Our business is significantly dependent on exports and any adverse changes in our export markets could adversely affect our business, financial condition, results of operations and cash flows.

- Our manufacturing operations are critical to our business, and any disruption in the operations of our manufacturing facilities could adversely affect our business, financial condition, results of operations and cash flows.

- Our business depends on advanced manufacturing technologies, proprietary processes and specialised technical know-how. Any inability to effectively utilise such technologies and capabilities could adversely affect our business, financial condition, results of operations and cash flows.

- We rely on certain customers for a significant portion of our revenues. The loss of key customers, reduction in customer orders or inability to secure new programmes could adversely affect our business, financial condition, results of operations and cash flows.

- We are subject to stringent qualification, certification, approval and product quality requirements. Any failure to obtain, maintain or renew such qualifications and approvals, or to consistently meet required quality, performance and technical standards, could adversely affect our business, financial condition, results of operations and cash flows.

- Our manufacturing operations involve hazardous processes and materials and expose us to workplace health, safety, environmental and operational risks. Any accidents, incidents at our manufacturing facilities or failures of our safety systems could adversely affect our business, financial condition, results of operations and cash flows.

- Any disruption in the supply of raw materials or components, or failure of our suppliers to meet their obligations, could adversely affect our business, financial condition, results of operations and cash flows.

- Development of new products, process improvements and production techniques involve a lengthy and expensive process with uncertain timelines and outcomes. The failure to develop new or improved products or process improvements or production techniques could adversely affect our business, financial condition and results of operations.

- Our operations are labour intensive and depend on the availability of skilled personnel. Any inability to attract, retain, train and manage our workforce, or any disruption in labour availability, could adversely affect our business, financial condition, results of operations and cash flows.

- We may not be able to successfully expand, commission, operationalise and scale our manufacturing capabilities. Any delays, cost overruns or failure to achieve the expected benefits from our expansion initiatives could adversely affect our business, financial condition, results of operations and cash flows.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Industry Overview*" and "*Our Business*" and on pages 49, 108, 124 and 231, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated, expressed or implied by such forward looking statements or other projections.

The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document, and neither our Company nor the Book Running Lead Managers nor any of their respective affiliates undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with the SEBI and Stock Exchange requirements, our Company and the Book Running Lead Managers will ensure that the Shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchanges.

## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public company with limited liability incorporated under the laws of India. All of our Directors, members of Senior Management and Key Managerial Personnel of our Company named herein are residents of India and majority of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code (as defined below), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

(i) where the judgment has not been pronounced by a court of competent jurisdiction;
(ii) where the judgment has not been given on the merits of the case;
(iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;
(iv) where the proceedings in which the judgment was obtained were opposed to natural justice;
(v) where the judgment has been obtained by fraud; and
(vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the foreign judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards (even if such an award is enforceable as a decree or a judgement). The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Certain territories have been declared to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code by the Government of India, comprising United Kingdom, Aden, Fiji, Republic of Singapore, Federation of Malaysia, Trinidad and Tobago, New Zealand, the Cook Islands (including Niue) and the Trust Territories of Western Samoa, Hong Kong, Papua New Guinea, Bangladesh and United Arab Emirates. The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment.

A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered pursuant to the execution of such foreign judgement, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax pursuant to

execution of such a judgment in accordance with applicable laws. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## EXCHANGE RATES INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

**INR to USD**

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$), for the periods indicated. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

*(₹ per US$)*

| | Period End[(1)] | Average[(2)] | High[(3)] | Low[(4)] |
|---|---|---|---|---|
| **Fiscal Ended:** | | | | |
| March 31, 2026 | 94.65 | 88.31 | 94.65 | 83.86 |
| March 31, 2025 | 85.58 | 84.57 | 87.59 | 83.07 |
| March 31, 2024 | 83.37 | 82.79 | 83.40 | 81.65 |
| | | | | |
| **Months ended:** | | | | |
| September 30, 2026 | 95.98 | 95.46 | 96.03 | 94.45 |
| August 31, 2026 | 95.45 | 95.47 | 95.75 | 95.12 |
| July 31, 2026 | 95.37 | 95.82 | 96.54 | 94.73 |
| June 30, 2026 | 94.60 | 94.97 | 95.78 | 94.28 |
| May 31, 2026 | 95.38 | 95.60 | 96.84 | 94.44 |
| April 30, 2026 | 95.24 | 93.55 | 95.24 | 92.56 |

*Source: www.fbil.org.in.*

*Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.*

*Notes:*
1. *The rate for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.*
2. *Represents the average of the official rate for each Working Day of the relevant period.*
3. *Maximum of the official rate for each Working Day of the relevant period.*
4. *Minimum of the official rate for each Working Day of the relevant period.*

***Note:***
In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

**INR to GBP**

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and the GBP (in ₹ per £), for the periods indicated. No representation is made that any Rupee amounts could have been, or could be, converted into GBP at any particular rate, the rates stated below, or at all.

(₹ Per £)

| | Period End[(1)] | Average[(2)] | High[(3)] | Low[(4)] |
|---|---|---|---|---|
| **Fiscal Ended:** | | | | |
| March 31, 2026 | 125.63 | 118.44 | 127.25 | 109.87 |
| March 31, 2025 | 110.74 | 107.89 | 112.81 | 102.88 |
| March 31, 2024 | 105.29 | 104.07 | 107.64 | 100.39 |
| | | | | |
| **Months ended:** | | | | |
| September 30, 2026 | 127.19 | 128.08 | 129.45 | 126.83 |
| August 31, 2026 | 129.29 | 128.86 | 130.66 | 127.42 |
| July 31, 2026 | 127.28 | 128.23 | 130.37 | 125.42 |

| | Period End[(1)] | Average[(2)] | High[(3)] | Low[(4)] |
|---|---|---|---|---|
| June 30, 2026 | 125.13 | 126.70 | 128.78 | 124.50 |
| May 31, 2026 | 128.18 | 128.96 | 129.77 | 128.09 |
| April 30, 2026 | 128.20 | 125.78 | 128.20 | 122.99 |

*Source: www.fbil.org.in.*

*Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.*

*Notes:*

1. *The rate for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.*
2. *Represents the average of the official rate for each Working Day of the relevant period.*
3. *Maximum of the official rate for each Working Day of the relevant period.*
4. *Minimum of the official rate for each Working Day of the relevant period.*

***Note:***

In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

For further details, please also see "*Risk Factors - Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results*." on page 79 of this Placement Document.

## DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein.

The following list of certain capitalized terms used in this Placement Document is intended for the convenience of the reader / investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further, any references to any statute, rules, guidelines, regulations, agreement, document or policies shall include amendments thereto, from time to time

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "***Statement of Possible Special Tax Benefits***", "***Industry Overview***", "***Financial Information***" and "***Legal Proceedings***" beginning on page 308, 124, 327 and 322, respectively, shall have the meaning given to such terms in such sections.

**General Terms**

| Term | Description |
|---|---|
| "Issuer", "PTCIL", "Company", "our Company", "the Company" | Unless the context otherwise indicates or requires, refers to PTC Industries Limited, a company incorporated under the Companies Act, 1956 having its registered and corporate office at Advanced Manufacturing & Technology Centre, NH25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh, India. |
| "we", "us" or "our" or "Group" | Unless the context otherwise indicates or requires, refers to our Company together with our Subsidiaries and Associate Company, on consolidated basis. |

**Company Related Terms**

| Term | Description |
|---|---|
| Articles or Articles of Association | Articles of association of our Company, as amended from time to time. |
| Associate Company | Our associate company being, Advanced Materials (Defence) Testing Foundation. |
| Audit Committee | The audit committee of our Board of Directors, as disclosed in "***Board of Directors and Senior Management - Committees of the Board of Directors***" on page 247. |
| Audited Consolidated Financial Statements | Collectively, Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements. |
| Auditors / Statutory Auditors | The statutory auditors of our Company, namely, S N Dhawan & CO LLP |
| Board of Directors / Board | The board of directors of our Company or any duly constituted committee thereof |
| Chief Financial Officer/CFO | The chief financial officer of our Company being Smita Agarwal |
| Company Secretary and Compliance Officer | The company secretary and compliance officer of our Company, being Pragati Gupta Agrawal |
| Condensed Interim Financial Information | Unaudited condensed consolidated interim financial statements as at and for the three months ended June 30, 2026 and June 30, 2025 prepared in accordance with the Indian Accounting Standard 34, Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India together with their report issued by our Statutory Auditors, S N Dhawan & CO LLP. |
| Consolidated June 2026 Unaudited Financial Results | Consolidated unaudited financial results of our Company as at and for the three-months ended June 30, 2026 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013, |

| Term | Description |
|---|---|
| | and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI Listing Regulations, together with their report issued by our Statutory Auditors, S N Dhawan & CO LLP. |
| Consolidated June 2025 Unaudited Financial Results | Consolidated unaudited financial results of our Company as at and for the three-months ended June 30, 2025 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI Listing Regulations, together with their report issued by our Statutory Auditors, S N Dhawan & CO LLP. |
| Corporate Social Responsibility Committee | The corporate social responsibility committee of our Company, constituted by our Board in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and as described in "***Board of Directors and Senior Management***" on page 247. |
| Director(s) | The director(s) on the Board of our Company. |
| D & B Report | The report titled "*Industry Report on Aerospace & Defence (Global & Indian Scenario)*", dated September 28, 2026 prepared by Dun & Bradstreet and commissioned and paid for by our Company pursuant to an engagement dated August 6, 2026 with Dun & Bradstreet. |
| Equity Share(s) | The equity shares of our Company of face value of ₹ 10 each. |
| Executive Director(s) | The executive director(s) as per the Companies Act and the SEBI Listing Regulations, who is currently on the Board of our Company, as disclosed in "Board of Directors and Senior Management", on page 247 |
| Fiscal 2024 Audited Consolidated Financial Statements | Audited consolidated financial statements of our Company as at and for the financial year ended March 31, 2024 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013 read with the presentation requirements of Division II of Schedule III to the Companies Act, 2013 and which comprises the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, along with notes to the consolidated financial statements, a summary of material accounting policies and other explanatory information and audit report thereon issued by our Statutory Auditors, S N Dhawan & CO LLP. |
| Fiscal 2025 Audited Consolidated Financial Statements | Audited consolidated financial statements of our Company at and for the financial year ended March 31, 2025 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013 read with the presentation requirements of Division II of Schedule III to the Companies Act, 2013 and which comprises the consolidated balance sheet as at March 31, 2025, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, along with notes to the consolidated financial statements, a summary of material accounting policies and other explanatory information and audit report thereon issued by our Statutory Auditors, S N Dhawan & CO LLP. |
| Fiscal 2026 Audited Consolidated Financial Statements | Audited consolidated financial statements of our Company as at and for the financial year ended March 31, 2026 prepared in accordance with Ind AS notified under the Ind AS Rules and Section 133 of the Companies Act, 2013 read with the presentation requirements of Division II of Schedule III to the Companies Act, 2013 and which comprises the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, along with notes to the consolidated financial statements, a summary of material accounting policies and other explanatory information and audit report thereon issued by our Statutory Auditors, S N Dhawan & CO LLP. |

| Term | Description |
|---|---|
| Independent Director(s) | The non-executive independent director(s) of our Company as per section 2(47) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, being Vishal Mehrotra, Prashuka Jain, Kamesh Gupta and Rakesh Shukla. |
| Key Managerial Personnel/KMP | Key managerial personnel of our Company as defined under Regulation 2(1)(bb) of the SEBI ICDR Regulation and as disclosed in "*Board of Directors and Senior Management*" on page 247 |
| Managing Director | The managing director of our Company, being Sachin Agarwal. |
| Material Subsidiaries | Our material subsidiaries in terms of the SEBI Listing Regulations, namely Aerolloy Technologies Limited and TRAC Precision Solutions Limited. |
| Memorandum or Memorandum of Association | Memorandum of association of our Company, as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Company, constituted by our Board in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and as described in "***Board of Directors and Senior Management***" on page 247. |
| Promoter(s) | The promoters of our Company in terms of SEBI ICDR Regulations and the Companies Act, being Sachin Agarwal and Satish Chandra Agarwal HUF (Karta Sachin Agarwal). |
| Promoter Group | The promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations. |
| Listing and Fund Raising Committee | The listing and fund raising committee constituted by our Board as disclosed in "*Board of Directors and Senior Management*" on page 247. |
| Registered Office and Corporate Office | Advanced Manufacturing & Technology Centre, NH25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh, India. |
| "Registrar of Companies" / "RoC" | The Registrar of Companies, Uttar Pradesh–I, Kanpur. |
| Risk Management Committee | The risk management committee of our Board of Directors as disclosed in "***Board of Directors and Senior Management- Committees of the Board of Directors***" on page 253. |
| Senior Management | Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "*Board of Directors and Senior Management*" beginning on page 247. |
| Shareholder(s) | The holders of the Equity Shares of our Company, from time to time. |
| Stakeholders Relationship Committee | The stakeholders relationship committee constituted by our Board of Directors |
| Subsidiaries | Collectively, the subsidiaries of our Company namely, the following:<br><br>***Direct subsidiaries:***<br><br>• Aerolloy Technologies Limited<br><br>• TRAC Holdings Limited<br><br>***Step-down subsidiaries:***<br><br>• Broomco (4266) Limited<br><br>• TRAC Group Limited<br><br>• Trac Precision Solutions Limited<br><br>For further, details, see "*Organizational Structure*" on page 269 |

| Term | Description |
|---|---|
| Whole-Time Director(s) | The whole-time directors of our Company as per section 2(94) of the Companies Act, 2013, being Alok Agarwal, Priya Ranjan Agarwal and Smita Agarwal. |

**Issue related Terms**

| Term | Description |
|---|---|
| Allocated/ Allocation | The allocation of Equity Shares by our Company, in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the Book Running Lead Managers in compliance with Chapter VI of the SEBI ICDR Regulations. |
| Allot/ Allotment/ Allotted | Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue. |
| Allottees | Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue. |
| Application Amount | The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form. |
| Application Form | The form (including any revisions thereof) which was submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period.<br><br>An indicative format of such form is set forth in "Sample Application Form" beginning on page 337. |
| Bid(s) | Indication of an Eligible QIB's interest, including all revisions and modifications of interest thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly. |
| Bid/Issue Closing Date | October 9, 2026, the date after which our Company (or Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount. |
| Bid/Issue Opening Date | October 6, 2026, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount. |
| Bid/Issue Period | Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids including any revision and/or modifications thereof. |
| Bidder(s) | Any prospective investor, being an Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form. |
| Book Running Lead Managers/BRLMs | ICICI Securities Limited and Goldman Sachs (India) Securities Private Limited |
| CAN/ Confirmation of Allocation Note | Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to such Bidders. |
| Closing Date | The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about October 9, 2026. |
| Designated Date | The date of credit of Equity Shares, pursuant to the Issue, to the Allottee's demat account, as applicable to the respective Allottee. |
| Eligible FPIs | FPIs under FEMA, the SEBI FPI Regulations and any other applicable law that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices. |
| Eligible QIBs | Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that were eligible to participate in the Issue and which were not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law.<br><br>In addition, QIBs, outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and within the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act pursuant to Section 4(a)(2) of the U.S. Securities Act are eligible to participate in the Issue. |

| Term | Description |
|---|---|
| Escrow Agent/ Escrow Bank | HDFC Bank Limited |
| Escrow Agreement | Agreement dated October 6, 2026, entered into amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the unsuccessful Bidders. |
| Escrow Account | Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of "*PTC INDUSTRIES LIMITED-QIP ESCROW A/C*" subject to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form. |
| Floor Price | The floor price of ₹ 22,150.00 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of 4.92% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed at EGM dated August 01, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations. |
| Fraudulent Borrower | Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations |
| Gross Proceeds | The gross proceeds of the Issue that will be available to our Company pursuant to this Issue |
| Issue | The offer, issue and allotment of 854,700 Equity Shares at a price of ₹ 21,060.00 per Equity Share, including a premium of ₹ 21,050.00 per Equity Share, aggregating ₹179,999.82 lakhs to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder. |
| Issue Price | ₹ 21,060.00 per Equity Share |
| Issue Size | The issue of 854,700 Equity Shares aggregating up to ₹179,999.82 lakhs. |
| Listing Agreement(s) | The agreement entered into by our Company with each of the Stock Exchanges in relation to Equity Shares listed on each of the Stock Exchanges |
| Monitoring Agency | Crisil Ratings Limited |
| Monitoring Agency Agreement | Agreement dated October 3, 2026 entered into amongst our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilisation of the Gross Proceeds of the Issue, in accordance with regulation 173A of the SEBI ICDR Regulations |
| Mutual Fund | A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026. |
| Net Proceeds | The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue. |
| Placement Agreement | Agreement dated October 6, 2026 entered into amongst our Company and the Book Running Lead Managers. |
| Placement Document | This placement document dated October 9, 2026 issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder. |
| Preliminary Placement Document | The preliminary placement document cum application form dated October 6, 2026 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder. |
| QIBs or Qualified Institutional Buyers | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations. |
| QIP | Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014. |
| Refund Amount | The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue. |
| Refund Intimation | The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts. |

| Term | Description |
|---|---|
| Relevant Date | October 6, 2026, which is the date of the meeting of the Listing and Fund Raising Committee of the Board, a committee duly authorised by our Board, deciding to open the Issue. |
| Successful Bidders | The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue. |
| Wilful Defaulter | An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations. |
| Working Day | Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India. |

**Technical and Industry Related Terms**

| Term | Description |
|---|---|
| IEA | International Energy Agency |
| LNG | Liquefied Natural Gas |
| WEO | World Economic Outlook |
| IEEPA | International Emergency Economic Powers Act |
| OBBBA | One, Big, Beautiful Bill Act |
| IMF | International Monetary Fund |
| GVA | Gross Value Added |
| GDP | Gross Domestic Product |
| FRE | First Revised Estimate |
| MOSPI | Ministry of Statistics & Programme Implementation |
| GFCF | Gross Fixed Capital Formation |
| PFCE | Private Final Consumption Expenditure |
| WPI | Wholesale Price Index |
| YoY | year-on-year |
| NSO | National Statistics Office |
| HCES | Household Consumption Expenditure Survey |
| CPI | Consumer Price Index |
| MPC | Monetary Policy Committee |
| CEPA | Comprehensive Economic Partnership Agreement |
| GL 11 | Gulf–Levant 11 |
| PLI | Production Linked Incentive |
| GNDI | Gross National Disposable Income |
| PLFS | Periodic Labour Force Survey |
| NSWS | National Single-Window System |
| SIPRI | Stockholm International Peace Research Institute |
| ERA | Extraordinary Revenue Acceleration |
| HAL | Hindustan Aeronautics Limited |
| BDL | Bharat Dynamics Limited |
| BEL | Bharat Electronics Limited |
| MDL | Mazagon Dock Shipbuilders Limited |
| GRSE | Garden Reach Shipbuilders & Engineers |
| TASL | Tata Advanced Systems Limited |
| L&T | Larsen & Toubro |
| DRDO | Defence Research and Development Organisation |
| ICDP | Integrated Capability Development Plan |
| UAV | Unmanned Aerial Vehicles |
| DPSUs | Defence Public Sector Undertakings |
| DDP | Department of Defence Production |
| iDEX | Innovations for Defence Excellence |
| DMA | Department of Military Affairs |
| MRO | Maintenance, Repair and Overhaul |

| Term | Description |
|---|---|
| ACI | Airports Council International |
| IATA | International Air Transport Association |
| RPK | Revenue Passenger Kilometre |
| CTK | Cargo Tonne Kilometre |
| AI | Artificial Intelligence |
| IoT | Internet of Things |
| AAI | Airports Authority of India |
| LCC | Low-Cost Carriers |
| WTTC | World Travel & Tourism Council |
| FTAs | Foreign Tourist Arrivals |
| MICE | Meetings, Incentives, Conferences and Exhibitions |
| RCS-UDAN | Regional Connectivity Scheme |
| UDAN | Ude Desh Ka Aam Nagrik |
| A&D | Aerospace and Defence |
| AAM | Advanced Air Mobility |
| ITAR | International Traffic in Arms Regulations |
| DS | Directionally Solidified |
| SX | Single-Crystal |
| IIoT | Industrial Internet of Things |
| ISRO | Indian Space Research Organisation |
| OEMs | Original Equipment Manufacturers |
| DAP | Defence Acquisition Procedure |
| TDF | Technology Development Fund |
| PILs | Positive Indigenisation Lists |
| ALH | Advanced Light Helicopters |
| FDI | Foreign Direct Investment |
| DGFT | Directorate General of Foreign Trade |
| CIBMS | Comprehensive Integrated Border Management System |
| SIDS | Society for Indian Defence Start-ups |
| TReDS | Trade Receivable Discounting System |
| UGV | Unmanned Ground Vehicles |
| UUVs | Unmanned Underwater Vehicles |
| CPP | Consolidated Precision Products |
| GE | General Electric |
| AVIC | Aviation Industry Corporation of China |
| UBM | Ural Boeing Manufacturing |
| AMIC | Advanced Metal Industries Cluster |
| IBAS | Industrial Base Analysis and Sustainment |
| ManTech | Manufacturing Technology |
| DPA | Defence Production Act |
| ATI | Aerospace Technology Institute |
| IAI | Israel Aerospace Industries |
| CAGR | Compound Annual Growth Rate |
| HSLA | High-Strength Low-Alloy |
| Ni-Cr | Nickel-Chromium |
| Ni-Co | Nickel-Cobalt |
| Mg-Al | Magnesium-Aluminium |
| Mg-RE | Magnesium-Rare Earth |
| EBCHR | Electron Beam Cold Hearth Recasting |
| PAM | Plasma Arc Melting |
| BCM | Billion Cubic Meters |
| Co-Cr | Cobalt-Chrome |
| F75 | Co–Cr–Mo |
| F562 | Co–35Ni–20Cr–10Mo |
| NiTi | Nickel-titanium |
| R&D | Research And Development |
| GTRE | Gas Turbine Research Establishment |

**Conventional and General Terms/Abbreviations**

| Terms | Description |
|---|---|
| ₹ / Rs. / Re./ Rupees / INR | Indian Rupees |
| AGM | Annual general meeting |
| AIF(s) | Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| AS or Accounting Standards | Accounting Standards issued by the Institute of Chartered Accountants of India, as required under the Companies Act. |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate (as a %): (End Year Value/Base Year Value)^ (1/No. of years between Base year and end year) – 1 (^ denotes 'raised to') |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| Civil Procedure Code | The Code of Civil Procedure, 1908, as amended |
| Companies Act | The Companies Act, 1956 or the Companies Act, 2013, as applicable |
| Companies Act, 1956 | The erstwhile Companies Act, 1956 along with the rules made thereunder |
| Companies Act, 2013 | Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified |
| Consolidated FDI Policy | The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| CSR | Corporate social responsibility. |
| Depositories Act | The Depositories Act, 1996, as amended |
| Depository | NSDL and CDSL, depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended |
| Depository Participant/DP | A depository participant as defined under the Depositories Act |
| DP ID Number | Depository Participant Identification Number |
| DIN | Director Identification Number |
| EBIT | Earnings Before Interest and Tax |
| EGM | Extraordinary General Meeting |
| EBITDA | Earnings Before Interest, Tax, Depreciation and Amortization and impairment including other income |
| ESG | Environment, social and governance |
| EPS | Earnings per share |
| FBIL | Financial Benchmarks India Private Limited |
| FDI | Foreign direct investment |
| FEMA | The Foreign Exchange Management Act, 1999, as amended and the Regulations issued thereunder |
| FEMA Non-Debt Rules/ FEMA Rules | The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder |
| "Financial Year" / "Fiscal Year" / "Fiscal" / "FY" | Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year |
| Form PAS-4 | Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended |
| FPI/ Foreign Portfolio Investor(s) | Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended |
| FVCI | Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended |

| Terms | Description |
|---|---|
| GAAP | Generally accepted accounting principles |
| GBP | Great Britain Pound Sterling, the legal currency of the United Kingdom |
| GDP | Gross domestic product |
| General Meeting | AGM or EGM |
| "GoI" / "Government" | Government of India, unless otherwise specified |
| GST | Goods and services tax |
| HUF | Hindu undivided family |
| ICAI | The Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards of the International Accounting Standards Board |
| Ind AS | Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules |
| Indian GAAP | Generally accepted accounting principles in India |
| Income Tax Act/I.T. Act | The Income Tax Act, 1961 or the Income tax Act, 2025, as may be applicable |
| "Lakh"/" Lac" | lakhs |
| MCA | Ministry of Corporate Affairs, GoI |
| Mn/ mn | Million |
| N.A./ NA | Not Applicable |
| NAV | Net Asset Value |
| NCLT | National Company Law Tribunal |
| NR/ Non-resident | A person resident outside India, as defined under the FEMA and includes an NRI |
| "Non-Resident Indian(s)" / "NRI" | A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended. |
| NRO | Non-resident ordinary account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit after tax / profit for the respective period / year |
| PBT | Profit before tax |
| PAS Rules | Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended |
| RBI | The Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934 |
| Regulation S | Regulation S under the U.S. Securities Act |
| Rule 144A | Rule 144A under the U.S. Securities Act |
| S&P CNX NIFTY | Regional stock market index endorsed by Standard & Poor's which is composed of 50 of the largest and most liquid stocks found on the National Stock Exchange of India. |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | The Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| SEBI FPI Regulations | The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| SEBI Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 |
| SEBI ICDR Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 |
| SEBI Listing Regulations | The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |

| Terms | Description |
|---|---|
| SENSEX | Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies |
| Stock Exchanges | BSE and NSE |
| STT | Securities Transaction Tax |
| TDS | Tax deducted at source |
| "USA" or "U.S." or "United States" | The United States of America, its territories and possessions, any State of the United States and the District of Columbia |
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| $/ U.S.$ / USD / U.S. dollar | United States Dollar, the legal currency of the United States of America |
| U.S. Securities Act | The United States Securities Act of 1933, as amended |
| U.S. QIB | Qualified institutional buyer (as defined in Rule 144A under the U.S. Securities Act) |
| VCF | Venture capital fund as defined and registered with SEBI under the SEBI (Venture Capital Funds) Regulations, 1996 or SEBI AIF Regulations, as the case may be |
| Year/Calendar Year | Unless context otherwise requires, shall refer to the twelve-month period ending December 31 |

## SUMMARY OF THE ISSUE

The following is a general summary of the term of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including under the sections *"**Risk Factors**", "**Objects of Issue and Use of Proceeds**", "**Placement and Lock Up**", "**Issue Procedure**" and "**Description of the Equity Shares**" beginning on pages 49, 87, 287, 271 and 304, respectively.*

| | |
|---|---|
| **Issuer** | PTC Industries Limited |
| **Face Value** | ₹ 10 per Equity Share |
| **Issue Price** | ₹ 21,060.00 per Equity Share (including a premium of ₹ 21,050.00 per Equity Share) |
| **Floor Price** | ₹ 22,150.00 per Equity Share calculated in accordance with Regulation 176 under Chapter VI of the SEBI ICDR Regulations.<br><br>In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company has offered a discount of 4.92% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through special resolution passed at EGM dated August 01, 2026, and in terms of Regulation 176(1) of the SEBI ICDR Regulations. |
| **Issue Size** | Issue of 854,700 Equity Shares of face value ₹ 10 each, at a price of ₹ 21,060.00 per Equity Share, including premium of ₹ 21,050.00 each aggregating up to ₹179,999.82 lakhs*.<br><br>A minimum of 10 % of the Issue Size i.e. 85,470 Equity Shares was made available for Allocation to Mutual Funds only, and balance 7,69,230 Equity Shares were made available for Allocation to all Eligible QIBs, including Mutual Funds..<br><br>** Subject to allotment of Equity Shares pursuant to the Issue.* |
| **Date of Board Resolution on approving the Issue** | June 27, 2026 |
| **Date of Shareholders' Resolution approving the Issue** | August 01, 2026 |
| **Eligible Investors** | Eligible QIBs as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the applicable laws including the SEBI ICDR Regulations. In addition, QIBs, outside the United States in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and within the United States persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act pursuant to Section 4(a)(2) of the U.S. Securities Act are eligible to participate in the Issue. FVCIs are not permitted to participate in this Issue.<br><br>The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form was delivered was determined by our Company in consultation with the Book Running Lead Managers, at its discretion.<br><br>For further details, see "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchase Representations***" on pages 271, 289 and 298, respectively. |
| **Issue Procedure** | This Issue was made only to Eligible QIBs in reliance on Section 42 and 62 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, 2013 and Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 271. |
| **Taxation** | Please see section "*Statement of Possible Special Tax Benefits*" and "*Certain United States Federal Income Tax Considerations"* on page 308 and 317, respectively, of this Placement Document. |

| | |
|---|---|
| **Equity Shares issued, subscribed, paid-up and outstanding immediately prior to the Issue** | 14,992,549 Equity Shares, being fully paid-up. |
| **Equity Shares issued, subscribed, paid-up and outstanding immediately after the Issue** | 1,58,47,249 Equity Shares, being fully paid up. |
| **Listing and Trading** | Our Company has obtained in-principle approvals each dated October 6, 2026, from the Stock Exchanges in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing of the Equity Shares to be issued pursuant to the Issue.<br><br>Our Company will make applications to each of the Stock Exchanges for the final listing and trading approvals for the Equity Shares pursuant to this Issue, after the Allotment and credit of Equity Shares to the beneficiary account with the Depository Participants.<br><br>The trading of the Equity Shares would be in dematerialised form and only in the cash segment of each of the Stock Exchanges. |
| **Lock-up** | For details of the lock-up, see "*Placement and Lock Up*" on page 287. |
| **Objects of Issue and Use of Proceeds** | The Gross Proceeds from the Issue will be aggregating to approximately ₹1,79,999.82 lakhs. The Net Proceeds from the Issue, after deducting Issue related expenses is approximately ₹ 1,76,869.96 lakhs proposed to be utilised for (i) Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company; (ii) Investment in our Subsidiary, Aerolloy Technologies Limited for funding its working capital requirements; (iii) Investment in (a) our Subsidiary, Aerolloy Technologies Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility and (b) our Stepdown Subsidiary, Trac Precision Solutions Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility; (iv) Funding strategic investments and inorganic growth through unidentified acquisitions/investments; and (v) General Corporate Purposes.<br><br>See "***Objects of Issue and Use of Proceeds***" on page 87 for information regarding the use of net proceeds from the Issue. |
| **Proposed Allottees** | See "***Details of Proposed Allottees in the Issue***" on page 331 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company |
| **Transferability Restrictions** | The Equity Shares Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement.<br><br>For further details, please see sections ***"Transfer Restrictions and Purchaser Representations***" and "***Selling Restrictions***" on pages 298 and 289, respectively, of this Placement Document. |
| **Risk Factors** | Please see section "***Risk Factors***" on page 49 for a discussion of risks you should consider before investing in the Equity Shares. |
| **Closing Date** | The Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about October 9, 2026. |
| **Status, ranking and dividends** | The Equity Shares issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company, including rights in respect of dividends.<br><br>The Shareholders of our Company (who hold Equity Shares as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Bid/ Issue Closing Date, in compliance |

| | | |
|---|---|---|
| | with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act, 2013. Please see sections "*Dividends*" and "*Description of the Equity Shares*" on pages 107 and 304, respectively. | |
| **Voting rights** | Please refer to the section titled "*Description of Equity Shares - Voting rights*" on page 306. | |
| **Security Codes/ Symbols for the Equity Shares** | **ISIN** | INE596F01018 |
| | **BSE Code** | 539006 |
| | **NSE Symbol** | PTCIL |

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth our selected financial information as extracted from our Audited Consolidated Financial Statements and Condensed Interim Financial Statements, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act, 2013 and the requirements of SEBI Listing Regulations, as applicable and should be read together with the more detailed information contained in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and the Audited Consolidated Financial Statements included in "***Financial Information***" on pages 108 and 327, respectively.

*[The remainder of this page has been left intentionally left blan*k]

**Summary of Balance Sheet from our Audited Consolidated Financial Statements and Condensed Interim Financial Statements as on June 30, 2026, March 31, 2026, March 31, 2025, and March 31, 2024**

*(in ₹ lakhs)*

| Particulars | As at June 30, 2026 | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|---|
| **Assets** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | 54,713.86 | 53,844.92 | 38,283.80 | 23,015.03 |
| Capital work-in-progress | 35,886.46 | 31,064.89 | 18,487.81 | 15,868.42 |
| Investment property | 164.61 | 164.61 | 168.15 | 171.69 |
| Goodwill on consolidation | 6,306.32 | 6306.32 | 6306.32 | - |
| Other intangible assets | 3,923.47 | 4,125.81 | 169.19 | 91.42 |
| Financial assets | | | | |
| (i) Investments | 273.70 | 273.70 | 273.70 | 0.50 |
| (ii) Other financial assets | 7,650.73 | 707.59 | 547.96 | 2,383.16 |
| Non-current tax assets (net) | 401.58 | 208.78 | 367.98 | 373.87 |
| Other non-current assets | 9,729.50 | 9,218.52 | 11,213.14 | 6,106.53 |
| **Total non-current assets** | **119,050.23** | **1,05,915.14** | **75,818.05** | **48,010.62** |
| **Current assets** | | | | |
| Inventories | 32,009.23 | 29,900.80 | 20,816.21 | 7,448.06 |
| Financial assets | | | | |
| (i) Investments | 10.12 | 9.08 | 9.99 | 9.09 |
| (ii) Trade receivables | 24,170.75 | 27,392.56 | 14,381.31 | 11,085.79 |
| (iii) Cash and cash equivalents | 4,154.25 | 3,467.75 | 18,954.81 | 13,430.10 |
| (iv) Bank balances other than (iii) above | 7,101.70 | 10,188.83 | 19,228.08 | 2,346.90 |
| (v) Loans | 183.18 | 186.62 | 54.49 | 101.87 |
| (vi) Others financial assets | 191.79 | 7,668.04 | 2,205.02 | 3,588.44 |
| Other current assets | 13,115.99 | 10,895.85 | 6,915.72 | 3,547.70 |
| **Total current assets** | **80,937.01** | **89,709.53** | **82,565.63** | **41,557.95** |
| **TOTAL ASSETS** | **199,987.24** | **195,624.67** | **1,58,383.68** | **89,568.57** |
| | | | | |
| **EQUITY AND LIABILITIES** | | | | |
| Equity | | | | |
| (a) Equity share capital | 1,499.25 | 1,499.25 | 1,498.41 | 1,444.09 |
| (b) Other equity | 1,52,244.44 | 1,49,211.74 | 1,37,167.61 | 63,115.88 |
| **Total equity** | **1,53,743.69** | **1,50,710.99** | **1,38,666.02** | **64,559.97** |
| | | | | |
| **Non-current liabilities** | | | | |
| Financial liabilities | | | | |
| (i) Borrowings | 17,991.22 | 15,122.56 | 4,667.52 | 8,100.12 |
| (ii) Other financial liabilities | 1,300.26 | 560.03 | 7.90 | 46.25 |
| Provisions | 138.67 | 139.44 | 99.57 | 107.62 |
| Deferred tax liabilities (net) | 2,488.79 | 2,342.95 | 2,044.18 | 1,696.96 |
| Other non-current liabilities | 618.32 | 635.00 | 701.67 | 768.36 |
| **Total non-current liabilities** | **22,537.26** | **18,799.98** | **7,520.84** | **10,719.31** |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| (i) Borrowings | 9,407.98 | 11,011.63 | 1,415.83 | 10,089.01 |
| (ii) Trade payables | | | | |
| total outstanding dues of micro enterprises and small enterprises | 1,014.04 | 718.66 | 3,003.73 | 438.86 |
| total outstanding dues of creditors other than micro enterprises and small enterprises | 6,364.31 | 5,828.13 | 1,868.71 | 1,101.12 |
| (iii) Other financial liabilities | 2,677.74 | 3,678.25 | 4,127.79 | 1,105.98 |
| Other current liabilities | 3,498.96 | 4,433.61 | 1,644.71 | 1,420.75 |
| Provisions | 176.69 | 131.93 | 99.23 | 56.79 |
| Current tax liabilities (net) | 566.57 | 311.49 | 36.82 | 76.78 |

| | | | | |
|---|---|---|---|---|
| **Total current liabilities** | **23,706.29** | **26,113.70** | **12,196.82** | **14,289.29** |
| **TOTAL EQUITY AND LIABILITIES** | **199,987.24** | **1,95,624.67** | **1,58,383.68** | **89,568.57** |

**Summary of unaudited interim condensed consolidated statement of profit and loss information as at and for the three-month period ended June 30, 2026 and June 30, 2025**

*(in ₹ lakhs)*

| Particulars | For the period ended June 30, 2026 | For the period ended at June 30, 2025 |
|---|---|---|
| **Income** | | |
| Revenue from operations | 19,179.75 | 9,714.63 |
| Other income | 531.59 | 1,056.69 |
| **Total income** | **19,711.34** | **10,771.32** |
| **Expenses** | | |
| Cost of materials consumed | 7,591.28 | 4,091.38 |
| Changes in inventories of finished goods and work-in-progress | (4,824.59) | (2,867.88) |
| Employee benefits expense | 4,600.12 | 3,394.49 |
| Other expenses | 6,923.26 | 4,218.12 |
| **Total expenses** | **14,290.07** | **8,836.11** |
| **Profit before finance cost, depreciation and amortisation and tax** | **5,421.27** | **1,935.21** |
| Finance costs | 362.42 | 167.21 |
| Depreciation and amortisation expense | 1,384.20 | 862.58 |
| **Profit before exceptional item and tax** | **3,674.65** | **905.42** |
| **Profit before tax** | **3,674.65** | **905.42** |
| Current tax - current period | 626.76 | 402.58 |
| Deferred tax charge | 128.62 | (12.72) |
| **Total tax expenses** | **755.38** | **389.86** |
| **Profit for the period** | **2,919.27** | **515.56** |
| **Other comprehensive income** | | |
| **A) Items that will not be reclassified to profit or loss** | | |
| (i) Remeasurement of defined benefit plan | 7.47 | (8.32) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | (1.72) | 2.05 |
| **B) Items that will be reclassified to profit or loss** | | |
| (i) Exchange differences in translating the financial statements of foreign operations | (59.96) | 737.78 |
| (ii) Income tax relating to items that will be reclassified to profit or loss | 15.09 | (185.68) |
| **Other comprehensive income/(loss) for the period (net of tax)** | **(39.12)** | **545.83** |
| **Total comprehensive income for the period** | **2,880.15** | **1,061.39** |
| **Earnings per equity share [Nominal value ₹10]** | | |
| Basic (₹) | 19.47 | 3.44 |
| Diluted (₹) | 19.46 | 3.44 |

**Summary of Profit and Loss as at and for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024**

*(in ₹ lakhs)*

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| **1) Income** | | | |
| (a) Revenue from operations | 60,277.67 | 30,807.40 | 25,687.92 |
| (b) Other income | 4,050.88 | 3,415.27 | 1,337.92 |
| **Total income** | **64,328.55** | **34,222.67** | **27,025.84** |
| **2) Expenses** | | | |
| (a) Cost of materials consumed | 34,264.37 | 8,905.49 | 5,682.02 |
| (b) Changes in inventories of finished goods and work-in-progress | (23,665.84) | (3,567.23) | 494.93 |
| (c) Employee benefits expense | 15,076.56 | 5,659.15 | 3,159.83 |
| (d) Finance costs | 864.03 | 889.50 | 1,524.79 |
| (e) Depreciation and amortisation expense | 3,669.29 | 2,130.63 | 1,662.93 |
| (f) Other expenses | 21,425.58 | 12,283.79 | 9,086.55 |
| **Total expenses** | **51,633.99** | **26,301.33** | **21,611.05** |
| **3) Profit before exceptional item and tax (1-2)** | **12,694.56** | **7.921.34** | **5,414.79** |
| **4) Exceptional items** | **-** | **93.87** | **-** |
| **5) Profit before tax (3-4)** | **12,694.56** | **7,827.47** | **5,414.79** |
| **6) Tax expense:** | | | |
| (a) Current tax | 2,146.07 | 1,470.48 | 1,014.34 |
| (b) Deferred tax | 392.62 | 255.14 | 178.87 |
| **Total tax expense** | **2,538.69** | **1,725.62** | **1,193.21** |
| **7) Profit for the period/ year (5-6)** | **10,155.87** | **6,101.85** | **4,221.58** |
| **8) Other comprehensive income** | | | |
| A)<br>i) Items that will not be reclassified to the statement of profit and loss | 21.87 | (33.28) | (34.53) |
| (ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss | 6.21 | 5.22 | 7.99 |
| B) Items that will be reclassified to profit or loss | | | |
| (i) Exchange differences in translating the financial statement of foreign operation | 1,695.69 | 400.20 | - |
| (ii) Income-tax relating to items that will be reclassified<br>to the statement of profit and loss | (426.77) | (100.72) | - |
| **Total other comprehensive income** | **1,297.00** | **274.42** | **(26.54)** |
| **9) Total comprehensive income for the period (comprising profit and other comprehensive income for the period/ year) (7+8)** | **11,452.87** | **6,376.27** | **4,195.04** |

**Summary of unaudited interim condensed consolidated statement of cash flows as at and for the three-month period ended June 30, 2026 and June 30, 2025**

| Particulars | For the period ended June 30, 2026 | For the period ended June 30, 2025 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| Net profit before tax | 3,674.65 | 905.42 |
| **Adjustment for:** | | |
| Foreign currency translation reserve | (44.87) | 737.78 |
| Depreciation and amortisation expense | 1,384.20 | 862.58 |
| (Gain)/loss on disposal/discard of property plant and equipment (net) | - | 134.61 |
| Provision for doubtful debts, loans and advances | 20.00 | - |
| Amortisation of deferred income - government grant | (16.67) | (16.67) |
| (Gain)/loss on MTM foreign exchange fluctuation | - | 55.41 |
| Interest expense | 308.96 | 101.06 |
| Share based payment expense | 152.56 | 15.80 |
| Remeasurement of defined benefit plan | 7.47 | (8.32) |
| Interest from assets valued at amortised cost | (335.58) | (631.39) |
| **Operating profit before working capital changes (current and non-current)** | **5,150.72** | **2,100.87** |
| **Inflow and outflow on account of:** | | |
| Changes in trade receivables | 3,201.81 | 298.16 |
| Changes in inventories | (2,108.43) | (3,897.14) |
| Changes in other financial assets | (108.32) | (36.80) |
| Changes in other assets | (2,183.27) | (1,802.80) |
| Changes in financial assets-loans | 3.44 | 5.34 |
| Changes in provisions | 43.99 | 33.98 |
| Changes in trade and other payables | 831.56 | (800.19) |
| Changes in other financial liabilities | 1,092.61 | 26.15 |
| Changes in other liabilities | (934.65) | 881.88 |
| **Cash generated from/ (used in) operations before tax** | **4,989.46** | **(3,190.55)** |
| Income taxes paid (net) | (564.48) | (263.65) |
| **Net cash generated from/ (used in) operating activities [A]** | **4,424.98** | **(3,454.20)** |
| | | |
| **B. Cash flow from investing activities** | | |
| Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods] | (8,758.65) | (8,143.91) |
| Interest received | 301.03 | 91.27 |
| Other bank balances not considered as cash and cash equivalents (net) | 3,763.10 | (461.34) |
| **Net cash used in investing activities [B]** | **4,694.52** | **(8,513.98)** |
| | | |
| **C. Cash flow from financing activities** | | |
| Proceeds from long-term borrowings | 193.76 | 2,273.81 |
| Repayment of long-term borrowings | (78.00) | - |
| Proceed / Repayment of Short-term borrowings (net) | 1,403.22 | 1,999.25 |
| Repayment of lease liability | 253.98 | (334.43) |
| Finance cost paid | (308.96) | (101.06) |
| Proceeds from issue of equity shares (net of cost issuance expenses) | - | (1.50) |
| **Net cash generated from financing activities [C]** | **965.04** | **3,836.07** |
| **D. Net (decrease)/increase in cash and cash equivalents [A+B+C]** | **686.50** | **(8,132.11)** |
| E. Cash and cash equivalents at the beginning of the year | 3,467.75 | 18,954.81 |
| **Closing balance of cash and cash equivalent [D+E]** | **(4,154.25)** | **10,822.70** |
| | | |

| **Components of cash and cash equivalents** | | |
|---|---|---|
| Balances with banks | 1,137.84 | 683.86 |
| Cash on hand | 14.41 | 5.84 |
| Balance in deposit account with original maturity upto three months | 3,002.00 | 10,133.00 |
| **Total cash and cash equivalents** | **4,154.25** | **10,822.70** |

**Summary of Cash Flow Statement as on and for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024**

*(in₹ lakhs)*

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| | | | |
| **Net profit before tax** | **12,694.56** | **7,921.34** | **5,414.79** |
| **Adjustment for:** | | | |
| Exceptional item | - | (93.87) | - |
| Foreign currency transition reserve | (1,268.92) | (299.48) | - |
| Depreciation and amortisation expense | 3,669.29 | 1,854.85 | 1,662.93 |
| Unrealised foreign exchange fluctuation loss | (289.24) | 163.47 | (38.96) |
| (Gain)/loss on disposal of property plant and equipment (net) | 147.78 | - | 11.05 |
| Amortisation of deferred income- government grant | (66.67) | (66.67) | (66.67) |
| (Gain)/loss on MTM foreign exchange fluctuation | 0.91 | (0.90) | (244.20) |
| Finance cost | 834.56 | 604.30 | 1,342.63 |
| Share based payment expense | 39.45 | 92.95 | 133.95 |
| Remeasurement of defined benefit plan | - | (33.22) | (34.53) |
| (Gain)/loss on investment at fair value through profit or loss (net) | - | - | (1.91) |
| Interest income assets valued at amortised cost | (2,038.72) | (2,652.98) | (431.21) |
| **Operating profit before working capital changes (current and non-current)** | **13,723.00** | **7,523.01** | **7,747.87** |
| | | | |
| Changes in trade receivables | (12,722.01) | 305.10 | (4,478.41) |
| Changes in inventories | (9,084.59) | (5,793.62) | 324.14 |
| Changes in other financial assets | 14.73 | 3,266.00 | (10,632.45) |
| Changes in other assets | (1,985.51) | (3,072.40) | (1,498.37) |
| Changes in financial assets-loans | - | 47.38 | (42.01) |
| Changes in provisions | (285.40) | 1.16 | 42.33 |
| Changes in trade and other payables | 1,759.06 | 817.22 | (563.16) |
| Changes in other financial liabilities | 697.77 | 213.57 | (251.38) |
| Changes in other liabilities | 2,722.23 | (396.89) | 757.95 |
| **Cash generated from operations before tax** | **(5,160.72)** | **2,863.15** | **(8,593.49)** |
| Income taxes paid (net) | (1,705.26) | (1,504.56) | (1,034.45) |
| **Net cash generated from operating activities [A]** | **(6,865.98)** | **1,358.59** | **(9,627.94)** |
| | | | |
| **B. Cash flow from investing activities** | | | |
| Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods] | (31,732.37) | (18,998.45) | (11,652.52) |
| Proceeds from sale of property plant and equipment's | 2.00 | 45.70 | 11.20 |
| Investments made | - | (17,011.62) | - |
| Interest received | 2,164.37 | 2,652.98 | 431.21 |
| Other bank balances not considered as cash and cash equivalents (net) | 2,418.68 | (16,881.18) | 5,165.60 |
| **Net cash used in investing activities [B]** | **(27,147.32)** | **(50,192.57)** | **(6,044.51)** |
| | | | |
| **C. Cash flow from financing activities** | | | |
| Proceeds from long-term borrowings | 10,455.04 | 2,656.34 | 146.57 |
| Repayment of long-term borrowings | (46.40) | (8,109.90) | (1,264.60) |
| Proceed / Repayment of Short-term borrowings (net) | 9,595.80 | (7,177.52) | 1,342.98 |
| Repayment of lease liability | (673.66) | (42.78) | (33.77) |
| Finance cost paid | (834.56) | (604.30) | (1,342.63) |

| | | | |
|---|---|---|---|
| Proceeds from issue of equity shares (net of cost issuance expenses) | 30.02 | 67,636.85 | 29,564.53 |
| **Net cash generated from financing activities [C]** | **18,526.24** | **54,358.69** | **28,413.08** |
| **D. Net (decrease)/increase in cash and cash equivalents [A+B+C]** | **(15,487.06)** | **5,524.71** | **12,740.63** |
| **E. Cash and cash equivalents at the beginning of the year** | 18.954.81 | 13,430.10 | 689.47 |
| **Closing balance of cash and cash equivalent [D+E]** | **3,467.75** | **18,954.81** | **13,430.10** |
| | | | |
| **Components of cash and cash equivalents** | | | |
| Balances with banks | 419.71 | 1,462.73 | 140.23 |
| Cash on hand | 5.55 | 5.42 | 8.37 |
| Balance in deposit account with original maturity up to three months | 3,042.49 | 17,486.66 | 13,281.50 |
| | **3,467.75** | **18,954.81** | **13,430.10** |

## RELATED PARTY TRANSACTIONS

For details of the related party transactions during: (i) Fiscal 2026; (ii) Fiscal 2025; and (iii) Fiscal 2024; as per the requirements under Ind AS 24 'Related party disclosures' notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, see "*Financial Information*" on page 327.

## RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, financial condition, results of operations and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. In order to obtain a complete understanding of our Company and our business, investors should read this section in conjunction with "Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 231, 124, 108 and 327, respectively, as well as the other financial and statistical information contained in this Placement Document. In making an investment decision, you must rely on your own examination of us and our business and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. You should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. The Audited Consolidated Financial Statements and Condensed Interim Financial Information of our Company have been prepared in accordance with Ind AS. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2026, 2025 and 2024 included herein is derived from our Audited Consolidated Financial Statements, and the financial information for the three months ended June 30, 2026 and June 30, 2025, included herein is derived from our Condensed Interim Financial Information. For further information, see "Financial Information" on page 327.*

*In this section, unless otherwise indicated or the context requires, a reference to "our Company" is a reference to our Company on a standalone basis, while any reference to "we", "us" or "our" is a reference to our Company and its subsidiaries on a consolidated basis.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Industry Report on Aerospace & Defence (Global & Indian Scenario)" dated September 28, 2026 (the "**D&B Report**") prepared and released by Dun and Bradstreet and commissioned and paid by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year/Fiscal, as applicable. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. Also see, "– Certain sections of this Placement Document contain information from a third-party report that was commissioned and paid for by us, and reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 68.*

### INTERNAL RISK FACTORS

***1. Our business is significantly dependent on exports and any adverse changes in our export markets could adversely affect our business, financial condition, results of operations and cash flows.***

Our export operations are central to our business. We cater to customers across diverse geographic locations including the European Union, United Kingdom, United States of America, Norway, Switzerland, Israel, China and United Arab Emirates. The following tables set forth our revenues generated from various geographies for the periods indicated:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Sale of products in India | 6,333.08 | 33.02% | 1,126.72 | 11.60% |

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Sale of products outside India | 12,846.67 | 66.98% | 8,587.91 | 88.40% |
| *European Union* | *3,647.13* | *19.02%* | *3,715.87* | *38.25%* |
| *United Kingdom* | *3,482.35* | *18.16%* | *959.49* | *9.88%* |
| *United States* | *736.57* | *3.84%* | *229.56* | *2.36%* |
| *Norway* | *556.66* | *2.90%* | *1,092.60* | *11.25%* |
| *United Arab Emirates* | *55.66* | *0.29%* | *32.59* | *0.34%* |
| *Rest of the world* | *4,368.30* | *22.78%* | *2,557.80* | *26.33%* |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Sale of products in India | 10,868.80 | 18.15% | 4,369.95 | 14.40% | 4,017.99 | 15.97% |
| Sale of products outside India | 48,485.97 | 81.84% | 25,968.55 | 85.60% | 21,141.44 | 84.03% |
| *European Union* | *18,080.29* | *30.00%* | *9,502.04* | *30.84%* | *9,714.18* | *37.82%* |
| *United Kingdom* | *10,005.75* | *16.60%* | *2,783.76* | *9.04%* | *830.60* | *3.23%* |
| *United States* | *6,712.02* | *11.14%* | *3,444.76* | *11.18%* | *3,268.24* | *12.72%* |
| *Norway* | *4,246.82* | *7.05%* | *7,154.90* | *23.22%* | *4,831.83* | *18.81%* |
| *United Arab Emirates* | *111.04* | *0.18%* | *397.89* | *1.29%* | *238.49* | *0.93%* |
| *Rest of the world* | *9,803.92* | *16.26%* | *2,689.13* | *8.73%* | *2,258.10* | *8.79%* |

A reduction in demand from customers in any of our export markets, delays or cancellations of customer programmes, changes in procurement priorities, adverse macroeconomic conditions, inflationary pressures, recessionary trends, geopolitical tensions, armed conflicts, sanctions, trade restrictions, or other market disruptions could reduce demand for our products in such export jurisdictions and adversely affect our revenues. In addition, any deterioration in the financial condition of our overseas customers or disruptions in global supply chains may result in reduced order volumes, delays in project execution, delayed customer approvals or payments, or the loss of existing and prospective business opportunities. Any such developments could adversely affect our business, financial condition, results of operations and cash flows.

Our export customers operate in industries including aerospace, defence, space, oil and gas, liquefied natural gas, marine, energy and power generation. Demand in these industries has historically been subject to volatility, and a change in demand in any of them may affect the volume and timing of orders placed with us. Further, our export business is exposed to risks associated with cross-border operations. Changes in applicable laws, regulations, import and export controls, customs requirements, certification standards, taxation regimes or other regulatory requirements in the jurisdictions in which our customers are located could increase compliance costs, restrict market access or delay the delivery and acceptance of our products. Our products are used in industries that are subject to stringent qualification, certification and approval requirements, and any changes in such requirements in our key export markets may necessitate additional investments, testing, certifications or modifications to our manufacturing processes and products. Failure to satisfy such requirements in a timely manner, or at all, could affect our ability to continue supplying products to existing customers or secure new business opportunities.

The export of certain of our products is also subject to India's export control framework, and certain customers or the governments of their countries require end-use or end-user certificates as a condition of supply. Any delay in obtaining or renewing such authorisations, the refusal of an application, a change in licensing policy, or an inability to satisfy end-use conditions, could restrict or delay our ability to supply affected customers and result

in the loss of orders. Further, our export revenues are denominated in currencies other than the Indian Rupee, and we are accordingly exposed to movements in exchange rates. For further information, see "– *Exchange rate fluctuations may adversely affect our results of operations.*" on page 79.

We cannot assure you that any of these risks will not materialise in the future. If any of these risks materialise, our revenues from exports may decline, and our business, financial condition, results of operations and cash flows could be adversely affected.

2. ***Our manufacturing operations are critical to our business, and any disruption in the operations of our manufacturing facilities could adversely affect our business, financial condition, results of operations and cash flows.***

We operate four manufacturing facilities – the Advanced Manufacturing and Technology Centre ("**AMTC**") in Lucknow, Uttar Pradesh; a manufacturing facility in Mehsana, Gujarat ("**Mehsana Facility**"); the Strategic Materials Technology Complex ("**SMTC**") in the Uttar Pradesh Defence Industrial Corridor in Lucknow; and a manufacturing facility in Crewe, United Kingdom ("**THL Facility**") (collectively, the "**Manufacturing Facilities**"), as of June 30, 2026. Our ability to manufacture products, execute customer orders and generate revenues is dependent on the continued availability and efficient operation of our Manufacturing Facilities.

Our Manufacturing Facilities may be affected by events beyond our control, including fire, explosion, flooding, natural disasters, adverse weather conditions, power shortages, utility interruptions, industrial accidents, equipment breakdowns, labour disruptions, strikes or lock-outs, transportation bottlenecks, public health events, acts of terrorism or other operational disruptions. In addition, the suspension or withdrawal of a customer or regulatory approval, the failure of a supplier to supply a critical raw material or component for an extended period, or restrictions arising from changes in political or trade relations between India and the countries in which our customers are located, could each require us to suspend or curtail production at one or more of our Manufacturing Facilities. The occurrence of any such event could result in temporary or prolonged facility shutdowns, loss of production capacity, delays in fulfilling customer orders and increased operating costs. Further, the nature of our operations requires substantial investments in manufacturing infrastructure, machinery, equipment and supporting systems. The restoration, repair, replacement or recommissioning of specialised manufacturing facilities following a disruption may involve significant costs.

The operation of our Manufacturing Facilities is dependent on specialised plant, machinery and equipment, certain of which have long procurement, installation and commissioning lead times and for which alternatives may not be readily available. During Fiscals 2024, 2025 and 2026 and in the three months ended June 30, 2026, there were no instances of breakdown of machinery that had a material impact on our operations. Any significant malfunction or breakdown of our plant or machinery may, however, entail repair, maintenance or replacement costs and cause delays in our operations. While we maintain insurance in respect of our plant and machinery, including in respect of machinery breakdown, such insurance may not be adequate to cover the losses we may suffer in the event of any such breakdown. For further information, see "– *Our insurance coverage may not be adequate to protect us against all potential losses, which may have an adverse effect on our business, financial condition and results of operations.*" on page 63.

Our customers depend on the timely delivery of our products, in certain cases for incorporation into their own production and assembly programmes. Certain of our customers may impose penalties on us for delayed delivery, or for any stoppage of their production or assembly lines attributable to a delay or shortfall in supply by us. Any such claim, whether or not ultimately payable, could result in additional costs, the loss of orders and damage to our reputation. Any delay in restoring operations may result in order deferments, customer dissatisfaction, loss of business opportunities and reduced revenues. In addition, if our manufacturing facilities are unable to operate at expected levels of efficiency or capacity, or if we fail to effectively manage operational requirements across our facilities, our ability to meet customer demand and support the growth of our business may be adversely affected. Disruptions affecting any one of these facilities may not be capable of being immediately mitigated through production transfers to other facilities and may result in interruptions in the manufacture or supply of specific products and product categories. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

3. ***Our business depends on advanced manufacturing technologies, proprietary processes and specialised technical know-how. Any inability to effectively utilise such technologies and capabilities could adversely affect our business, financial condition, results of operations and cash flows.***

Our business is built on advanced manufacturing capabilities used in the production of high-precision metal components, engineered products, strategic materials and critical application components. Our operations utilise a range of advanced manufacturing and material processing technologies, including vacuum arc remelting, vacuum induction melting, plasma arc melting, hot isostatic pressing, metal powder manufacturing and advanced casting technologies. We are in the process of commissioning electron beam cold hearth remelting ("**EBCHR**") furnace and the installation of rolling mills at certain of our facilities. In addition, we have developed and commercialised our own proprietary processes, including RapidCast™, PrintCast™ and ForgeCAST™, which support the manufacture of complex components and specialised products. Separately, certain manufacturing processes used in our operations, including Replicast®, are licensed from third parties. Our ability to continue using those licensed processes is dependent on the continued validity and availability of the relevant licences and on our compliance with their terms.

If any such licence is terminated, expires without renewal, becomes subject to a dispute or is renewed on less favourable terms, we may lose access to the relevant process or be required to obtain alternative rights, modify our manufacturing processes or develop replacement technologies. Any change in the manufacturing process used for a component may require that component to be requalified and re-approved by the customer concerned, which may involve additional testing, take a considerable period of time and result in additional costs. We may also be required to incur significant expenditure on research and development to maintain and enhance our technological capabilities, improve manufacturing processes and meet evolving technical, performance and quality requirements. Such expenditure may be higher than anticipated and may not result in commercially viable processes, operational efficiencies or additional customer orders. Further, the operation of our manufacturing technologies and processes also depends on our ability to retain personnel with the relevant technical expertise. See "*– Our operations are labour intensive and depend on the availability of skilled personnel. Any inability to attract, retain, train and manage our workforce, or any disruption in labour availability, could adversely affect our business, financial condition, results of operations and cash flows.*" on page 56. Any inability to effectively utilise our manufacturing technologies and processes could impair our manufacturing capabilities, increase our costs, restrict our ability to meet customer requirements and adversely affect our business, financial condition, results of operations and cash flows.

***4. We rely on certain customers for a significant portion of our revenues. The loss of key customers, reduction in customer orders or inability to secure new programmes could adversely affect our business, financial condition, results of operations and cash flows.***

We rely on certain customers for a significant portion of our revenues. The tables below set forth revenues generated by us from our top 10 customer groups for the periods indicated:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 customer groups | 12,149.45 | 63.34% | 6,736.96 | 69.35% |
| Top 10 customer groups | 16,030.00 | 83.57% | 8,648.66 | 89.03% |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 customer groups | 34,751.08 | 57.65% | 18,615.22 | 60.42% | 17,366.52 | 67.60% |
| Top 10 customer groups | 51,366.85 | 85.22% | 25,547.03 | 82.92% | 21,852.85 | 85.07% |

Customers may reduce, defer, suspend or terminate orders for a variety of reasons, including changes in programme priorities, budgetary constraints, operational requirements, sourcing strategies, technological preferences, internal procurement policies or broader market conditions. In addition, customers may choose to manufacture products internally, or engage alternative suppliers. The loss of a significant customer relationship, cancellation of a programme or material reduction in order volumes could adversely affect our revenues and future business opportunities. The concentration of our revenues among a limited number of customers also concentrates our credit exposure to those customers. See "– *We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our business, results of operations, financial condition and cash flows.*" on page 64.

Our future growth is also dependent upon our ability to secure new programmes, contracts, development orders and strategic partnerships. The process of obtaining new business opportunities is often competitive, time consuming and resource intensive, requiring substantial investments in business development, engineering support, product development, qualification activities and customer engagement before commercial orders are awarded. Vendor selection processes of our customers are lengthy and rigorous, and may take longer than expected. We may incur significant expenditure in pursuing new opportunities without securing the relevant business. Further, we cannot assure you that existing customers will continue to place orders with us at historical levels, that pipeline opportunities will convert into commercial contracts, or that new programme awards will generate revenues within expected timelines, or at all.

A portion of our revenue is derived from government and public sector customers in India, including defence establishments, public sector undertakings and government research organisations. Orders from such customers are, in the majority of cases, awarded through competitive bidding processes, and we have participated in bids that have not converted into firm orders. Procurement by such customers is dependent on defence and public sector budget allocations, procurement policy and programme priorities, each of which is subject to change and is outside our control. Competitive bidding for public procurement is frequently conducted on a lowest-price basis, which may constrain our ability to price our products by reference to their technical content. Approval, inspection and acceptance cycles for government and public sector orders are typically longer than for commercial customers, and payment cycles may extend beyond those applicable to our other customers, which may affect our working capital position. Our ability to supply to certain government and defence customers is also dependent on us continuing to hold the registrations, approvals and clearances required for that purpose. Any reduction or deferral of defence or public sector budgets, change in procurement policy, delay in award or acceptance, or loss of any registration or approval required to participate in such procurement, could adversely affect our business, results of operations and cash flows.

Since we may not always have firm commitments under our supply arrangements with customers and instead rely on letters of intent, purchase orders, statements of work and customer delivery schedules, which may be amended, deferred or cancelled, we may have no recourse in the event of an unexpected delay, reduction or cancellation of business. There may be no commitment on the part of a customer to continue to place work orders with us, and our sales may fluctuate from period to period. Our revenues depend, in part, on volume projections provided by our customers. Under letters of intent, purchase orders and delivery schedules, our customers provide us with forecast volumes for a program and may not commit to purchase the quantities specified in those projections. These projections are based on economic and business factors, variables and assumptions, some or all of which may change or prove inaccurate. Accordingly, customer volume projections may not accurately indicate the actual revenues we will generate from such orders.

We cannot assure you that such instances will not occur in the future. Any reduction, delay or cancellation of customer orders, inaccuracies in customer forecasts, failure to realize revenues from awarded business or our inability to obtain new business opportunities or customers on commercially acceptable terms could adversely affect our business, financial condition, results of operations and cash flows.

***5. We are subject to stringent qualification, certification, approval and product quality requirements. Any failure to obtain, maintain or renew such qualifications and approvals, or to consistently meet required quality, performance and technical standards, could adversely affect our business, financial condition, results of operations and cash flows.***

We manufacture strategic materials, high-precision metal components and engineered products for critical and challenging applications across various industries, including aerospace, defence, space, oil and gas, liquefied natural gas, marine, energy, petrochemical, pulp and paper and power generation. Many of our products are used in mission-critical applications, and our ability to manufacture and supply such products depends on our ability

to satisfy stringent industry-specific quality, technical, safety and performance standards. Any failure to satisfy applicable qualification requirements, meet customer specifications or comply with applicable standards may result in the suspension, restriction or termination of existing business relationships, a reduction in orders, delays in customer approvals or our inability to participate in future programmes, which could adversely affect our business, financial condition, results of operations and cash flows.

We maintain quality systems, certifications and accreditations that support our participation in these industries, including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 27001:2022, AS/EN 9100 aerospace quality management certification, ISO 17025:2017 laboratory accreditation from NABL, Pressure Equipment Directive approvals and various marine classification approvals. These certifications, accreditations and approvals are subject to periodic audits, reviews, renewals and continued compliance with applicable requirements. Customer and approval-body audits are a routine and continuing feature of the qualification requirements applicable to the aerospace and defence industries and form part of the process for maintaining our approved-source status with customers and relevant accreditation bodies. Any failure to successfully complete such audits, address observations identified during an audit or otherwise maintain the standards required for our approved-source status or certifications could result in the suspension or loss of relevant approvals or certifications, restrict our eligibility to supply products to affected customers or programmes, result in a reduction or loss of orders and adversely affect our business, financial condition, results of operations and cash flows. An inability to obtain new certifications or approvals, renew existing certifications or approvals could restrict our operations, impair our ability to manufacture and supply products, increase compliance costs and adversely affect our reputation and customer relationships. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

6. ***Our manufacturing operations involve hazardous processes and materials and expose us to workplace health, safety, environmental and operational risks. Any accidents, incidents at our manufacturing facilities or failures of our safety systems could adversely affect our business, financial condition, results of operations and cash flows.***

Our manufacturing activities include investment casting, melting, forging, machining, welding, coating, hot isostatic pressing, heat treatment, metal powder manufacturing and the manufacture and processing of titanium alloys, superalloys, stainless steels and other advanced materials. These activities require the operation of foundries, vacuum melting and remelting systems, high-temperature furnaces, heavy machinery, pressurised equipment and specialised production systems, as well as the handling, transportation and storage of raw materials. Accordingly, our operations are inherently exposed to a range of workplace health, safety and environmental risks arising from the nature of the manufacturing processes undertaken at our facilities. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including explosions, fires, mechanical failures and other operational problems, inclement weather and natural disasters, discharges or releases of hazardous substances, chemicals or gases, and other environmental risks.

Any failure of equipment, process controls, safety mechanisms or operating procedures, whether arising from human error, technical malfunction, inadequate maintenance or other unforeseen circumstances, could result in accidents, including personal injury or loss of life. Further, our foundry-related operations require personnel to work in proximity to molten metals and high-temperature environments, which carry heightened occupational safety risks. We may become subject to compensation claims, product-related claims, environmental claims, contractual disputes, litigation, arbitration proceedings or other legal actions. We may also be subject to inspections, investigations, penalties, corrective action requirements or other proceedings initiated by governmental authorities or regulatory bodies. Any such claims, proceedings, liabilities or enforcement actions may result in substantial costs, diversion of management resources and reputational harm. Further, the occurrence of such accidents may also result in temporary or prolonged shutdowns of manufacturing lines, suspension of operations, delays in customer deliveries, disruption of supply commitments, damage to customer relationships and increased operating and remediation costs. Further, any adverse publicity arising from workplace accidents, environmental incidents or occupational health events may impair our reputation among customers, employees, regulators and other stakeholders. While there have not been any instances of fatal injuries at our Manufacturing Facilities, in the course of our operations during Fiscals 2024, 2025 and 2026 and the three months ended June 30, 2026, we cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

7. ***Any disruption in the supply of raw materials or components, or failure of our suppliers to meet their obligations, could adversely affect our business, financial condition, results of operations and cash flows.***

The manufacture of our products requires access to specialised raw materials such as titanium sponge, alloy scraps and ferro-alloys that must satisfy stringent technical and quality specifications. The availability of such materials may be affected by global supply and demand dynamics, production constraints, geopolitical developments, trade restrictions, transportation disruptions, supplier-specific issues and other factors beyond our control. Some of our procurement requirements are sourced from a limited number of suppliers. The tables below set forth expenses incurred by us for procurement of raw materials from our top 10 suppliers in the periods indicated.

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 suppliers | 2,274.17 | 11.86% | 1,826.11 | 18.80% |
| Top 10 suppliers | 3,039.77 | 15.85% | 2,232.73 | 22.98% |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ in lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 suppliers | 7,497.45 | 12.44% | 5,693.82 | 18.48% | 3,240.78 | 12.62% |
| Top 10 suppliers | 9,788.82 | 16.24% | 7,719.47 | 25.06% | 4,402.20 | 17.14% |

This concentration increases our exposure to the performance, financial condition and continued availability of such suppliers. Any failure by these suppliers to supply raw materials or components in the required quantities, within agreed timelines or in accordance with prescribed technical and quality specifications, whether due to capacity constraints, operational or financial difficulties, quality failures, labour disruptions, regulatory restrictions, geopolitical developments, transportation delays or other factors, could disrupt our manufacturing operations and delay the execution of customer orders. For details in relation to cost of material consumed, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 108.

Certain raw materials used in our operations may have a limited supplier base or require specialised sourcing arrangements. In addition, the procurement of titanium and superalloy materials may be subject to volatility in global commodity markets and supply chain constraints. We therefore remain exposed to price movements between such adjustments and in respect of orders that do not contain provisions for price variations in raw materials prices. If we are unable to procure sufficient quantities of raw materials on commercially acceptable terms, or at all, we may be unable to meet customer demand, execute existing orders or support future business growth. Further, we may not always be able to pass on increases in raw material costs to our customers, which could adversely affect our profitability and operating margins. The supply of raw materials may also be affected by quality-related issues, supplier insolvencies, production disruptions, export controls, sanctions, changes in governmental policies or logistical bottlenecks. Any requirement to identify and qualify alternate suppliers could involve additional cost and management attention and may not be completed within the required timelines. Further, any failure by our suppliers to adhere to applicable quality standards or delivery commitments may affect our manufacturing operations and customer relationships. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***8. Development of new products, process improvements and production techniques involve a lengthy and expensive process with uncertain timelines and outcomes. The failure to develop new or improved products or process improvements or production techniques could adversely affect our business, financial condition and results of operations.***

Our future growth depends on our ability to continue to develop, design and commercialise viable and sustainable new products in a timely and cost-effective manner, improve our existing products and develop process improvements that enhance the time, quality and cost efficiency of our operations. The development and commercialisation of new products is complex, time-consuming and costly, and its outcome is inherently uncertain. The development, testing and qualification of new products, processes and production techniques in

the industries we serve generally involve lengthy and complex procedures, and the associated timelines are inherently subject to slippage. Such timelines frequently depend on customer-driven programme schedules, including changes in technical specifications or programme requirements, the availability of customer personnel and testing infrastructure, completion of validation and qualification procedures, customer inspections and audits, and the timing of customer approvals. Accordingly, changes or delays in customer programmes may postpone the qualification or commercial production of our products, including where we have completed the relevant development activities. Any such delay may require us to incur development, personnel and manufacturing costs for longer than anticipated, defer commercial production and the corresponding revenues, disrupt our production and capacity planning, and delay or prevent the recovery of investments made in product development, tooling, equipment and manufacturing infrastructure.

The introduction of new products into our product portfolio also depends on several factors, including the production readiness of our Manufacturing Facilities and manufacturing processes, the availability and performance of our suppliers, and factors relating to tooling, equipment, personnel and initial product quality. Production shortfalls or delays, failure to complete qualification within anticipated timelines, or an inability to accurately estimate the costs associated with designing, developing, qualifying and launching new products could increase our costs and prevent us from effectively managing product-development programmes. Further, even if a product or process successfully completes development and qualification, it may not result in commercial orders within the periods or in the volumes anticipated by us, or at all.

We cannot assure you that we will successfully develop, qualify, commercialise or launch new or improved products, process improvements or production techniques within anticipated timelines or budgets, or at all. Any material delay, failure or abandonment of a development or qualification programme, or failure of a qualified product to generate the expected commercial orders, could adversely affect our business, financial condition and results of operations.

***9. Our operations are labour intensive and depend on the availability of skilled personnel. Any inability to attract, retain, train and manage our workforce, or any disruption in labour availability, could adversely affect our business, financial condition, results of operations and cash flows.***

Our operations are labour intensive and depend on availability of skilled and unskilled personnel. The manufacture of high-precision metal components, strategic materials, castings, machined components and other engineered products requires personnel with varying levels of technical, operational and manufacturing expertise. A significant proportion of our workforce comprises technically qualified and specialised personnel, including metallurgists, engineers, foundry and machining specialists and qualified inspection and testing personnel, whose skills are developed over extended periods and are not readily substitutable. As a result, the continued availability of qualified personnel is important to the operation and growth of our business. Any inability to attract, recruit, train, integrate or retain skilled personnel may affect our operational efficiency, productivity and ability to meet customer requirements.

Our manufacturing activities are dependent on the efficient deployment and management of personnel across multiple facilities and operational processes. Accordingly, our operations may be affected by labour shortages, increased competition for qualified personnel, higher employee attrition, industrial unrest, work stoppages, disruptions involving contractual labour, disputes relating to wages or benefits, or changes in labour and employment regulations. Any such event may result in disruptions to production schedules, increased employee-related costs, reduced operational efficiency or delays in the execution of customer orders. Further, as we continue to expand our manufacturing capabilities and operational footprint, we may require additional skilled personnel to support our operations and planned growth initiatives. We cannot assure you that we will be able to suitably source qualified personnel in sufficient numbers or on commercially acceptable terms in a timely manner, or at all.

We also incur time and resources in training and developing personnel to support our operational and technological requirements. The loss of trained employees, coupled with challenges in recruiting replacement personnel with comparable skills and experience, may impact productivity, increase training costs and result in delays in achieving operational objectives. If we are unable to effectively maintain, manage and expand our workforce in line with our business requirements, our business, financial condition, results of operations and cash flows could be adversely affected. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***10. We may not be able to successfully expand, commission, operationalise and scale our manufacturing capabilities. Any delays, cost overruns or failure to achieve the expected benefits from our expansion initiatives could adversely affect our business, financial condition, results of operations and cash flows.***

We are expanding our manufacturing capabilities and production infrastructure. For further information, see "*Objects of Issue and Use Of Proceeds*" on page 87. These initiatives involve significant capital expenditure, management oversight, technical expertise and operational planning, and their successful implementation is important to our future growth.

We may encounter delays in equipment procurement, installation, testing, commissioning, validation, the grant or renewal of authorisations, licences and permits required for a project, rights granted to third parties that conflict with our plans, regulatory approvals, workforce mobilisation, vendor performance, utility availability or integration of new facilities with existing operations. We may also experience engineering challenges, equipment performance issues, supply chain constraints, labour shortages or other unforeseen difficulties during implementation. Any such delays or disruptions could postpone the commercial utilisation of expanded capacities, increase project costs and affect the timing of anticipated revenues and operational benefits.

Further, the successful commissioning of new facilities or manufacturing lines may not enable us to achieve targeted efficiencies or generate expected returns. We may also be required to incur additional expenditure to address operational inefficiencies, quality issues, equipment modifications or capacity bottlenecks post commissioning. We cannot assure you that our expansion initiatives will be completed within expected timelines or budgets, or that the anticipated operational, strategic or financial benefits from such initiatives will be realised to the extent expected, or at all.

In addition, expansion projects increase the complexity of our operations and require us to effectively manage larger manufacturing footprints, increased production volumes, additional personnel and expanded supply chain requirements. If demand for our products does not increase in line with the additional capacity created, or if we are unable to effectively utilise such capacity, our returns on investment may be adversely affected. Any failure to efficiently execute, commission, integrate or ramp up our planned expansion initiatives could adversely affect our business, financial condition, results of operations and cash flows. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***11. We may be unable to successfully integrate the operations of our acquired entities, and any failure to realise the anticipated benefits of such acquisitions could adversely affect our business, financial condition, results of operations and cash flows.***

In December 2024, we acquired Trac Holdings Limited, together with its subsidiaries, Trac Precision Solutions Limited, Broomco (4266) Limited and Trac Group Limited. Through this acquisition, we expanded our capabilities in precision machining for aerospace, defence and power generation applications, including turbine blades, nozzle guide vanes, heat shields and other mission-critical components. The successful integration of the acquired entities is important for us to realise the strategic, operational and commercial benefits expected from the acquisitions and to effectively leverage the expanded capabilities and geographic footprint of our business. In the three months ended June 30, 2026 and Fiscal 2026, the acquired entities contributed ₹7,143.90 lakhs and ₹24,701.44 lakhs to our consolidated revenue from operations, representing 37.25% and 40.98% of our consolidated revenue from operations, respectively.

The integration of acquired businesses is inherently complex. We may encounter difficulties in integrating manufacturing operations, business processes, information technology systems, internal controls, financial reporting systems, supply chain arrangements, and customer relationships. The acquired entities may operate in a different jurisdiction, legal, regulatory and business environment, which may further increase the complexity of the integration process. Any difficulties in integrating personnel, harmonising operational practices or aligning strategic priorities could affect operational efficiency and delay the achievement of expected synergies. Further, we may not realise the anticipated benefits of the acquisition within the expected timeframe, or at all. We cannot assure you that the acquired entities will perform in accordance with our expectations, that synergies and operational efficiencies will be realised to the extent anticipated, or that the acquisition will contribute to future growth and profitability as expected. The integration process may also result in increased operating costs, management distractions, duplication of functions, temporary disruptions in operations or the loss of key employees, customers, suppliers or business opportunities. In addition, the acquired entities may become subject to operational, financial, legal, regulatory, tax or contractual issues that were not identified prior to the acquisition

or that emerge following integration. Any such matters may require additional expenditure and management attention and may adversely affect the anticipated benefits of the acquisition. If we are unable to successfully integrate the operations and business of such acquired entities, or if the expected strategic and operational benefits of the acquisition are not realised, our business, financial condition, results of operations and cash flows could be adversely affected. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***12. Our operations in the United Kingdom expose us to risks associated with operating and managing an overseas subsidiary and manufacturing facility, which could adversely affect our business, financial condition, results of operations and cash flows.***

Following our acquisition of Trac Holdings Limited and its subsidiaries, we operate the THL Facility in Crewe, United Kingdom. The THL Facility is subject to United Kingdom laws and regulations relating to employment, occupational health and safety, environmental matters, export controls, sanctions, customs and taxation. Compliance with these requirements may increase the cost and complexity of our operations and require significant managerial, financial and administrative resources. Any adverse change in such requirements, or any failure to comply with them or obtain and maintain necessary licences and authorisations, could result in operational restrictions, delays in the manufacture or export of products, suspension of approvals, penalties, litigation or other regulatory action. Managing geographically separated operations may also make it more difficult to maintain consistent operational practices, internal controls, financial reporting systems, compliance standards and management oversight across our Group. The results of the THL Facility are denominated in pounds sterling and are translated into Indian Rupees on consolidation, and we are accordingly exposed to movements in exchange rates. For further information, see "*– Exchange rate fluctuations may adversely affect our results of operations.*" on page 79.

***13. Exchange rate fluctuations may adversely affect our results of operations.***

Our financial statements are presented in Indian Rupees. A substantial portion of our revenue is denominated in currencies other than the Indian Rupee, and we also incur expenditure in foreign currencies on the import of raw materials, consumables, plant and machinery and on certain services. Following the acquisition of the THL Facility, the results and net assets of our United Kingdom operations are denominated in pounds sterling and are translated into Indian Rupees on consolidation. We are accordingly exposed to movements in exchange rates on our revenues, on our costs and on the translation of the results and net assets of our overseas subsidiary. We seek to manage a part of this exposure by entering into forward contracts in respect of sales made in currencies other than our functional currency. Such arrangements cover only a portion of our exposure, are entered into for limited periods and may not be effective in addressing the effect of exchange rate movements. The table below sets forth net unhedged foreign currency exposure as of the dates indicated:

| Particulars | As of June 30, 2026 | As of June 30, 2025 | As of March 31, 2026 | As of March 31, 2025 | As of March 31, 2024 |
|---|---|---|---|---|---|
| | (₹ in lakhs) | | | | |
| Net unhedged foreign currency exposure | 6,384.69 | 3,756.54 | 10,339.36 | 7,131.85 | 4,522.40 |

The exchange rate between the Indian Rupee and the currencies in which we transact has fluctuated in the past, our results of operations have been affected by such fluctuations and may be affected by such fluctuations in the future. An appreciation of the Indian Rupee against the currencies in which we invoice our exports would reduce our revenues in Rupee terms, and a depreciation of the Indian Rupee would increase the cost of raw materials, plant and machinery that we import. We may not be able to pass on any such increase in costs to our customers. Any of the foregoing could adversely affect our business, financial condition, results of operations and cash flows.

***14. Defects in our products could result in product rejections, warranty claims, product recalls or product liability claims, which could adversely affect our business, financial condition, results of operations and cash flows.***

We manufacture high-precision components and engineered products used in critical applications. Any defect, manufacturing variance or failure of our products to meet prescribed designs, specifications, quality standards or performance requirements could result in rejection or return of products, rework or replacement obligations, warranty claims, product recalls, suspension of supplies or cancellation of orders. We may also be required to indemnify customers or reimburse costs incurred by them in connection with defective products, including

inspection, testing, removal, replacement, labour and administrative costs. Any such event could delay deliveries, increase our costs, disrupt production schedules, affect our approved-source status and adversely affect our customer relationships and reputation. An actual or alleged defect or failure could result in damage to property, personal injury or loss of life and expose us to substantial product liability claims, contractual claims, litigation, regulatory investigations, penalties or other liabilities. Any of the foregoing events could require significant expenditure and management attention and adversely affect our business, financial condition, results of operations and cash flows.

***15. We operate in highly competitive industries and face competition from domestic and international manufacturers with significant resources, technological capabilities and established customer relationships. Increased competitive pressures could adversely affect our business, financial condition, results of operations and cash flows.***

We operate in highly competitive industries, and compete with domestic and international manufacturers engaged in the production of precision castings, strategic materials, forgings, machined components and other engineered products. Certain of our competitors may possess greater financial resources, larger manufacturing capacities, broader product portfolios, longer operating histories, stronger brand recognition, wider geographic reach, more diversified customer bases and greater research and development capabilities than us.

Competition in precision castings, strategic materials, forgings and machined components for aerospace and defence is based on material and process capability, manufacturing complexity, customer qualifications and approvals, product quality, delivery reliability and the ability to manufacture components for critical applications. (*Source: D&B Report*) Any inability to maintain our competitive position or respond effectively to changing customer requirements and industry developments could result in reduced order volumes, loss of market share or downward pressure on pricing. In addition, technological advancements, manufacturing innovations and new market entrants may alter competitive dynamics in the industries that we serve. Competitors may develop alternative products, manufacturing processes or technologies that offer advantages in terms of performance, cost, efficiency or delivery timelines. Any such development could reduce demand for the manufacturing processes or technologies on which our business is based, irrespective of our own operating performance. To remain competitive, we may be required to make significant investments in research and development, manufacturing infrastructure, product development, process improvements and customer support capabilities. Such investments may not generate the expected commercial returns or competitive benefits.

***16. We depend on third-party transportation and logistics service providers for the delivery of our products and materials. Any disruption, delay, damage or loss during transportation could adversely affect our business, financial condition, results of operations and cash flows.***

We depend on third-party transportation, freight forwarding, shipping, cargo-handling and logistics service providers for the timely movement and delivery of our products. Our exports are generally made on free on board or ex-works terms, under which risk in the goods passes to the customer on shipment. In respect of orders shipped on delivered terms, any mishandling, accident, theft, loss, delay, damage or deterioration occurring during transportation may result in rejection of products by customers, rework or replacement costs, delayed project execution, contractual disputes, warranty claims or loss of business opportunities.

Transportation and logistics activities may also be affected by factors beyond our control, including port congestion, shipping disruptions, container shortages, carrier capacity constraints, labour disputes, adverse weather conditions, natural disasters, geopolitical tensions, customs delays, regulatory restrictions, infrastructure failures and disruptions in domestic or international supply chains. Any such developments may increase transportation costs, extend delivery timelines or affect our ability to fulfil customer orders in accordance with agreed schedules. In certain circumstances, delays in delivery may expose us to contractual liabilities, liquidated damages, cancellation of orders or loss of customer confidence. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***17. Inability to achieve or maintain adequate capacity utilisation levels could adversely affect our business, financial condition, results of operations and cash flows.***

The efficient utilisation of our installed manufacturing capacities is important to our operational efficiency, profitability and return on investment. Our capacity utilisation levels may be affected by a number of factors, many of which are beyond our control, including reductions in customer demand, delays in customer programmes,

cancellation or postponement of orders, changes in industry conditions, supply chain disruptions, shortages of raw materials, operational interruptions, commissioning delays, production inefficiencies and broader economic conditions. If demand for our products does not increase in line with our existing or expanded manufacturing capacities, or if we are unable to secure sufficient order volumes to utilise such capacities effectively, our fixed costs may be spread over lower production volumes, which could adversely affect our operating margins and profitability.

Further, we are undertaking and propose to undertake various expansion initiatives to enhance our manufacturing capabilities. Any mismatch between capacity creation and market demand, delays in ramping up production, extended stabilisation periods for newly commissioned facilities, customer qualification delays or slower-than-anticipated adoption of new products and capabilities may result in underutilisation of manufacturing capacities. We may also incur depreciation, maintenance and other operating expenses in relation to capacities that are not fully utilised. We cannot assure you that we will be able to achieve or maintain optimal utilisation levels at our manufacturing facilities or realise the anticipated benefits from our existing or planned capacities within expected timelines, or at all. In addition, persistent underutilisation of capacity may adversely affect our competitiveness, efficiency and return on capital employed and may require us to incur additional costs to improve utilisation levels or support underutilised operations. If we are unable to effectively utilise our manufacturing capacities, our business, financial condition, results of operations and cash flows could be adversely affected. Also see, "*– We may not be able to successfully expand, commission, operationalise and scale our manufacturing capabilities. Any delays, cost overruns or failure to achieve the expected benefits from our expansion initiatives could adversely affect our business, financial condition, results of operations and cash flows.*" on page 57.

***18. We have substantial working capital requirements and any inability to meet our working capital requirements could adversely affect our business, financial condition, results of operations and cash flows.***

Our business and operations require substantial working capital. As of June 30, 2026, our sanctioned fund-based working capital facilities amounted to ₹658.10 lakhs. For further information in relation to our working capital requirements, see "*Objects of the Issue*" on page 87. We cannot assure you that we will continue to generate sufficient internal accruals or be able to raise adequate working capital from lenders to address our future needs. If adequate working capital is not available on commercially acceptable terms, or at all, we may be unable to procure raw materials, indirect materials and consumables in required quantities, maintain optimal inventory levels, meet operational expenses, execute customer orders in a timely manner or pursue growth opportunities. Any constraints on working capital may also affect our ability to operate manufacturing facilities efficiently, maintain production schedules and support ongoing business operations. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***19. There are outstanding legal proceedings involving our Company and Subsidiaries. Any adverse decision in such proceedings may expose us to liabilities or penalties and may adversely affect our business, financial condition, results of operations and cash flows.***

As of the date of this Placement Document, our Company and our Subsidiaries are involved in legal matters, including tax-related issues (both direct and indirect) and a civil suit. These cases are at various stages and are being reviewed by different courts, tribunals and other authorities. We cannot guarantee that the outcomes of these proceedings will be favourable to us. Any adverse decision in such proceedings could adversely affect our business, financial condition, results of operations and cash flows. The amounts claimed in these proceedings have been disclosed to the extent ascertainable. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current or long-term liabilities. For further details, see "*Legal Proceedings*" on page 322.

***20. If we are unable to accurately forecast customer demand and effectively manage our inventory levels, our business, financial condition, results of operations and cash flows could be adversely affected.***

Our inventory planning depends significantly on our ability to accurately forecast customer demand, anticipated order volumes, production requirements, project timelines and market conditions. If our estimates of customer demand are inaccurate, we may maintain inventory levels that are either insufficient or excessive relative to actual business requirements. If inventory levels are lower than required, we may experience shortages of raw materials, strategic inputs or finished products, which could affect production schedules, delay deliveries to customers, impair our ability to fulfil orders and potentially result in the loss of sales opportunities. Conversely, if we maintain

inventory levels in excess of actual demand, a significant portion of our working capital may remain tied up in inventory for extended periods, which may increase storage, handling, financing and inventory management costs.

In addition, certain products used or manufactured by us are specialised in nature and may not be readily deployable across different programmes, customers or end-use applications. Changes in customer specifications, programme requirements, industry conditions, procurement schedules, technological developments or market demand may result in inventories becoming slow-moving, surplus, obsolete or requiring reprocessing. We may also be required to record inventory write-downs or incur additional costs to dispose of, replace or modify such inventory. Further, any disruption in demand patterns or customer purchasing behaviour may make it difficult for us to optimise inventory levels and efficiently utilise working capital deployed in inventories.

***21. We may be unable to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business.***

Our operations are subject to various national, state and local laws and regulations relating to the protection of the environment, employment, and occupational health and safety. For instance, we require certain material approvals including approvals under the Water (Prevention and Control of Pollution) Act, 1974, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended in order to establish and operate our manufacturing facilities in India, and registrations with the relevant tax, labour and municipal authorities in India. We are also required to obtain and comply with environmental permits for certain of our operations. While as of the date of this Placement Document, we are not subject to any legal proceedings in relation to environmental matters, we cannot assure you that such instances will not occur in the future. We cannot assure you that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. A majority of these approvals are granted for a limited duration. For instance, as on the date of this Placement Document, our subsidiary, Aerolloy Technologies Limited has applied for the (i) legal metrology license from the legal metrology department in relation to the AMTC plant. We cannot assure you that our applications for renewal of these approvals will be issued or granted to us in a timely manner, or at all. Failure by us to obtain, renew or maintain the required permits, registrations or approvals may result in fines, penalties, interruption of operations or other regulatory actions and could adversely affect our business, financial condition, results of operations and cash flows. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects.

Further, we cannot assure you that the legal framework, licensing and other regulatory requirements or enforcement trends in the industries and jurisdictions in which we operate will not further change in a manner that makes it more costly or difficult to renew or obtain the statutory and regulatory permits, licenses and approvals we require to operate our business, or that we will be successful in responding to such changes. Moreover, as we grow our business, the requirements for obtaining new licenses, approvals and authorisations will also increase. If we lose or are otherwise unable to maintain any of our required licenses, registrations, permits and approvals under the applicable laws and regulations, our business operations may be adversely affected which in turn could have an adverse effect on our results of operations, financial condition and cash flows. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

We are also subject to laws regulating export and import. Any change in the laws regarding eligibility for the export or import may affect our ability to export. Also see " *– Our business is significantly dependent on exports and any adverse changes in our export markets could adversely affect our business, financial condition, results of operations and cash flows*" on page 49.

***22. Our future performance is dependent on the continued involvement of our Promoters, Key Managerial Personnel and Senior Management. The loss of key personnel could adversely affect our business, results of operations, financial condition and cash flows.***

Our future performance depends on the continued involvement of our Promoters, Key Managerial Personnel, and Senior Management. Such personnel possess experience and knowledge relating to our business, manufacturing operations, technologies, customer relationships and growth initiatives. The loss of the services of any of these personnel due to resignation, retirement, incapacity or otherwise could result in the loss of institutional knowledge, disrupt our operations and customer relationships, delay decision-making and the implementation of our business strategies, and adversely affect our ability to manage and expand our business. We may be unable to identify,

recruit and integrate replacement personnel with the requisite expertise and experience in a timely manner or on commercially acceptable terms. The recruitment and transition of replacement personnel may also require significant time and expenditure and may not ensure an effective transfer of responsibilities, technical knowledge or customer relationships. Any inability to retain our Promoters, Key Managerial Personnel and Senior Management, implement effective succession arrangements or appoint suitable replacements could adversely affect our business, results of operations, financial condition and cash flows.

***23. We have incurred indebtedness and our financing arrangements contain restrictive covenants. Any inability to meet our obligations, including financial and other covenants, under such arrangements could adversely affect our business, results of operations, financial condition and cash flows.***

As of June 30, 2026, our total borrowings amounted to ₹27,399.20 lakhs, comprising ₹9,407.98 lakhs of current borrowings and ₹17,991.22 lakhs of non-current borrowings. Our ability to service our indebtedness depends on our ability to generate sufficient cash flows from operations. Any additional indebtedness we incur would require us to dedicate a larger portion of our cash flows to debt service, thereby reducing the funds available for working capital, capital expenditure, R&D and other business purposes, and reducing our flexibility in responding to competitive pressures and market conditions.

Our financing arrangements contain restrictive covenants including restrictions on our ability to, among other matters, make loans and investments, change our capital structure, undertake merger or amalgamation, change our ownership and shareholding, issue further Equity Shares, alter the business we conduct, carry out modifications, amendments or alterations to the constitutional documents of the Company, enter into borrowing arrangements with any other bank, financial institution, company or otherwise, create any charges, lien or encumbrances over our assets or undertaking or any part thereof in favour of any third party, that require us to seek the prior consent of, or provide intimation to, our lenders upon the occurrence of specified events. Our failure to comply with these covenants or obtain necessary consents could result in an event of default, allowing lenders to accelerate the repayment of our obligations. Any failure to meet our debt service obligations or comply with the terms of our financing arrangements could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our borrowings are secured, among other things, by a charge created by way of hypothecation over the entire current assets of our Company, and our rights to transfer or otherwise dispose of such assets are accordingly restricted. Any such enforcement may impair our ability to access the current assets required for our operations, disrupt our business and constrain our liquidity and working capital. Accordingly, the restrictions arising from such security interests, or any enforcement thereof, could adversely affect our business, financial condition, results of operations and cash flows.

***24. Any inability to protect our trademarks, confidential information and specialised technical know-how could adversely affect our competitive position, business, financial condition, results of operations and cash flows.***

We rely on applicable trademark laws to protect our trademarks and the goodwill associated with them. These protections may not be sufficient to prevent infringement, imitation, counterfeiting, passing off or other unauthorised use by third parties. We may also be unable to detect such unauthorised use or take timely and effective steps to protect or enforce our rights. Any dispute concerning the ownership, validity or use of our trademarks, or any requirement to initiate legal proceedings to protect them, could involve significant costs and management attention, and the outcome of such proceedings may be uncertain. Any unauthorised use of our trademarks could cause customer confusion, impair our reputation and goodwill and adversely affect our business, financial condition, results of operations and cash flows.

Our business also depends on confidential customer designs, manufacturing and process knowledge, technical information and commercially sensitive business information, which may not be capable of protection through registered intellectual property rights. Confidentiality obligations form part of the standard employment agreements entered into with all our permanent employees. However, such contractual protections may not prevent employees, former employees, customers, suppliers or other persons with access to such information from disclosing, misappropriating or improperly using it, and we may not be able to detect or obtain adequate remedies for every breach. If our confidential information or specialised technical know-how becomes available to competitors or other third parties, they may use such information to replicate our processes, compete more effectively with us or otherwise impair our competitive position. Any breach of confidentiality obligations owed by us in respect of customer information could also expose us to contractual claims, litigation, loss of customer

confidence and reputational harm. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***25. We rely on information technology systems, digital infrastructure and data management systems in our operations, and any cybersecurity incident, technology failure, data breach or disruption to our information systems could adversely affect our business, financial condition, results of operations and cash flows.***

Our information technology systems are vulnerable to a variety of risks, including cybersecurity attacks, ransomware incidents, malware infections, phishing attempts, data theft, unauthorised access, insider misconduct, software defects, hardware failures, telecommunications disruptions, power outages and other technological failures. Any successful cyberattack or security breach may compromise the confidentiality, integrity or availability of our systems, disrupt business operations, impair the functioning of manufacturing processes, result in the loss, corruption or unauthorised disclosure of sensitive information, and adversely affect our ability to conduct our operations.

Our operations also depend on the availability and performance of third-party technology platforms, software applications, cloud-based services, communication networks and other digital infrastructure. Any interruption, degradation, failure or security compromise affecting such systems or service providers may impair our ability to access critical data, process transactions, coordinate operations, manage production activities or communicate effectively with customers, suppliers and other stakeholders. In addition, the increasing use of digital technologies and automation may expose us to new operational and information security risks that may not be fully identifiable in advance. Any cybersecurity incident, data breach or technology disruption may also expose us to regulatory investigations, contractual disputes, litigation, penalties, remediation costs, business interruption losses and reputational damage. The loss of confidential technical information, proprietary manufacturing processes, intellectual property, customer information or commercially sensitive business data could adversely affect our competitive position and customer relationships. Further, efforts to investigate, contain, remediate and recover from cybersecurity incidents may require significant management attention and financial resources. Any significant failure of our information technology systems, cybersecurity breach, loss of data or disruption to our digital infrastructure could adversely affect our business, financial condition, results of operations and cash flows.

***26. We have significant power, fuel and water requirements and any disruptions in this regard could adversely affect our business, results of operations and cash flows.***

We require substantial power, fuel and water resources for our operations. Our energy supply comprises grid power supplemented by a long-term power purchase arrangement and captive renewable generation, including a windmill and rooftop solar installations. Any interruption, shortage or inadequacy in the supply of electricity, fuel or water may disrupt manufacturing activities, reduce production output, damage equipment, affect product quality, increase production costs or delay the execution of customer orders. Such disruptions may arise due to power outages, transmission failures, fuel shortages, interruptions in utility infrastructure, restrictions on water availability, adverse weather conditions, natural disasters, regulatory actions or other factors beyond our control. Further, utilities may not always be available in the quantities required to support our existing operations, future expansion plans or additional manufacturing capacities. We cannot assure you that disruptions in utility supplies will not occur in the future or that alternate arrangements will always be available on commercially acceptable terms, or at all. Any increase in electricity tariffs, fuel prices, water charges or other utility-related costs could increase our operating expenses and adversely affect our profitability.

***27. Our insurance coverage may not be adequate to protect us against all potential losses, which may have an adverse effect on our business, financial condition and results of operations.***

Our operations are subject to various risks inherent in the industry in which we operate. We maintain policies in respect of material damage to buildings, facilities, plant and machinery, furniture, fixtures, fittings and stocks, and in respect of machinery breakdown. As of June 30, 2026, June 30, 2025, March 31, 2026, 2025 and 2024, our insurance coverage represented 118.45%, 134.07%, 126.64%, 142.60% and 90.58%, respectively, of the gross value of our property, plant and equipment, capital work in progress, right of use assets and intangible assets. Certain losses may not be covered under our existing insurance policies, may be expressly excluded from coverage, or may exceed applicable policy limits, deductibles or other coverage thresholds. Any significant uninsured or underinsured loss could require us to bear substantial costs from our own resources and could adversely affect our financial condition and liquidity.

Further, insurance claims may be disputed, delayed, reduced or denied by insurers for a variety of reasons, including disagreements relating to policy interpretation, exclusions, compliance with policy conditions or the quantum of loss claimed. Even where insurance coverage is available, there may be substantial delays between the occurrence of a loss and the receipt of insurance proceeds. Such delays may adversely affect our ability to restore damaged assets, resume operations, replace equipment or otherwise recover from the relevant event. In addition, any material increase in insurance premiums, reduction in available coverage, tightening of underwriting standards or inability to renew insurance policies on commercially acceptable terms could increase our operating costs and expose us to greater financial risk. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***28. Our inability to effectively manage our growth or successfully implement our business strategies and growth plan may have an adverse impact on our business, results of operations and financial condition.***

We cannot assure you that we will be able to successfully manage our growth rate in the future or that our growth strategies will continue to be effective or that we will be able to further expand our business. Our success relies on successful implementation of our business and growth plans. For details in relation to our strategies, see *"Our Business – Our Strategies"* on page 235. Achieving successful implementation of our strategies will depend on various factors, such as identifying industry trends, developing innovative products, competing with established players, maintaining high quality standards, and recruiting and training personnel. We cannot assure you that we will be successful in these areas. Our growth strategies will further demand substantial financial and other resources, and we need to continuously refine our operational and financial controls. We cannot assure you that these strategies will be implemented on a timely basis, within budget or result in increased profitability. Any failure to effectively manage our growth or successfully implement our business strategies could adversely affect our business, financial condition and results of operations.

***29. Certain documents filed by us with the Registrar of Companies and certain corporate records and other documents related to the capital structure of our Company, in respect of allotments of Equity Shares made in the period from 1963 to 1998, are not traceable.***

Some of our Company's corporate regulatory filings and records in respect of allotments of Equity Shares made in the period from 1963 to 1998 which include, *inter alia*, Form 2, minutes of meetings of the Board and the Shareholders, and Form 23, are not traceable. This is because the relevant information is either missing from our internal records, the Ministry of Corporate Affairs online portal, or the physical records at the RoC. Despite thorough internal searches and hiring an independent practicing company secretary, Amit Gupta & Associates, Practicing Company Secretaries, to conduct a physical search, we have been unable to locate specific documents, including certain return of allotment forms. We have obtained a certificate dated October 6, 2026 from Amit Gupta & Associates, Practicing Company Secretaries, in relation to the missing records of our Company ("**Search Report**"). The disclosures in this Placement Document regarding these untraceable records are based on other available supporting documents and the Search Report. We cannot assure you that the missing regulatory filings or corporate records will be located in the future, or that all filings were made in compliance with applicable laws and within the prescribed timelines. As on the date of this Placement Document, there are no legal proceedings or regulatory actions concerning these records.

***30. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our business, results of operations, financial condition and cash flows.***

We are subject to the risk that our counterparties may not meet their obligations under various financial instruments. The table below sets forth our trade receivables and trade receivable days as of the dates indicated:

| Particulars | As of June 30, 2026 | As of June 30, 2025 | As of March 31, 2026 | As of March 31, 2025 | As of March 31, 2024 |
|---|---|---|---|---|---|
| Trade Receivables (₹ in lakhs) | 24,170.75 | 14,083.15 | 27,392.56 | 14,381.31 | 11,085.79 |
| Trade receivable days | 115 | 132 | 166 | 170 | 158 |

Our credit risk exposure relates to our financing activities, including deposits with banks and financial institutions, as well as to operating activities, primarily from trade receivables. Accordingly, if our counterparties fail to meet

their financial obligations, we may incur financial losses that could adversely affect our business, financial condition, results of operations and cash flows. We cannot assure you that such instances will not occur in the future. Any of the foregoing events could adversely affect our business, financial condition, results of operations and cash flows.

***31. We have certain contingent liabilities, which if they materialize, may adversely affect our business, results of operations, financial condition and cash flows.***

The table below sets forth details in relation to our contingent liabilities as of June 30, 2026:

*(₹ in lakhs)*

| Particulars | As at June 30, 2026 |
|---|---|
| **A. Contingent Liabilities** | |
| **1. Other contingent liabilities:** | |
| Disputed amounts for goods and service tax gross of amount paid under protest amounting to ₹ 16.59 lakhs (previous year ₹ 16.59 lakhs)* | 16.59 |
| **2. Guarantees excluding financial guarantees:** | |
| Bank guarantees | 8,745.11 |
| **B. Capital and Other Commitments** | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 14,742.03 |

** In respect of the above matters pending at various authorities(GST cases are pending at appellate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable.*

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future and that our existing contingent liabilities will not have adverse effects on our business, results of operations, financial condition or cash flows. For further information on our contingent liabilities, see "*Financial Information*" on page 327.

***32. Our proposed use of the Net Proceeds is based on management estimates and may be subject to change, and we may not be able to deploy the Net Proceeds in the manner or within the time contemplated in this Placement Document.***

We intend to use the Net Proceeds for the purposes described in "*Use of Proceeds*" on page 87. As of the date of this Placement Document, our funding requirements are based on management estimates and have not been appraised by any bank or financial institution. Our funding requirements and the deployment of the Net Proceeds are based on our current business plan and strategy and are subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. Our management will have discretion to decide how the Net Proceeds will be utilised, and we cannot assure you that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements. Although the deployment of the Net Proceeds will be monitored by CRISIL Ratings Limited, appointed as the Monitoring Agency in relation to the Issue, we may have to reconsider our estimates or business plans due to changes in underlying factors, including interest rate fluctuations, changes in input costs and other financial and operational factors. The occurrence of any such event may delay our business plans and/or adversely affect our business, financial condition, results of operations and prospects. Accordingly, investors in the Issue will need to rely on our management's judgment with respect to the use of the Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or efficient manner, our business, financial condition, results of operations and cash flows may be adversely affected.

***33. We have experienced negative cash flows from operating activities in the past and may experience negative cash flows from operating activities in the future, which could adversely affect our business, financial condition and cash flows.***

The following tables set forth certain information relating to our cash flows in the periods/fiscals indicated:

*(₹ in Lakhs)*

| Particulars | Three months ended June 30, 2026 | Three months ended June 30, 2025 |
|---|---|---|
| Net cash flow from/ (used in) operating activities (A) | 4,424.98 | (3,454.20) |
| Net cash flow from investing activities (B) | (4,694.52) | (8,513.98) |

| Particulars | Three months ended June 30, 2026 | Three months ended June 30, 2025 |
|---|---|---|
| Net cash flow from financing activities (C) | 956.04 | 3,836.07 |
| Net (decrease)/increase in cash & cash equivalent (D = A+B+C) | 686.50 | (8,132.11) |

*(₹ in Lakhs)*

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Net cash flow from/ (used in) operating activities (A) | (6,865.98) | 1,358.59 | (9,627.94) |
| Net cash flow from investing activities (B) | (27,147.32) | (50,192.57) | (6,044.51) |
| Net cash flow from financing activities (C) | 18,526.24 | 54,358.69 | 28,413.08 |
| Net (decrease)/increase in cash & cash equivalent (D = A+B+C) | (15,487.06) | 5,524.71 | 12,740.63 |

Our cash flows from operating activities may fluctuate from period to period and may be adversely affected by a number of factors, including increased working capital requirements, higher inventory levels, delays in customer payments, growth in receivables, fluctuations in raw material prices, changes in customer ordering patterns, supply chain disruptions, delays in programme execution, capacity expansion initiatives and general economic or industry conditions. In addition, as we continue to expand our manufacturing capabilities, increase production capacities and invest in new technologies and facilities, our working capital and operational funding requirements may increase. Such investments and expenditures may not immediately result in corresponding increases in revenues or operating cash flows.

We cannot assure you that we will generate sufficient cash flows from operating activities in future periods. Any recurrence of negative cash flows from operating activities could limit our operational flexibility, affect our ability to fund inventory, capital expenditure and business expansion initiatives, increase our dependence on external financing and adversely affect our business, financial condition and cash flows. For a discussion of the factors affecting our cash flows in the periods presented, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 87.

***34. Any downgrade of our credit ratings may increase our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our finance costs and our results of operations.***

Our cost and availability of borrowings are dependent, among other factors, on our short-term and long-term credit ratings. The following table sets forth details of our credit ratings received since April 1, 2023:

| Rating agency | Instruments | Credit rating/ Outlook | Date |
|---|---|---|---|
| ICRA Limited | Long-term fund-based term loans | [ICRA]A (Stable); assigned | March 27, 2026 |
| | Long-term fund-based limits | [ICRA]A (Stable); upgraded from [ICRA]A- (Stable)/ assigned for enhanced amount | |
| | Short-term non-fund based limits | [ICRA]A1; upgraded from [ICRA]A2+/ assigned for enhanced amount | |
| ICRA Limited | Long-term fund-based limits | [ICRA]A- (Stable); assigned | January 13, 2025 |
| | Short-term non-fund based limits | [ICRA]A2+; assigned | |
| CARE Ratings Limited | Long Term Bank Facilities | CARE BBB+; Stable (Triple B Plus; Outlook: Stable) | October 19, 2023 |
| | Long Term / Short Term Bank Facilities | CARE BBB+; Stable / CARE A2 (Triple B Plus ; Outlook: Stable / A Two) | |
| Infomerics Valuation and Rating Pvt. Ltd. | Long term fund based bank facility - Term Loans | IVR BBB+/ Stable (IVR Triple B Plus with Stable Outlook) | June 30, 2023 |
| | Long term fund based bank facility - Cash Credits | IVR BBB+/ Stable (IVR Triple B Plus with Stable Outlook) | |
| | Short term fund based bank facility - EPC/PCFC/FBP/FBD/SLC | IVR A2 (IVR A Two) | |
| | Short term Non-fund based bank facility - LCs | IVR A2 (IVR A Two) | |

Any downgrade, or inability to obtain credit ratings in a timely manner, or poor ratings, in the future could adversely affect our business, results of operations, financial condition, and cash flows.

***35. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Placement Document. These non-GAAP measures and statistical information are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance such as EBITDA, EBITDA Margin, Return on Equity, Debt to Equity Ratio, Interest Coverage Ratio, Return on Net worth, Return on Capital Employed and Profit after Tax Margin have been included in this Placement Document. We compute and disclose non-GAAP financial measures and other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance and because such measures are frequently used by security analysts, investors and others to evaluate the operational performance of companies in our industry, many of which provide such non-GAAP measures.

These non-GAAP financial measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS, US GAAP or any other generally accepted accounting principles and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS, US GAAP or any other generally accepted accounting principles. In addition, these are not standardised terms, hence a direct comparison of these non-GAAP measures between companies may not be possible. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

***36. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. We are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. We also run the risk of employee misconduct or the failure of our internal processes and procedures to identify and prevent such misconduct. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that may result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

***37. Our Promoters and Promoter Group have significant control over us and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

As on the date of this Placement Document, our Promoters and Promoter Group hold 59.68% of our Company's issued and paid-up Equity Share capital. Following the completion of the Issue, our Promoters and Promoter Group may continue to hold a majority of our Company's Equity Share capital. Also see, "*Shareholding Pattern of our Company*" on page 258. Our Promoters and Promoter Group will have the ability to significantly influence matters requiring shareholders' approval, including the ability to appoint Directors on our Board and the right to approve significant actions at Board and at shareholders' meetings, for instance, pertaining to the issuance of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association. The interests of our Promoters and Promoter Group may differ and conflict with those of our investors and shareholders which may cause them to act in a manner that may not be in the best interests of our shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

***38. We have entered into related party transactions in the past and will continue to do so in the future.***

In the ordinary course of our business, we have entered into transactions with our related parties and it is likely that we may enter into related party transactions in the future. For further information on our related party transactions, see "*Summary of Related Party Transactions*" and "*Financial Information – Related Party Transactions*" on pages 48 and 327, respectively.

While all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with an unrelated party or that our shareholders would not question the related party transactions that we enter into. While we will conduct all related party transactions subject to the Board's or Shareholders' approval, as applicable, and in compliance with applicable accounting standards, the provisions of the Companies Act, 2013, as amended, the provisions of the SEBI Listing Regulations and other applicable law, such related party transactions may potentially involve conflicts of interest. We cannot assure you that future related party transactions will not give rise to actual or perceived conflicts of interest that could adversely affect our business, financial condition, results of operations and cash flows.

***39. Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition of our Company.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, capital expenditures, regulatory guidelines and restrictive covenants in our financing arrangements, and will be subject to the formal dividend policy adopted by us. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board, subject to subsequent approval by shareholders, and will depend on factors that our Board and shareholders deem relevant, including, among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and therefore may not declare dividends on our Equity Shares. We cannot assure you that dividends will be declared or paid in the future. Also see "*Dividends*" on page 107.

***40. Certain sections of this Placement Document contain information from a third-party report that was commissioned and paid for by us, and reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

Certain sections of this Placement Document include information based on or derived from the D&B Report prepared and released by Dun & Bradstreet, which is not related to our Company, Directors or Promoters. We commissioned and paid for this report to confirm our understanding of the industry in connection with the Issue. Accordingly, any information in this Placement Document derived from or based on such third-party report should be read taking the foregoing into consideration.

The D&B Report is not exhaustive and is subject to various limitations and based upon certain assumptions that are subjective in nature. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Industry sources and publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Placement Document. Further the commissioned report is not a recommendation to invest or divest in our Company. Investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Placement Document, when making their investment decisions.

***41. Our Company has provided a corporate guarantee in respect of loan facilities availed by our Subsidiaries. Any default by our Subsidiaries or invocation of the guarantee provided by our Company may adversely affect our business, financial condition and results of operations.***

Our Company has provided a corporate guarantee amounting to ₹23,000.00 lakhs in respect of the loan facilities availed by Aerolloy and ₹7,560.00 lakhs as a standby letter of credit for Trac as of June 30, 2026. If the business

and operations of our Subsidiaries deteriorate and it defaults in payment of principal or interest due to the bank, the corporate guarantees provided by our Company may be invoked.

On the occurrence of any of the above-mentioned situations, the banks might demand repayment of the outstanding amounts under the facilities sanctioned to our Subsidiaries. If we are unable to repay the outstanding amount in a timely manner or at all, the banks may enforce the restrictive covenants or other consequences of default, which could affect our ability to borrow further and adversely affect our business and operations.

***42. There may be instances of delayed or erroneous filing of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 to RoC by our Company and our Subsidiary.***

There may be instances of delay in filing of statutory forms as per the reporting requirements under the Companies Act, 1956 and Companies Act, 2013 with the RoC, which may subsequently be filed by payment of an additional fee as specified by RoC by our Company and our Subsidiary. Further, there may be instances of erroneous filings of statutory forms with RoC as per the reporting requirements laid down under the Companies Act 1956 and Companies Act, 2013 by our Subsidiary. As of the date of this Placement Document, no show cause notice has been received by our Company or our Subsidiary in respect of any such delayed or erroneous filing, and no penalty or fine has been imposed on our Company or our Subsidiary in relation thereto. Any delay in, or erroneous filing of, statutory forms in the future may adversely affect our business, financial condition and results of operations.

**EXTERNAL RISK FACTORS**

***43. Changing laws, rules and regulations and legal uncertainties in the jurisdictions we operate in could lead to new compliance requirements that are uncertain.***

Our business, results of operations, financial condition and cash flows could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business across the jurisdictions in which we operate. Our business, results of operations, financial condition, cash flows and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. The regulatory and policy environment in the jurisdictions in which we operate, including India, is evolving. The Government of India may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Further, the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 have recently been notified, which have, *inter alia*, expanded the definition of "unpublished price sensitive information" included in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of materials that are hazardous into the air, soil or water and beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

In addition, the Government of India has introduced the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya Adhiniyam, 2023 replacing the Indian Penal Code, 1860, the Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively.

For instance, in order to rationalize and reform labour laws in India, the Government of India has introduced four labour codes (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate,

subsume and replace numerous central labour legislations. For instance, under the Code on Social Security, 2020, a new concept of deemed remuneration has been introduced, such that where an employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, 2020, the excess amount received will be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund. The Government of India has notified the effective date of implementation of the respective labour codes on November 21, 2025. Further, in addition to the Labour Codes, the GoI have notified certain rules with effect from May 8, 2026 and May 9, 2026, that may be applicable to the operations of our Company, including, Code on Wages (Central) Rules, 2026, Social Security (Central) Rules, 2026. Industrial Relations (Central) Rules, 2026; and Occupational Safety, Health and Working Conditions (Central) Rules, 2026, (collectively, the "**Labour Rules**"). While the Labour Rules for implementation under these Labour Codes have been recently notified, we may not have fully determined the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. As an immediate consequence, the coming into force of these codes may increase our employee and labour costs and compliance related costs thereby adversely impacting our results of operations, cash flows, business, and financial performance.

The Ministry of Electronics and Information Technology vide notification dated November 13, 2025, has published the Digital Personal Data Protection Rules, 2025 ("**Rules**") in the Official Gazette. The Rules facilitate the implementation of the DPDP Act. It aims to strengthen the legal framework for the protection of digital personal data by providing necessary details and an actionable framework. The Rules lay down various implementation aspects such as the notice by the Data Fiduciary to the individuals, registration and obligations of consent manager, processing of personal data for issuance of subsidy, benefit, services by State, applicability of reasonable security safeguards, intimation of personal data breach, providing details about availing of the rights by the individuals, processing of personal data of child or of person with disability, setting up the Data Protection Board, appointment and service conditions of the chairperson and other members of the Data Protection Board, functioning of the Data Protection Board as digital office, and procedure to appeal to appellate tribunal, among others. The Rules shall come into force in a phased manner, with certain provisions under the Rules coming into force on the date of their publication on November 14, 2025 in the Official Gazette while the balance will be effectuated between one year to eighteen months from the date of publication.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing laws, regulations or policies in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows, financial condition and prospects. Further, the Indian economy and our business may be adversely affected by, among other things, climate risk, cyberattacks, occurrence of natural or man-made disasters, epidemics, pandemics or any other public health concerns in India or globally, protectionist and other adverse public policies, including local content requirements, import or export tariffs and increased regulations, and a decline in India's foreign exchange reserves which may affect liquidity in the Indian economy.

***44. Financial and political instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States of America, Europe and certain emerging economies in Asia. In particular, the ongoing military conflicts between Russia and Ukraine, and United States of America, Iran and Israel, could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets.

In response to such developments, legislators and financial regulators in the United States of America and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. Further, the imposition of tariffs by the US government may impact Indian businesses, especially those with a substantial export presence in the US market. The timing, amount and impact of such measures (including

any retaliatory measures) cannot be predicted but could result in lower economic growth. Market reactions to the uncertainty of such measures could further depress economic activity until more clarity about trade conditions and tariffs is achieved. Such adverse economic or financial conditions could have a material adverse effect on our business, results of operations, financial condition and cash flows.

The overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have an adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

***45. If inflation were to rise in India, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of borrowings, wages and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our consumers. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

***46. The Indian tax regime has undergone substantial changes which could adversely affect our business and the trading price of our Equity Shares.***

Any change in Indian tax laws could have an effect on our operations. For instance, the Government of India implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("**GST**"), and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India underwent a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by GST with effect from July 1, 2017. Further, on September 3, 2025, the 56th GST Council approved a significant rate rationalisation package consolidating existing slabs into 5% and 18% (with 40% for luxury/sin goods) and reducing GST on individual health and life insurance premiums from 18% to 0%, effective September 22, 2025. The GST regime continues to be subject to amendments and its interpretation by the relevant regulatory authorities is constantly evolving. GAAR became effective from April 1, 2017. Any dividend distribution by a domestic company is subject to tax in the hands of the investor at their applicable income tax rate. Taxes are to be withheld by the Indian company on such dividends at the applicable rate. Non-resident shareholders may claim benefit of the applicable tax treaty read with the Multilateral Instrument, if and to the extent applicable, subject to satisfaction of certain conditions. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

The Government of India has enacted the Income-tax Act, 2025, to repeal and replace the erstwhile Income-tax Act, 1961, which became effective April 1, 2026, which introduces a new tax year, consolidates and restructures compliance, expands digital-first administration, and clarifies the scope of virtual digital assets and digital record-keeping. While the reform aims to simplify administration without changing tax rates, the transition may create interpretive uncertainty and require changes to our systems, controls, contracts, and processes in India. Failure to implement timely changes or accurately comply with such requirements could result in higher tax liabilities, cash flow timing impacts from withholding, interest and penalties, increased administrative costs, and disputes. Additional rules, notifications, or technology requirements issued by the Central Board of Direct Taxes could be extensive or retrospective and may affect our Indian operations, subsidiary, and cross-border arrangements. Any

of the foregoing could adversely affect our business, financial condition, results of operations, and cash flow. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether if at all, any laws or regulations would have an adverse effect on our business. Further, any adverse order passed by the appellate authorities/ tribunals/courts would have an effect on our profitability. In addition, we are subject to tax related inquiries and claims.

***47. Any downgrade of India's debt rating by international rating agencies could adversely affect our business.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business, results of operations, financial condition, cash flows and the price of the Equity Shares.

***48. Rights of shareholders of companies under Indian laws may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws and legal principles governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholders of our Company than as a shareholder of an entity in another jurisdiction.

***49. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and may thereby suffer dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentage prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction in which you are located does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in that jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. Our decision to make such a filing would depend on the costs and potential liabilities associated with it, the perceived benefits of enabling holders in that jurisdiction to exercise their pre-emptive rights, and any other factors we consider appropriate at the time. We may elect not to make such a filing in relation to pre-emptive rights otherwise available to you under Indian law. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer dilution of your ownership position and your proportionate interest in our Company may be reduced.

***50. We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, as amended ("**Competition Act**") was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India ("**CCI**") to prevent such practices. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition ("**AAEC**") is considered void and results in the imposition of substantial monetary penalties. Furthermore, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or

provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government of India notified and brought into force the provisions under the Competition Act in relation to combinations (the "**Combination Regulation Provisions**") with effect from June 1, 2011. The Combination Regulation Provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, be mandatorily notified to and pre-approved by the CCI. In addition, on September 9, 2024, the CCI issued the Competition Commission of India (Combinations) Regulations, 2024, as amended, which sets out the mechanism for implementation of the Combination Regulation Provisions under the Competition Act. The manner in which the Competition Act and the CCI affect the business environment in India may adversely affect our business, financial condition, results of operations and cash flows.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may have an adverse impact on our business, financial condition, results of operations, cash flows and prospects. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, any adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or any prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, financial condition, results of operations, cash flows and prospects.

***51. Our ability to borrow in foreign currencies is restricted by Indian law.***

Indian companies are subject to foreign exchange regulations that regulate borrowing in foreign currencies, including those specified under the Foreign Exchange Management Act, 1999 ("**FEMA**"). Such regulatory restrictions limit our ability to borrow in foreign currencies and, therefore, could negatively affect our ability to obtain financing on competitive terms. In addition, we cannot assure you that any required approvals for borrowing in foreign currency will be granted to us without onerous conditions, if at all. Such, and other, limitations on raising foreign capital may adversely affect our business, results of operations, financial condition and cash flows.

***52. We are required to realise and repatriate the proceeds of our exports within the periods prescribed under Indian foreign exchange laws, and any failure to do so may expose us to penalties.***

A substantial portion of our revenue is derived from exports. The proceeds of our exports are required to be realised and repatriated to India within the period prescribed under the FEMA and the rules and regulations made thereunder. Where payment is not received from a customer within that period, we are required to apply for an extension of time or for a write-off in accordance with the applicable procedure, and our authorised dealer banks are required to report outstanding export bills to the Reserve Bank of India.

Delays in receipt of payment from customers, disputes with customers, the insolvency of a customer, restrictions imposed by the authorities of a customer's country, or changes in sanctions or trade controls, may result in our being unable to realise export proceeds within the prescribed period. Any such failure may result in penalties, compounding proceedings, restrictions on our ability to undertake further export transactions, or adverse action by our authorised dealer banks.

***53. Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.***

Our Company is involved in various business transactions with international clients and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Due to non-receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. Similarly, due to our reliance on the major portion of our primary raw materials being metal or metal scraps, we are exposed to a risk of increase in costs of raw materials due to the currency fluctuations. Further, our international operations (export sales) make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it may adversely affect our business, results of operations, financial conditions and cash flows.

***54. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.***

Our Company is a company incorporated under the laws of India. The United Kingdom, Singapore, United Arab Emirates, and Hong Kong have been declared by the GoI to be reciprocating territories for purposes of Section 44A of the Code of Civil Procedure, 1908, as amended ("**CPC**") and all of our Directors are located in India. Majority of the assets of our Company, including our Key Managerial Personnel and officers, are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the CPC. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. To be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being any amounts payable in respect of taxes, other charges, fines or penalties.

Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgement for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgement in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. Any such suit must be brought in India within three years from the date of the judgement in the same manner as any other suit filed to enforce a civil liability in India.

However, the party in whose favour such final judgement is rendered may bring a new suit in a competent court in India based on a final judgement that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgement. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Moreover, it is unlikely that an Indian court will award damages to the extent awarded in a final judgement rendered outside India if it believes that the number of damages awarded were excessive or inconsistent with public policy or Indian law. In addition, any person seeking to enforce a foreign judgement in India is required to obtain the prior approval of the RBI under the FEMA to execute such a judgement or to repatriate any amount recovered. Any judgment in a foreign currency would be converted into Indian Rupees on the date of the judgment and not on the date of payment.

Further, there is no assurance that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, we cannot assure you that a suit

brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such an amount may also be subject to income tax in accordance with applicable law. For details in relation to enforceability of judgments obtained outside India, see "*Enforcement of Civil Liabilities*" on page 22.

***55. U.S. holders should consider the impact of the passive foreign investment company ("PFIC") rules in connection with an investment in our Equity Shares.***

A non-U.S. corporation will be a PFIC for any taxable year in which either (i) 75% or more of its gross income is passive income or (ii) 50% or more of the total value of its assets is attributable to assets, including cash, that produce or are held for the production of passive income. Our Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

Based on the current and expected composition of our Company's and the Subsidiaries income and assets, including the expected cash proceeds from this offering, our Company does not expect to be a PFIC for the current year or any future years. However, no assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's and the Subsidiaries' income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

***56. Your right to participate in any future rights offerings as a shareholder could be limited, which would cause dilution of any future holdings.***

If the Company offers its shareholders rights to subscribe for additional Equity Shares or any right of any other nature, the Company will have discretion as to the procedure to be followed in making the rights available to its shareholders or in disposing of the rights for the benefit of its shareholders and making the net proceeds available to its shareholders. The Company may choose not to offer the rights to its shareholders having an address outside India. Consequently, there is no assurance that you will be able to maintain your proportional equity interests in the Company.

***57. Anti-takeover provisions under Indian law could prevent or deter an entity from acquiring our Company.***

The Takeover Regulations contain certain provisions that may delay, deter or prevent a future takeover or change in control of our Company. These provisions may discourage a third party from attempting to take control over our Company, even if change in control would result in the purchase of the Equity Shares at a premium to the market price or would otherwise be beneficial to Shareholders. For further information, see "*The Securities Market of India - Takeover Regulations*" on page 302.

***58. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our results of operations, financial condition and cash flows. Accordingly, financial statements included in this Placement Document might not provide meaningful information to readers whose level of familiarity with Indian accounting practices is limited.***

We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. U.S. GAAP, IFRS and other accounting principles with which Investors may be familiar in other countries differ in significant respects from Ind AS. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, financial condition and cash flows could be substantially different. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Investors should review the accounting policies applied in the preparation of the financial statements included in this Placement Document and consult their own professional advisers for an understanding of the differences between these accounting policies and those with which they may be more familiar. Any reliance

by persons not familiar with Ind AS on the financial information presented in this Placement Document should accordingly be limited.

***Risks in relation to Equity Shares and the Issue***

***59. We cannot guarantee that the Equity Shares issued pursuant to the Issue will be listed on the BSE and the NSE, or continue to be listed, on the Stock Exchanges in a timely manner, or at all and any trading closure at the Stock Exchanges may adversely affect the trading price of the Equity Shares.***

In accordance with Indian law, after our Board or a duly constituted committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the QIBs, we are required to apply to the Stock Exchanges for listing and trading approvals. After receiving the listing and trading approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the Depository Participant accounts of the respective QIBs and apply for the final listing and trading approvals from the Stock Exchanges. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. If there is a failure or a delay in obtaining such approvals, we may not be able to credit the Equity Shares allotted to you to your Depository Participant account or assure ownership of such Equity Shares by you in any manner promptly after the Closing Date or at all. In any such event, your ownership over the Equity Shares allotted to you and your ability to dispose off any such Equity Shares may be restricted.

Allottees can start trading the Equity Shares allotted to them in the Issue only after they have been credited to an investor's demat account, are listed and are permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, we cannot assure you that the Equity Shares allocated to an investor will be credited to the investor's demat account, that listing and trading approvals will be issued by the Stock Exchanges in a timely manner, or at all, or that trading in the Equity Shares will commence in a timely manner, or at all.

In accordance with applicable Indian laws and regulations and the requirements of the Stock Exchanges, in principle and final approvals for the listing and trading of the Equity Shares to be issued pursuant to the Issue will not be applied for by us or granted by the Stock Exchanges until after such Equity Shares have been issued and allotted by us on the Closing Date. For further information on issue procedure, see "*Issue Procedure*" on page 271.

Further, the Stock Exchanges have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of listed Indian entities, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

***60. An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.***

No actions have been taken to permit an offering of the Equity Shares offered in the Issue in any jurisdiction, except for India. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in "*Selling Restrictions*" on page 289. Further, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. Pursuant to the SEBI ICDR Regulations, QIBs will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on NSE or BSE for a period of one year from the date of the allotment of the Equity Shares, and may not enter into any off-market transactions in respect of such Equity Shares. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors. For further information, see "*Transfer Restrictions and Purchaser Representations*" on page 298. You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

***61. We may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, customer concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

***62. The trading volume and market price of the Equity Shares may be volatile after the Issue, which could result in substantial losses for investors acquiring the Equity Shares in this Issue.***

The Issue Price will be determined by our Company, in consultation with the Book Running Lead Managers, based on Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is completed. The price at which the Equity Shares will trade at after the Issue will be determined by the marketplace and may be influenced by many factors, including:

- our results of operations, financial condition and cash flows;
- the history of and prospects for our business;
- an assessment of our management, our past and present operations and the prospects for, as well as timing of, our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial condition, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;

- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- changes in interest rates;
- fluctuations in stock market prices and volume; and
- general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our results of operations, financial condition or cash flows. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

***63. Any future issuance of Equity Shares or convertible securities by our Company may dilute your shareholding, and sales of Equity Shares by our Promoters or other significant shareholders may adversely affect the trading price of the Equity Shares.***

We cannot assure you that we will not issue additional Equity Shares. Any future issuance of Equity Shares or securities convertible into Equity Shares, including pursuant to the exercise of options granted under our employee stock option scheme, may dilute the shareholding of investors who acquire Equity Shares in the Issue, may adversely affect the trading price of the Equity Shares and may affect our ability to raise capital through an issue of our securities.

Further, any future sale of Equity Shares by our Promoters or other significant shareholders, or the pledge or encumbrance of such Equity Shares, may adversely affect the trading price of the Equity Shares. In addition, any perception among investors that such issuances or sales may occur could itself affect the market price of the Equity Shares. We cannot assure you that we will not issue Equity Shares or securities linked to Equity Shares, or that our shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

***64. Foreign investors are subject to certain investment restrictions under Indian law in relation to transfer of shareholding that may limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing and reporting requirements specified by RBI from time to time. If the issuance or transfer of shares is not in compliance with such guidelines or requirements and does not fall under any of the specified exceptions, then prior approval of RBI is required. We have undertaken or recorded such transactions in the past based on a bona fide interpretation of the law. There can be no assurance that our interpretation would be upheld by the Indian regulators. Any change in such interpretation could impact the ability of our Company to attract foreign investors. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income-tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and is subject to either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities.

Furthermore, pursuant to Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, which have been incorporated as a proviso to Rule 6(a) of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (NDI Rules), investments made by an entity or a citizen of a country, which shares land border with India, or investments where the beneficial owner of the

investment is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Subsequently, vide the Press Note No. 2 (2026 Series) dated March 15, 2026, issued by the DPIIT, the FDI Policy and NDI Rules has been further amended to, inter alia, define the expression "beneficial ownership of an investment" and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, independently or collectively, with any other citizen or entity of a land bordering country, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. Further, in the event of the transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the foregoing restriction, such subsequent change in beneficial ownership shall require prior Government approval. Further, investments into India from an investor entity having any direct or indirect ownership by a citizen or an entity of a country sharing land border with India, and not requiring prior Government approval shall be subject to reporting requirements. The amendments under Press Note No. 2 (2026 Series) have been brought into effect from the date of publication of FEMA (Non debt Instruments) Rules, 2026 in the official gazette, being, May 2, 2026.

Additionally, shareholders who seek to convert the Indian Rupee proceeds from a sale of the Equity Shares in India into foreign currency and repatriate that foreign currency from India require may require a no-objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. These foreign investment restrictions may adversely affect the liquidity and free transferability of the Equity Shares and could result in an adverse effect on the price of the Equity Shares.

The Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government of India experiences extreme difficulty in stabilising the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's Government of India's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

***65. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a Shareholder's ability to sell, or the price at which a Shareholder can sell, the Equity Shares at a particular point in time.***

The Equity Shares are subject to a daily circuit breaker imposed on listed companies by the Stock Exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker applicable to the Equity Shares is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may change the percentage limit of the circuit breaker from time to time without our Company's knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure you regarding the ability of Shareholders to sell the Equity Shares or the price at which Shareholders may be able to sell their Equity Shares which may be adversely affected at a particular point in time. For further details, see "*The Securities Market of India*" on page 300.

***66. Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.***

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividends to investors. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Equity Shares in India;

- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Equity Shares; and

- the foreign currency equivalent of cash dividends, if any, on the Equity Shares, which will be paid only in Rupees.

In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rates between the Rupee and other currencies (including the U.S. dollar, the Euro, the Pound sterling, the Hong Kong dollar and the Singapore dollar) have changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our operating results. You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, our Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of our Company's results of operations, financial condition and cash flows.

***67. Investors may be subject to Indian taxes arising out of capital gains and stamp duty on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of the equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹125,000, realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long -term capital gains in India, at the rate of 12.50% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax ("**STT**"). Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India, at the rate of 12.50% (plus applicable surcharge and cess).

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Additionally, the Indian tax laws require deduction of tax at source in respect of dividends declared, distributed, or paid by a domestic company after March 31, 2020, and such dividends would be taxable at applicable rates in the hands of the shareholders, both resident as well as non-resident (for tax purposes). Further, recently, the Government of India has notified the Income-tax Act, 2025 ("ITA 2025"), to repeal and replace the existing Income-tax Act, 1961 with effect from April 1, 2026. While the Government has stated that ITA 2025 does not introduce any policy changes and has primarily been enacted as a simplified, concise, and reader-friendly legislation, we cannot predict whether such simplification or changes in legislative language may give rise to interpretational issues. We cannot predict if the enactment of the ITA 2025 or any interpretational issue arising therefrom will have a bearing on our business, financial condition, results of operations or on the industry in which we operate.

Similarly, any business income realized from the transfer of Equity Shares held as business or trading assets is taxable at the applicable tax rates. In the case of a non-resident seller, the applicable tax rates may be subject to any treaty relief, if applicable.

Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Additionally, the Government of India announced the Union Budget for the Fiscal 2027 on February 1, 2026, followed by the Finance Bill 2026 ("**Finance Bill**"). The Finance Bill has received the assent from the President of India on March 30, 2026 and has been enacted as the Finance Act, 2026 ("**Finance Act**") with effect from April 1, 2026. We have not fully determined the effects of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, results of operations, financial condition, and cash flows. Further, the Union Cabinet, the Government of India has recently approved the Income Tax Act, 2025 which, among others, amends the income tax regime and replace the Income Tax Act, 1961 with effect from April 1, 2026. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. There is no certainty on the impact of the Income Tax Act, 2025, on tax laws, or other regulations, which may adversely affect our business, financial condition, cash flows, results of operations, or on the industry in which we operate.

The investors are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing, or trading in our Equity Shares. Unfavorable changes or interpretations of existing, or the promulgation of new laws, rules, and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

***68. Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date.***

In terms of Regulation 179(1) of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids or revise their Bids downwards in terms of quantity of Equity Shares or the Application Amount after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to an Allottee's demat account with the depository participant could take approximately seven to ten days from the Issue Closing Date. However, we cannot assure that adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, adverse changes in our business, results of operation, financial condition and cash flows, or other events affecting the Bidder's decision to invest in the Equity Shares would not arise between the Issue Closing Date and the date of the Allotment of Equity Shares in the Issue. The occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. Bidders shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

## MARKET PRICE INFORMATION

As on the date of the Preliminary Placement Document, 14,992,549 Equity Shares have been issued, subscribed and paid up. The face value of the Equity Shares is ₹10 per Equity Share. The Equity Shares have been listed on BSE and on NSE. The Equity Shares are listed and traded on NSE under the symbol PTCIL and BSE under the scrip code 539006. The closing prices of the outstanding Equity Shares on BSE and NSE as on October 8, 2026 was ₹24,480.10 and ₹24,470.00 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

1. The following tables set out the reported high, low and average of the closing prices of the Equity Shares on NSE and BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for Fiscals 2026, 2025 and 2024.

**BSE**

| Fiscal | High (₹) | Date of High | Number of Equity Shares traded on the date of high | Total turnover of Equity Shares traded on date of high (₹ in lakhs) | Low (₹) | Date of low | Number of Equity Shares traded on the date of low | Total turnover of Equity Shares traded on date of low (₹ in lakhs) | Average price for the year (₹) | Total Volume of Equity Shares traded in the Fiscals (in number) | Total Turnover of Equity Shares traded in the Fiscals (₹ in lakhs) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2026 | 19,191.60 | December 29, 2025 | 853.00 | 161.06 | 12,220.50 | May 8, 2025 | 822.00 | 103.40 | 15,966.05 | 2,62,768.00 | 41,797.34 |
| 2025 | 17,396.75 | January 9, 2025 | 1,562.00 | 273.29 | 7,249.05 | May 7, 2024 | 1,466.00 | 106.89 | 12,309.94 | 3,62,228.00 | 44,166.64 |
| 2024 | 8,915.60 | February 8, 2024 | 3,874.00 | 355.92 | 2,298.25 | May 16, 2023 | 2,278.00 | 53.16 | 5,292.95 | 5,54,682.00 | 31,161.46 |

*(Source: www.bseindia.com)*

*Note:*

1. *High, low and average prices are calculated based on daily closing prices, for the respective periods.*
2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
3. *In the case of a year, average price for the year represents the average of the closing prices on each day of each year*

**NSE**

| Fiscal | High (₹) | Date of High | Number of Equity Shares traded on the date of high | Total turnover of Equity Shares traded on date of high (₹ in lakhs) | Low (₹) | Date of low | Number of Equity Shares traded on the date of low | Total turnover of Equity Shares traded on date of low (₹ in lakhs) | Average price for the year (₹) | Total Volume of Equity Shares traded in the Fiscals (in number) | Total Turnover of Equity Shares traded in the Fiscals (₹ in lakhs) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2026 | 19,176.00 | December 29, 2025 | 16,272.00 | 3,083.30 | 12,242.00 | May 8, 2025 | 14,374.00 | 1,810.15 | 15,971.74 | 45,46,703.00 | 7,23,568.10 |
| 2025 | 17,392.15 | January 9, 2025 | 30,878.00 | 5,395.68 | 7,257.10 | May 7, 2024 | 10,254.00 | 748.15 | 12,337.16 | 43,99,136.00 | 5,41,427.20 |
| 2024 | 8,907.05 | February 8, 2024 | 41,957.00 | 3,862.14 | 3,070.15 | June 9, 2023 | 7,308.00 | 225.51 | 5,941.10 | 20,02,153.00 | 1,25,268.14 |

*(Source: www.nseindia.com)*

*Note:*

1. *High, low and average prices are calculated based on daily closing prices, for the respective periods.*
2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
3. *In the case of a year, average price for the year represents the average of the closing prices on each day of year*

2. The following tables set out the reported high and low closing prices of our Equity Shares recorded on NSE and BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months:

**BSE**

| Month, year | High (₹) | Date of high | Number of Equity Shares traded on date of high | Total turnover of Equity Shares traded on date of high (₹ in lakhs) | Low (₹) | Date of low | Number of Equity Shares traded on date of low | Total turnover of Equity Shares traded on date of low (₹ in lakhs) | Average price for the month (₹) | Total Volume of Equity Shares traded in the month (in number) | Total Turnover of Equity Shares traded in the month (₹ in lakhs) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| April, 2026 | 16,165.95 | April 27, 2026 | 849.00 | 137.78 | 14,739.00 | April 2, 2026 | 937.00 | 136.87 | 15,731.96 | 28,365.00 | 4,466.54 |
| May, 2026 | 17,199.85 | May 6, 2026 | 11,743.00 | 2,018.01 | 15,729.10 | May 21, 2026 | 298.00 | 47.21 | 16,505.33 | 21,364.00 | 3,598.80 |
| June, 2026 | 19,374.95 | June 2, 2026 | 8,258.00 | 1,569.73 | 17,160.80 | June 30, 2026 | 1,097.00 | 190.15 | 18,143.55 | 49,494.00 | 9,144.36 |
| July, 2026 | 18,040.70 | July 20, 2026 | 625.00 | 112.25 | 16,995.00 | July 8, 2026 | 516.00 | 88.72 | 17,677.30 | 18,773.00 | 3,324.79 |
| August, 2026 | 22,154.50 | August 31, 2026 | 3,266.00 | 723.08 | 17,970.60 | August 03, 2026 | 816.00 | 146.05 | 19,784.31 | 54,925.00 | 11,062.36 |
| September, 2026 | 23,846.35 | September 3, 2026 | 6,399.00 | 1,498.47 | 21,729.85 | September 28, 2026 | 302.00 | 65.47 | 22,698.91 | 48,254.00 | 11,161.85 |

*(Source: www.bseindia.com)*

*Note:*

1. *High, low and average prices are calculated based on daily closing prices, for the respective periods.*
2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
3. *In the case of a month, average price for the month represents the average of the closing prices on each day of each month.*

**NSE**

| Month, year | High (₹) | Date of high | Number of Equity Shares traded on date of high | Total turnover of Equity Shares traded on date of high (₹ in Lakhs) | Low (₹) | Date of low | Number of Equity Shares traded on date of low | Total turnover of Equity Shares traded on date of low (₹ in Lakhs) | Average price for the month (₹) | Total Volume of Equity Shares traded in the Month (in number) | Total Turnover of Equity Shares traded in the Month (₹ in lakhs) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| April, 2026 | 16,180.00 | April 27, 2026 | 8,962.00 | 1,453.83 | 14,726.00 | April 2, 2026 | 16,042.00 | 2,345.75 | 15,738.80 | 3,11,092.00 | 48,690.54 |
| May, 2026 | 17,221.00 | May 6, 2026 | 26,288.00 | 4,487.08 | 15,714.00 | May 21, 2026 | 11,653.00 | 1,848.21 | 16,515.53 | 2,36,096.00 | 39,069.66 |
| June, 2026 | 19,380.00 | June 2, 2026 | 1,48,647.00 | 28,323.86 | 17,149.00 | June 30, 2026 | 9,333.00 | 1,609.23 | 18,140.86 | 8,60,302.00 | 1,59,094.38 |
| July, 2026 | 18,030.00 | July 20, 2026 | 10,343.00 | 1,858.15 | 16,998.00 | July 8, 2026 | 11,973.00 | 2,062.15 | 17,680.78 | 2,94,125.00 | 52,178.62 |
| August, 2026 | 22,114.00 | August 31, 2026 | 80,039.00 | 17,753.12 | 17,981.00 | August 3, 2026 | 8,054.00 | 1,442.29 | 19,786.29 | 9,76,478.00 | 1,98,717.46 |
| September, 2026 | 23,830.00 | September 4, 2026 | 65,344.00 | 15,575.65 | 21,685.00 | September 28, 2026 | 8,445.00 | 1,830.11 | 22,702.86 | 6,15,890.00 | 1,41,819.95 |

*(Source: www.nseindia.com)*

*Note:*

1. *High, low and average prices are calculated based on daily closing prices, for the respective periods.*
2. *In case of two days with the same high price, low price, the date with the higher traded volume has been chosen.*
3. *In the case of a month, average price for the month represents the average of the closing prices on each day of each month.*

3. The following table sets forth the market price on the Stock Exchanges on June 29, 2026, the first Working Day following the approval of our Board for the Issue:

| NSE | | | | | | BSE | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Open (₹) | High (₹) | Low (₹) | Close (₹) | Number of Equity Shares traded | Turnover (₹ in lakhs) | Open (₹) | High (₹) | Low (₹) | Close (₹) | Number of Equity Shares traded | Turnover (₹ in lakhs) |
| 17,434.00 | 17,550.00 | 16,850.00 | 17,193.00 | 29,220.00 | 5,014.02 | 17,260.15 | 17,521.15 | 16,850.00 | 17,229.30 | 1,456.00 | 250.09 |

*(Source: www.bseindia.com and www.nseindia.com)*

## OBJECTS OF ISSUE AND USE OF PROCEEDS

The gross proceeds from the Issue amount to approximately ₹1,79,999.82 lakhs (the "**Gross Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and estimated expenses of the Issue of approximately ₹3,129.86 lakhs, shall amount to approximately ₹1,76,869.96 lakhs (the "**Net Proceeds**").

**Objects of the Issue**

Subject to compliance with applicable laws and regulations, as approved by our Board, our Company proposes to utilize the Net Proceeds for:

1. Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company;

2. Investment in our Subsidiary, Aerolloy Technologies Limited for funding its working capital requirements;

3. Investment in (a) our Subsidiary, Aerolloy Technologies Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility and (b) our Stepdown Subsidiary, Trac Precision Solutions Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility;

4. Funding strategic investments and inorganic growth through unidentified acquisitions/investments; and

5. General corporate purposes (together, the **"Objects")**.

For the purposes of utilisation of the Net Proceeds for capital expenditure requirements of our Subsidiaries, namely, Aerolloy Technologies Limited and Trac Precision Solutions Limited, and the funding working capital requirements of our Subsidiary, Aerolloy Technologies Limited, our Company will make direct and/or indirect investments into such Subsidiaries, by way of equity or debt, in compliance with the applicable laws and in the manner set out hereinafter.

The main objects and objects necessary in the furtherance of the main objects of Memorandum of Association or constitutional documents of our Company and its Subsidiaries, if any enable us to undertake (i) existing activities and (ii) the activities proposed to be funded from the Net Proceeds.

**Utilization of Net Proceeds**

The Net Proceeds are proposed to be utilised in accordance with the details set forth below ("**Objects**"):

| Sr. No. | Particulars | Estimated amount which will be financed from Net Proceeds (₹ lakhs) |
|---|---|---|
| 1. | Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company | 7,900.00 |
| 2. | Investment in our Subsidiary, Aerolloy Technologies Limited for funding its working capital requirements | 8,000.00 |
| 3. | Investment in (a) our Subsidiary, Aerolloy Technologies Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility and (b) our Stepdown Subsidiary, Trac Precision Solutions Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility | 55,100.00 |
| 4. | Funding strategic investments and inorganic growth through unidentified acquisitions/investments | 62,125.00 |
| 5. | General Corporate Purposes[(1)] | 43,744.96 |
| | **Total Net Proceeds[(2)]** | **1,76,869.96** |

*[(1)] The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
*[(2)]Subject to Allocation of Equity Shares in the Issue.*

**Proposed schedule of implementation and deployment of Net Proceeds**

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth below.

| Sr. No. | Particulars | Estimated amount which will be financed from Net Proceeds (₹ lakhs) | Estimated amount to be deployed from the Net Proceeds in Fiscal | |
|---|---|---|---|---|
| | | | 2027 | 2028 |
| | | | (₹ lakhs) | |
| 1. | Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company | 7,900.00 | 7,900.00 | - |
| 2. | Investment in our Subsidiary, Aerolloy Technologies Limited for funding its working capital requirements | 8,000.00 | 8,000.00 | - |
| 3. | Investment in (a) our Subsidiary, Aerolloy Technologies Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility and (b) our Stepdown Subsidiary, Trac Precision Solutions Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility | 55,100.00 | Over a period of two Fiscals | |
| 4. | Funding strategic investments and inorganic growth through unidentified acquisitions/investments | 62,125.00 | Over a period of two Fiscals | |
| 5. | General Corporate Purposes[(1)] | 43,744.96 | Over a period of two Fiscals | |
| **Total Net Proceeds [(2)]** | | **1,76,869.96** | **-** | |

*[(1)] Amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*
*[(2)] Subject to Allotment of Equity Shares, pursuant to the Issue Price.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as set out above are based on our internal management estimates, current circumstances of our business, prevailing market conditions, operating plans and the growth strategies of our Company and our Subsidiaries, and other commercial factors, which may be subject to change in the future. The total estimated cost and deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors – Our proposed use of the Net Proceeds is based on management estimates and may be subject to change, and we may not be able to deploy the Net Proceeds in the manner or within the time contemplated in this Placement Document.*" on page 65**.**

Given the nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors, which include but is not limited to, our financial and market conditions, business strategy and external factors such as market conditions, competitive environment and interest, increase in input costs of construction materials and labour costs, logistics and transport costs, incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, environmental factors and other external factors which may not be within the control of our management.

This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Subject to applicable law, in case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. To the extent our Company or our Subsidiaries are unable to utilise any portion of the Net Proceeds towards any of the stated Objects in a particular Fiscal, per the estimated scheduled of deployment specified above, our Company shall

deploy the Net Proceeds in subsequent Fiscals towards the Objects. Our Statutory Auditors have provided no assurance or services related to any prospective financial information.

If the actual utilization towards the objects is lower than the proposed deployment, such balance may be used for any of the other Objects or for general corporate purposes, in accordance with applicable law, to the extent that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Gross Proceeds.

**Details of the Objects**

**1. Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company**

We avail certain fund-based and non-fund-based facilities from various banks and financial institutions in the ordinary course of our business from time to time, which include term loans and working capital loans. As on September 16, 2026, our Company had a total outstanding borrowing of ₹ 8,053.10 lakhs, on a standalone basis. We propose to utilize ₹ 7,900.00 lakhs from the Net Proceeds towards repayment and/or pre-payment, in full or in part, of certain of outstanding borrowings availed by our Company.

We have obtained necessary consents, wherever required, from the lenders as per the requirements and restrictive covenants contained under the financing documentation of the borrowing arrangements. We have and will also take such provisions into consideration while deciding repayment and/ or pre-payment of loans from the Net Proceeds.

We believe that such repayment and/or pre-payment of certain of these borrowings will help us reduce our outstanding indebtedness, debt servicing costs and enable utilisation of our internal accruals for further investment in the growth and expansion of our business. Additionally, we believe that such reduction of our outstanding indebtedness will also improve our leverage capacity, which may enable us to raise further capital in the future at competitive rates to fund potential business development opportunities.

The selection of borrowings proposed to be repaid/pre-paid amongst our borrowing arrangements availed is based on various factors including (i) cost of borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil or obtain waiver for such requirements, and (iii) maturity profile and other commercial considerations including, among others, the amount of the loans outstanding and the remaining tenor of the loan.

Any additional amounts required for servicing, repayment or settlement of such instruments or financial commitments, over and above the proposed utilisation from the Net Proceeds, shall be met through internal accruals or other available sources, including equity and/or debt financing, as applicable.

**Details of utilisation**

The following table provided the details of borrowings availed by our Company, which are currently proposed to be repaid from the Net Proceeds:

| No | Date of sanction letter | Nature of Borrowing | Name of the lender | Sanctioned Amount as on September 16, 2026 (Amount in Lakhs) | Outstanding Amount as on September 16, 2026 (Amount in Lakhs) | Amount proposed to be repaid out of the Net Proceeds (Amount in Lakhs) | Tenor | Interest Rate (% p.a.) as at September 16, 2026 | Purpose for which disbursed loan amount was sanctioned and utilized | Pre-payment penalty, if any |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | February 19, 2026 | Cash Credit | State Bank of India | Cash Credit Limited - 700.00* | 560.46 | 560.46 | 12 Month | 8.45% (Concessional Interest Linked to 3M-MCLR) | Multiple Banking Facility-Interchangeability of limit under the sanction limit. Cash credit facility obtained for purpose of working capital requirement. | Nil |
| 2 | February 19, 2026 | Term Loan | State Bank of India | 1,000.00 | 899.03 | 899.03 | February 18, 2034 | 8.45% (Concessional Interest Linked to 3M-MCLR) | Term Loan: For Capital expenditure | Nil |
| 3 | July 28, 2026 | Cash Credit | HDFC Bank Ltd | Cash Credit Limited – 1,627.00 # | 1,427.73 | 1,274.63 | 12 Month | 8.00% (3 month repo rate + 2.75 %) | Multiple Banking Facility-Interchangeability of limit under the sanction limit Cash credit facility obtained | Nil |

| No | Date of sanction letter | Nature of Borrowing | Name of the lender | Sanctioned Amount as on September 16, 2026 (Amount in Lakhs) | Outstanding Amount as on September 16, 2026 (Amount in Lakhs) | Amount proposed to be repaid out of the Net Proceeds (Amount in Lakhs) | Tenor | Interest Rate (% p.a.) as at September 16, 2026 | Purpose for which disbursed loan amount was sanctioned and utilized | Pre-payment penalty, if any |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | for purpose of working capital requirement. | |
| 4 | July 31, 2026 | Working Capital Demand Loan | Yes Bank | 2,500.00 | 2,450.00 | 2,450.00 | 12 Month. Limit (due for renewal as on October 9, 2026) | 7.20% (Repo Rate + 2.5%) | Working Capital Demand Loan | Nil |
| 5 | July 17, 2025 | Cash Credit | Axis Bank | 2,500.00 | 2,431.41 | 2,431.41 | 12 month | 8.10% p.a. (Linked to Repo rate ) | Working Capital Demand Loan | Nil |
| 6 | July 28, 2025 | Cash Credit | Punjab National Bank | 500.00 | 284.47 | 284.47 | 12 month | 8.50% (3 Month MCLR+ 0.10%) | Multiple Banking Facility- Interchangeability of limit under the sanction limit Cash credit facility obtained for purpose of | Nil |

| No | Date of sanction letter | Nature of Borrowing | Name of the lender | Sanctioned Amount as on September 16, 2026 (Amount in Lakhs) | Outstanding Amount as on September 16, 2026 (Amount in Lakhs) | Amount proposed to be repaid out of the Net Proceeds (Amount in Lakhs) | Tenor | Interest Rate (% p.a.) as at September 16, 2026 | Purpose for which disbursed loan amount was sanctioned and utilized | Pre-payment penalty, if any |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | working capital requirement. | |
| | | | **Total** | **8,827.00** | **8,053.10** | **7,900.00** | | | | |

**(Total Fund Based Working Capital - ₹4,000.00 lakhs, i.e., Interchangeability of facility between Export Packing Credit, Cash Credit & Financial Bill Discounting)*
*#(Total Fund Based Working Capital - ₹3,000.00 lakhs, i.e., Interchangeability of facility between Pre-Shipment Finance, Post-Shipment Finance, Cash Credit, Working Capital Demand Loan Letter of Credit & Bank Guarantee)*

Our Company has obtained a certificate dated October 6, 2026, issued by our Statutory Auditor, the utilisation of the proceeds of the loans, as indicated above has been towards the purpose availed for, as per the sanction letters / loan agreements of the respective loans.

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**2. Investment in our Subsidiary, Aerolloy Technologies Limited for funding its working capital requirements**

We propose to utilise up to ₹ 8,000.00 lakhs from the Net Proceeds to fund the working capital requirements of our Subsidiary, Aerolloy Technologies Limited ("**ATL**"). ATL has significant working capital requirements and funds its working capital requirements in the ordinary course of business from internal accruals and availing financing facilities from various lenders, including banks and financial institutions. ATL's working capital requirements will increase in line with increase in volumes, commodity prices, currency fluctuation, base interest rates. ATL will require additional working capital to fund business requirements emanating out of the above as well as future growth opportunities.

As on September 16, 2026, ATL had a total sanctioned limit of fund-based working capital facilities of ₹ 3,000 lakhs, of which ₹ 468.72 lakhs. had been utilised, on a standalone basis.

**Basis of estimation of working capital requirement**

*Existing working capital*

The details of working capital and the source of funding, on the basis of the audited financial statements for the Fiscals 2026, 2025, and 2024, of ATL are provided in the table below:

*(in ₹ lakhs)*

| S. No. | Particulars | As at March 31, 2026 (Standalone) | As at March 31, 2025 (Standalone) | As at March 31, 2024 (Standalone) |
|---|---|---|---|---|
| **I** | **Current assets** | | | |
| | Inventory | 11,437.75 | 5,402.34 | 1,668.15 |
| | Trade Receivables | 6,317.11 | 1,155.37 | 1,063.34 |
| | Other financial & current assets | 14,651.39 | 6,433.83 | 2,301.66 |
| | **Total current assets (A)** | 32,406.25 | 12,991.54 | 5,033.15 |
| | | | | |
| **II** | **Current liabilities** | | | |
| | Trade Payables | 1,328.85 | 812.07 | 219.67 |
| | Other Current Liabilities | 3,193.86 | 2,147.41 | 649.50 |
| | **Total current liabilities (B)** | 4,522.71 | 2,959.48 | 869.17 |
| | | | | |
| **III** | **Net Working capital requirements (C = A-B)** | 27,883.54 | 10,032.06 | 4,163.98 |
| **IV** | **Existing funding pattern** | | | |
| | Working Capital fundings from Banks & Internal Accruals | 27,883.54 | 10,032.06 | 4,163.98 |

*Note: As certified by T Nagar & Co., the Independent Chartered Accountant by way of its certificate dated October 9, 2026.*

**Key assumptions and justifications for the estimated working capital requirements**

The following table sets forth the details of the holding period and justifications for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024, which have been computed based on the audited financial statements for the respective financial years, and the key assumptions based on which working capital requirements are estimated for Fiscal 2027, which has been approved by Board of ATL on October 6, 2026 are set forth below:

| Particulars | Holding levels (No. of Days) | | | |
|---|---|---|---|---|
| | (Actual) | | | (Estimated) |
| | As at March 31, 2024 | As at March 31, 2025 | As at March 31, 2026 | As at March 31, 2027 |
| **Current assets** | | | | |
| Inventory | 137 | 349 | 238 | 220 |
| Trade Receivable | 87 | 75 | 132 | 130 |
| Other financial & current assets | 189 | 416 | 305 | 270 |
| **Current liabilities** | | | | |
| Trade Payable | 18 | 52 | 28 | 28 |
| Other financial & current liability | 53 | 139 | 67 | 67 |

*The details of holding levels have been certified T Nagar & Co., the Independent Chartered Accountant by way of its certificate dated October 9, 2026.*

Holding levels (in number of days) for each of the above line items have been computed by dividing the relevant balance as at the period end by total revenue for the respective financial year and multiplying by 365 days.

**Expected working capital requirements**

On the basis of existing working capital requirement and holding levels for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 the estimated working capital requirements and proposed funding pattern for Fiscal 2027 are set forth below:

(*in ₹ lakhs*)

| S. No. | Particulars | As at March 31, 2027 (Standalone) |
|---|---|---|
| **I** | **Current assets** | |
| | Inventory | 15,068.49 |
| | Trade Receivables | 8,904.11 |
| | Other financial & current assets | 18,493.15 |
| | **Total current assets (A)** | 42,465.75 |
| | | |
| **II** | **Current liabilities** | |
| | Trade Payables | 1,917.81 |
| | Other Current Liabilities | 4,589.04 |
| | **Total current liabilities (B)** | 6,506.85 |
| | | |
| **III** | **Net Working capital requirements (C = A-B)** | 35,958.90 |
| **IV** | **Proposed funding pattern** | |
| | Working Capital fundings from Banks & Internal Accruals | 27,958.90 |
| | | |
| **V** | **Amount proposed to be utilized from the Net Proceeds** | 8,000.00 |

**Justification for holding levels**

| Sr. No. | Particulars | Basis of estimation / assumptions and justification |
|---|---|---|
| **Current Assets** | | |
| **1.** | Inventory | Titanium and superalloy castings pass through pattern making, shell building, melting, heat treatment, finishing and inspection before despatch, and rising volumes across casting programmes increase the work-in-progress carried at each stage. In metal products, the range is extending from ingots to forged billets, bars, plates and sheets, each of which passes through additional forging, rolling and heat treatment stages. Inventory days were higher in Fiscal 2025 as inventory was built up during the year for the increase in volumes in Fiscal 2026. Inventory days were 238 days in Fiscal 2026 and are estimated at 220 days in Fiscal 2027. |
| **2.** | Trade Receivables | Trade receivables are estimated on the credit periods applicable to the customers of ATL across castings, machined components and metal products, and increase in absolute terms in line with projected revenue from each vertical. Trade receivable days were higher in Fiscal 2026 as a larger share of the year's sales was made in the last quarter, and these receivables were outstanding at the year end. Trade receivable days were 132 days in Fiscal 2026 and are estimated at 130 days in Fiscal 2027. |
| **3.** | Other financial & current assets | This head comprises principally unutilised input tax credit on imported plant, machinery and raw materials, and advances to suppliers. Unutilised credit is expected to be set off progressively against output tax as revenue increases. These days were 305 days in Fiscal 2026 and are estimated at 270 days in Fiscal 2027. |
| **Current Liabilities** | | |
| **4.** | Trade Payables | The principal raw materials, being titanium sponge, master alloys and superalloy feedstock for both castings and metal products, are largely imported against advance payment or letters of credit, and trade payables therefore do not increase in proportion to purchases. Trade payable days were 28 days in Fiscal 2026 and are estimated at 28 days in Fiscal 2027. |
| **5.** | Other financial & current liabilities | This head comprises advances from customers, provisions and statutory dues, [and is estimated broadly in line with Fiscal 2026 levels These days were 67 days in Fiscal 2026 and are estimated at 67 days in Fiscal 2027. |

On the basis of the existing working capital requirements and holding levels of ATL for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, and the growth plans envisaged by our Company, the Board of Directors of ATL, pursuant to its resolution dated October 6, 2026 has approved the projected net working capital requirements (excluding borrowings) for Fiscal 2027 as ₹ 35,958.90 lakhs, and the incremental working capital requirements as ₹ 8,075.36 lakhs, respectively. Accordingly, we propose to utilise ₹ 8,000.00 lakhs of the Net Proceeds in Fiscal 2027, towards the estimated incremental working capital requirements of ATL.

The balance portion of its working capital requirement shall be met, *inter alia*, from internal accruals, equity infusion and extending existing or additional working capital facilities from various banks, financial institutions and non-banking financial companies (including bill discounting) or equity.

The estimates of working capital requirements for Fiscal 2027 has been prepared based on the management's projections of present and future financial performance. These estimates are based on assumptions about future events and management's actions that may not necessarily occur. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

**3. Investment in (a) our Subsidiary, Aerolloy Technologies Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility and (b) our Stepdown Subsidiary, Trac Precision Solutions Limited for purchase of plant and machineries, pre-operative expenses and contingency towards development of its manufacturing facility**

*a. Purchase of plant and machineries, pre-operative expenses and contingency towards development of the manufacturing facility of our Subsidiary, Aerolloy Technologies Limited situated in Lucknow*

We are in the process of strategic expansion of our manufacturing facility situated in Lucknow ("**Aerolloy Facility**"). Our Aerolloy Facility carry our materials, casting and sub-systems manufacturing capabilities into high-value aerospace and defence applications, including for titanium and superalloy programmes. We expect to benefit from such investment as we believe our plans and strategy will allow us to meet growing demand from aerospace, defence, industrial and energy customers for large-format titanium, superalloy, stainless steel and higher alloy castings, qualified mill products and sub-systems, while bringing critical processing and inspection steps in-house. For further details of our strategy, see "*Our Business—Our Strategies*" on page 235.

The total estimated cost required for proposed expansion for Aerolloy Facility is ₹49,931.48 lakhs, as certified by Akhilesh Kumar Nigam, chartered engineer by way of their certificate dated October 9, 2026. Out of the total estimated cost as certified by Akhilesh Kumar Nigam, chartered engineer by way of their certificate dated October 9, 2026, we propose to deploy ₹ 48,000.00 lakhs out of the Net Proceeds to fund capital expenditure towards proposed expansion for Aerolloy Facility.

The break-down of the total estimated cost for proposed expansion for Aerolloy Facility is as follows:

| Sr. No. | Particulars | Total estimated cost (in ₹ lakhs)* |
|---|---|---|
| 1. | Plants and Machineries | 40,883.48 |
| 2. | Pre-Operative expenses such as salary expenses, travelling and conveyance, other administrative overhead and trial and testing expenses | 4,088.00 |
| 3. | Contingency | 4,960.00 |
| | **Total** | **49,931.48** |

**As certified by Akhilesh Kumar Nigam, chartered engineer, pursuant to their certificate dated October 9, 2026.*

The fund requirements, deployment of funds and the intended use of the Net Proceeds, as described herein are based on various factors such as our current business plan, management estimates, and other commercial and technical factors and the certificate dated October 9, 2026 issued by Akhilesh Kumar Nigam, chartered engineer. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution.

*b. Purchase of plant and machineries, pre-operative expenses and contingency towards development of our Stepdown Subsidiary, Trac Precision Solutions Limited in United Kingdom*

In December 2024, we acquired 100% of Trac Holdings Limited, which, through its subsidiaries, owns Trac Precision Solutions Limited ("**Trac**"), a UK-based manufacturer of precision-machined components for the aerospace, defence and power generation sectors. Trac's capabilities include the machining of complex components such as turbine blades, nozzle guide vanes, heat shields and seal segments. The acquisition has added established precision machining capabilities, complementing our existing capabilities in titanium and superalloy materials and precision castings, and enabling us to participate across a broader portion of the manufacturing value chain for critical components.

Further, we are in the process of a strategic expansion of the manufacturing facility of our Stepdown Subsidiary, Trac Precision Solutions Limited in United Kingdom (the "**Trac Facility**"), including the expansion and development of its precision machining, electrical discharge machining, grinding, brazing, coating and inspection capabilities. We expect to benefit from such investment as we believe our plans and strategy will allow us to meet increasing volume requirements from existing and future aerospace and industrial customers for finished, coated and inspected components, and to offer the group's customers a single qualified source from casting to finished part. We intend to invest ₹7,100.00 lakhs from the Net Proceeds towards the proposed expansion of Trac Facility.

The total estimated cost required for proposed expansion of Trac Facility is ₹14,631.21 lakhs, as certified by Akhilesh Kumar Nigam, chartered engineer by way of their certificate dated October 9, 2026. Out of the total estimated cost as certified by Akhilesh Kumar Nigam, chartered engineer by way of their certificate dated October 9, 2026, we propose to deploy ₹ 7,100.00 lakhs out of the Net Proceeds to fund capital expenditure towards proposed expansion of Trac Facility.

The break-down of the total estimated cost for proposed expansion of Trac Facility is as follows:

| Sr. No. | Particulars | Total estimated cost (in ₹ lakhs)* |
|---|---|---|
| 1. | Plants and Machineries | 13,419.66 |
| 2. | Contingency | 1,211.54 |
| | **Total** | **14,631.21** |

**As certified by Akhilesh Kumar Nigam, chartered engineer, pursuant to their certificate dated October 9, 2026.*

The fund requirements, deployment of funds and the intended use of the Net Proceeds, as described herein are based on various factors such as our current business plan, management estimates, and other commercial and technical factors and the certificate dated October 9, 2026 issued by Akhilesh Kumar Nigam, chartered engineer. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution.

All quotations received from the suppliers are valid as on the date of this Placement Document. However, there can be no assurance that the same vendors would be engaged to eventually supply equipment or machinery at the same costs. Some of the quotations mentioned do not include cost of freight, insurance, octroi, entry tax, customs duty and other charges as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds proposed to be utilised towards the purchase of equipment and machinery or through internal accruals, if required. As mentioned, we have not entered into any definitive agreements with any of the suppliers which have provided quotations and there can be no assurance that the same suppliers would be engaged to eventually supply the equipment and machinery or that the abovementioned equipment and machinery would be purchased/ undertaken at the specified costs.

Approvals

No regulatory approvals are required to be obtained as of such date. While we do not require any further licenses / approvals from any governmental authorities at this stage, we will apply for all such necessary approvals that we may require at future relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed implementation schedule and deployment of the Net Proceeds may be extended or may vary accordingly.

Other Confirmations

The quantity of equipment and machinery to be purchased is based on the estimates of our management and our business requirements. Our Promoters, Directors, Key Managerial Personnel and Senior Management do not have any interest in the proposed acquisition of the equipment or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the equipment. Any equipment not purchased from the Net Proceeds shall be purchased from our internal accruals. We shall have the flexibility to deploy such machinery at any of our existing and future plants, according to our business requirements based on the estimates of our management.

The identification of the categories of equipment, and of the quantity and specification of equipment within each category, is based on the present estimates of our management. While the categories set out above are indicative of the equipment proposed to be acquired, the type, specification, quantity, vendor and value of individual items of equipment are subject to change. We shall have the flexibility to procure equipment within any of the above categories depending on business requirements at the time of placing the relevant order, to place an order for an upgraded version of any such equipment where one is available at that time, and, based on commercial considerations including prevailing market prices, availability of equipment in a timely manner, competition, business strategy and technological advancement, to replace any item of equipment with another item other than as proposed above.

**4. Funding strategic investments and inorganic growth through unidentified acquisitions/investments**

We intend to use ₹ 62,125.00 lakhs of the Net Proceeds (subject to allotment of Equity Shares pursuant to the Issue) to pursue inorganic growth initiatives through strategic acquisitions.

We look to pursue strategic investments and inorganic and organic growth opportunities. In addition to generating organic growth opportunities, we continuously look to create strategic value through inorganic growth and have demonstrated history of integrating acquisitions with our business and consolidating our position in the industry. Our Company has in the past undertaken acquisitions, and we shall continue to evaluate acquisition opportunities

in the future that we believe supplement our strategic business objectives and growth strategies. One of our core strategies is to pursue inorganic growth through strategic acquisitions supplemental to our operations. In line with our past practice, we intend to pursue opportunities to undertake acquisitions (i) that allow us to enhance our capacity, scale and market position; (ii) to extend our reach to new geographic markets outside India; (iii) that allow us to enhance our product portfolio including product category adjacencies by unlocking potential synergy benefits; and (iv) to expand into adjacent segments of aerospace, space, defence, precision engineering and energy thereby diversifying our capabilities and processes and tapping into growth, technology-driven sectors. Set forth hereunder are brief details of certain acquisitions that we have undertaken in the past:

| Name of the target entity/ entity from which the business/asset has been purchased | Financial year of acquisition | Country/ State of incorporation of the target entity | Benefit of acquisition |
|---|---|---|---|
| Acquisition of 100% of the share capital of Trac Holdings Limited | Fiscal 2025 | United Kingdom | Established presence in the United Kingdom with machining and finishing capabilities for aero-engine and industrial gas turbine components. Extends the group from castings and forgings to finished components and gives it direct access to international OEM customers. |
| Purchase of Plasma Arc Melting furnace through our Subsidiary, Aerolloy Technologies Limited, pursuant to an equipment purchase and sale agreement dated January 30, 2023. | Fiscal 2024 | United Kingdom | Manufacturing Ti Alloy ingots in small lot sizes for exotic Ti alloys as well as for recycling of Ti alloy scrap and waste generated by the company's Titanium Casting production |
| Purchase of all machinery, equipment and accessories related to Electron Beam Melt Furnace pursuant to an equipment purchase and sale agreement dated July 6, 2022 through our Subsidiary, Aerolloy Technologies Limited | Fiscal 2023 | United States of America | Manufacturing of Ti Ingots and slabs up to 12 tonnes weight, using Ti Scrap and Sponge with annual melt capacity of 5000 tonnes, for sales to Aerospace and Defence companies in India and for Exports |
| Purchase of all machinery, equipment and accessories related to Vacuum Arc Remelting Furnace pursuant to an equipment purchase and sale agreement dated March 25, 2021 through our Subsidiary, Aerolloy Technologies Limited | Fiscal 2022 | United States of America | Manufacturing of Ti Ingots of up to 1 m dia and 12 tonnes weight, using Ti Sponge with annual capacity of 1500 tonnes, for sales to Aerospace and Defence companies in India and for Exports |

Rationale for such expenditure on such inorganic growth initiatives in the future.

Some of the selection criteria that we may consider when evaluating strategic acquisitions include:

a. expertise in the domain we operate in or wish to expand into;
b. strategic fit to our existing business(es) or serving connected extensions;
c. new customers/users that we can serve with our existing capabilities;
d. new capabilities to serve customers;

e. newer technology infrastructure, service/product offerings, including ones which plug-in gaps in our existing ecosystem/value chain and thus, enhance the range of our offerings;
f. enhance our geographical reach;
g. strengthen market share in existing markets; and
h. strong management team.

We will from time to time undertake potential acquisitions and/or investments in line with our business objectives and overall expansion strategies, with a view to augment our growth by acquiring companies with qualified manufacturing processes and customer approvals, expand our product offerings and portfolios, enhance our geographical presence and strengthen our existing platforms through complementary technology and advancements. Accordingly, we believe that acquisitions and investments made by our Company in furtherance of the factors set out above, will fit in our strategic business objectives and growth strategies. We intend to utilise the above-stated portion of the Net Proceeds towards our strategic acquisitions and/or investments which may be undertaken as stated above.

If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, if required, in accordance with applicable laws. In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA and the regulations notified thereunder, as the case may be.

The amount of Net Proceeds to be used for each individual acquisition and/or investments will be based on our management's decision and may not be the total value or cost of any such investments but is expected to provide us with sufficient financial leverage to pursue such investments. The actual deployment of funds will also depend on a number of factors, including the timing, nature, size and number of acquisitions undertaken in a particular period, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions, i.e., whether they will be directly done by our Company or through investment in our Subsidiaries in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of acquisitions of companies, asset or technology acquisitions or joint ventures. Acquisitions and inorganic growth initiatives may be undertaken as business transfers, mergers or demergers, share based transactions, including share swaps, or outright purchase of plant and equipment or a combination thereof, or as done previously, be undertaken as cash transactions in India, outside India or both. At this stage, our Company cannot identify any acquisition targets and whether the form of investment will be cash, equity, debt or any other instrument or combinations thereof.

**5. General corporate purposes**

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy ₹43,744.96 lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25.00% of the Gross Proceeds in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding (i) capital expenditure, including towards civil works, and maintenance, renovation and upgradation of existing facilities, and any cost overrun in respect of the capital expenditure Objects; (ii) investment in our Subsidiaries by way of equity or debt, whether convertible or non-convertible; (iii) providing cash margin or security for letters of credit, bank guarantees and other non-fund based facilities; (iv) research and development, including product development and customer qualification; (v) strategic initiatives, partnerships, joint ventures and acquisitions; and (vi) and meeting expenses incurred in the ordinary course of our business and towards any exigencies or any other purpose, as may be approved by our management and, where required under applicable law our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board or a duly constituted committee thereof, based on the amount actually available under this head and the business

requirements of our Company, from time to time, subject to compliance with applicable law. In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our management, subject to compliance with necessary provisions of the Companies Act.

Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law and as may be approved by our Board or a duly appointed committee from time to time. In case of variation in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes set out above. The use of proceeds indicated hereinabove is based on management estimates, current circumstances of our business and the prevailing market conditions, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal, subject to compliance with applicable law.

**Interim use of Net Proceeds**

Our Company will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Pending utilization of the Net Proceeds, our Company shall invest such proceeds in money market instruments including money market or debt mutual funds, T-bills, deposits with scheduled commercial banks, short-term or long-term debt instruments, or by way of temporary reduction of the amounts outstanding in our cash credit or other working capital accounts or any other investment as permitted under applicable laws and the Company's internal policies in this regard. Provided that, in accordance with applicable laws, we undertake to not utilize the proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

**Monitoring of utilisation of funds**

Our Company has appointed CRISIL Ratings Limited, a credit rating agency registered with the SEBI as the monitoring agency in accordance with Regulation 173A of the SEBI ICDR Regulations for monitoring the utilisation of the Gross Proceeds, as the size of the Issue exceeds ₹10,000 lakhs. The report of the Monitoring Agency shall be placed before the Audit Committee on a quarterly basis, promptly upon its receipt. Such report, along with the comments (if any) of the Monitoring Agency shall be submitted to the Stock Exchanges within 45 days from the end of each quarter, or such other period as may be prescribed under the SEBI Listing Regulations and uploaded on the website of our Company, www.ptcil.com.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Gross Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above or the Objects for which the Gross Proceeds were raised have been achieved. This information will also be published on our website and our Company shall furnish an explanation for the deviations and category-wise variations in its annual report.

**Other confirmations**

The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and, pending utilisation, may be deployed as set out in "Interim use of Net Proceeds" above, and shall be utilised from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Neither our Promoters nor members of the Promoter Group or our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Net Proceeds. Further, neither our Promoter nor members of our Promoter Group, Key Managerial Personnel and/or Senior Management shall receive any

proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe to the Issue.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchange. Our Company's management will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation and total debt as on June 30, 2026 based on our Condensed Interim Financial Information and our Company's capitalisation as adjusted to reflect the receipt of the gross proceeds of this Issue and the application thereof.

This table should be read together with "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Financial Information***" on pages 49, 108 and 327, respectively and the related notes included elsewhere in this Placement Document.

*(in ₹ lakhs)*

| Particulars | Pre-Issue (as at June 30, 2026) (Actuals) | Post-Issue as adjusted** |
|---|---|---|
| **Current Borrowing:** | | |
| Secured | 7,166.15 | 7,166.15 |
| Unsecured | 1,446.16 | 1,446.16 |
| **Non-current borrowing (including current maturities of long-term debt):** | | |
| Secured | 18,445.82 | 18,445.82 |
| Unsecured | 341.07 | 341.07 |
| **Total Borrowing (a)** | **27,399.20** | **27,399.20** |
| | | |
| **Shareholders' funds:** | | |
| Share capital | 1,499.25 | 1,584.72 |
| Securities premium | 111,452.96 | 291,367.31 |
| Reserves and surplus (excluding securities premium) | 40,791.48 | 40,791.48 |
| **Shareholders' funds (b)** | **153,743.69** | **333,743.51** |
| | | |
| **Total capitalisation (a+b)** | **181,142.89** | **361,142.71** |
| **Current Borrowing / Shareholders Funds** | **0.06** | **0.03** |
| **Long Term Borrowings / Shareholders Funds** | **0.12** | **0.06** |
| **Total Borrowing / Shareholders Funds** | **0.18** | **0.08** |

*Note: These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended).*

** *The figures included under post-Issue column relating to the shareholder's fund are derived after considering the impact due to the issue of the Equity Shares only through the qualified institutional placement and does not include any other transactions or movements / Issue related expenses.*

## CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Placement Document is set forth below:

*(In ₹ lakhs, except share data)*

| Sr. No. | Particulars | Aggregate value at face value (except for securities premium account) |
|---|---|---|
| **A** | **AUTHORIZED SHARE CAPITAL** | |
| | 2,00,00,000 Equity Shares of face value of ₹ 10 each | 20,00,00,000 |
| | | |
| **B** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE** | |
| | 1,49,92,549 Equity Shares of face value of ₹ 10 each | 14,99,25,490 |
| | | |
| **C** | **PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT** | |
| | 8,54,700 Equity Shares of face value of ₹ 10 each [(1)] | 85,47,000 |
| | | |
| **D** | **ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE** | |
| | 1,58,47,249 Equity Shares of face value of ₹ 10 each | 15,84,72,490 |
| | | |
| **E** | **SECURITIES PREMIUM ACCOUNT** | |
| | Before the Issue | 1,11,452.96 |
| | After the Issue [(2)] | 2,91,367.31 |

*(1) The Issue has been authorized by the Board of Directors pursuant to its resolution dated June 27, 2026, and the Shareholders pursuant to a special resolution dated August 01, 2026.*

*(2) The securities premium account after the Issue is calculated on the basis of gross proceeds of the Issue. Adjustments do not include Issue related expenses.*

**Equity Share Capital History of our Company**

The following table sets forth the history of the Equity Share capital of our Company since incorporation:

| Date of allotment | No. of equity shares allotted | Face value per equity share (₹) | Issue price per equity share (₹) | Nature of allotment | Consideration | Cumulative equity shares |
|---|---|---|---|---|---|---|
| February 27, 1963 | 43 | 100.00 | 100.00 | Initial subscription to Memorandum of Association | Cash | 43 |
| January 25, 1965^ | 1,197 | 100.00 | 100.00 | Further issue | Cash | 1,240 |
| September 14, 1965^ | 10 | 100.00 | 100.00 | Further issue | Cash | 1,250 |
| September 14, 1965^ | 520 | 100.00 | 100.00 | Further issue | Cash | 1,770 |
| January 25, 1966^ | 590 | 100.00 | 100.00 | Further issue | Cash | 2,360 |
| April 18, 1970^ | 150 | 100.00 | 100.00 | Further issue | Cash | 2,510 |
| April 2, 1971^ | 50 | 100.00 | 100.00 | Further issue | Cash | 2,560 |
| June 15, 1981^ | 1,865 | 100.00 | 100.00 | Further issue | Cash | 4,425 |

| Date of allotment | No. of equity shares allotted | Face value per equity share (₹) | Issue price per equity share (₹) | Nature of allotment | Consideration | Cumulative equity shares |
|---|---|---|---|---|---|---|
| October 10, 1992^ | 1,575 | 100.00 | 100.00 | Further issue | Cash | 6,000 |
| January 24, 1993^ | 6,000 | 100.00 | N.A. | Bonus issue in the ratio of 1:1 | N.A. | 12,000 |
| March 28, 1993^ | 9,755 | 100.00 | 200.00 | Further issue | Cash | 21,755 |
| May 24, 1993^ | 2,245 | 100.00 | 200.00 | Further issue | Cash | 24,000 |
| August 11, 1993^ | 6,000 | 100.00 | 200.00 | Right issue in the ratio of 1:4 | Cash | 30,000 |
| September 3, 1993^ | 60,000 | 100.00 | N.A. | Bonus issue in the ratio of 2:1 | N.A. | 90,000 |
| September 3, 1993^ | 2,10,000 | 100.00 | N.A. | Bonus issue in the ratio of 7:3 | N.A. | 3,00,000 |
| Pursuant to the resolutions passed by our Shareholders on August 27, 1994, the face value of the Equity Shares was sub-divided from ₹100 per equity share to ₹10 per Equity Share. Accordingly, the issued, subscribed and paid-up Equity Share capital of our Company being 3,00,000 equity shares of ₹100 each was subdivided into 30,00,000 Equity Shares of ₹10 each. | | | | | | |
| December 12, 1994^ | 5,50,000 | 10.00 | 50.00 | Listing at OTC Exchange of India | Cash | 35,50,000 |
| December 28, 1998^ | 6,41,250 | 10.00 | N.A. | Pursuant to amalgamation order in the ratio of 1:5 to Sunika Alloys Private Limited & ratio of 5:2 to Ashman Tools Engineers Private Limited | N.A. | 41,91,250 |
| April 23, 2014 | 3,64,456 | 10.00 | 381.75* | Pursuant to conversion of 1,39,130 CCDs | Cash | 45,55,706 |
| November 8, 2014 | 6,83,357 | 10.00 | 381.75* | Pursuant to conversion of 2,60,870 CCDs | Cash | 52,39,063 |
| August 23, 2022 | 78,58,594 | 10.00 | 10.00 | Rights issue in the ratio of 3:2 | Cash | 1,30,97,657 |
| December 7, 2022 | 2,84,600 | 10.00 | 2,349.00 | Preferential Issue | Cash | 1,33,82,257 |
| July 19, 2023 | 1,80,000 | 10.00 | 2,500.00 | Preferential Issue | Cash | 1,35,62,257 |
| December 15, 2023 | 13,031 | 10.00 | 402.00 | Allotment pursuant to ESOP 2019 | Cash | 1,35,75,288 |
| January 4, 2024 | 6,30,170 | 10.00 | 2,349.00# | Pursuant to conversion of share warrants into equity shares | Cash | 1,42,05,458 |
| February 15, 2024, | 2,35,415 | 10.00 | 6,000.00 | Preferential Issue | Cash | 1,44,40,873 |
| September 3, 2024 | 5,30,315 | 10.00 | 13,199.70 | Allotment pursuant to the qualified institution placement | Cash | 1,49,71,188 |
| November 23, 2024 | 12,938 | 10.00 | 402.00 | Allotment pursuant to ESOP 2019 | Cash | 1,49,84,126 |
| November 13, 2025 | 8,423 | 10.00 | 402.00 | Allotment pursuant to ESOP 2019 | Cash | 1,49,92,549 |

*[*] Consideration for such equity shares (issued pursuant to such conversion of debentures) was paid at the time of issuance of such debentures.*

*[#] Our Company issued 6,30,170 convertible warrants pursuant to board and shareholders' resolution date October 20, 2022 and November 19, 2022 respectively. Further, these warrants were allotted on December 7, 2022 and these warrants were converted into Equity Shares pursuant to Listing Committee resolution dated January 4, 2024.*

*^ We have been unable to trace certain returns of allotment/regulatory filings made with the RoC, including the payment challans and attachments thereof. We have included these details based on the search report issued by an independent practising company secretary pursuant to their inspection and independent verification of the documents available or maintained by our Company and the Ministry of Corporate Affairs on the MCA Portal. Accordingly, we have relied on the certificate dated October 6, 2026, issued by Amit Gupta & Associates, Practicing Company Secretaries ("**RoC Search Report**"). Please also see "Risk Factors – Certain documents filed by us with the Registrar of Companies and certain corporate records and other documents related to the capital structure of our Company, in respect of allotments of Equity Shares made in the period from 1963 to 1998, are not traceable." on page 64.*

Except as stated in "- *Equity Share Capital History of our Company*", our Company has not made any allotment of Equity Shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash.

**Preference Shares**

As on the date of this Placement Document, there are no outstanding preference shares of our Company.

**Warrants**

As on the date of this Placement Document, there are no outstanding warrants issued by our Company.

**Employee stock option schemes**

Pursuant to a Board resolution dated May 27, 2019, and Shareholders' resolution dated September 28, 2019, our Company instituted the PTC-ESOS 2019 ("**ESOP 2019**"). The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the Options, pursuant to the issue of up to 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("**Rights Equity Shares**") of our company for cash at a price of ₹ 10 per Rights Equity Share aggregating up to ₹ 785.86 lakhs on a rights issue basis to the eligible Equity Shareholders of our Company in the ratio of 3 Rights Equity Shares for every 2 fully paid-up equity shares held by the eligible equity Shareholders of our Company on the record date, that is, on July 22, 2022. The ESOP 2019 is compliant with the SEBI SBEB Regulations.

| Details | Existing | Adjusted pursuant to the Rights Issue |
|---|---|---|
| Total Pool | 1,57,170 | 3,92,925 (2,35,755 additional) |
| Exercise Price | 990/- per share | 402/- per share |

The details of ESOP 2019, as on the date of this Placement Document, are as under:

| Particulars | Number of stock options |
|---|---|
| Total number of stock options | 3,92,925 |
| Stock options granted | 59,377 |
| Total number of stock options valid | 54,676 |
| Stock options vested and remain unexercised | Nil |
| Stock options exercised | 34,392 |
| Stock options lapsed/ forfeited/ cancelled | 4,701 |
| Total stock options outstanding | 20,284 |

**Proposed Allottees in the Issue**

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Lead Manager, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in the section "*Details of Proposed Allottees in the Issue*" on page 331.

**Shareholding Pattern of our Company**

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below:

| Sr. No. | Category | Pre-Issue^ | | Post-Issue* | |
|---|---|---|---|---|---|
| | | Number of Equity Shares held | % of shareholding | Number of Equity Shares held** | % of shareholding |
| A. | **Promoter's holding#** | | | | |
| 1. | **Indian** | | | | |
| | Individual and HUF | 57,36,664 | 38.26% | 57,36,664 | 36.20% |
| | Body Corporate | 32,11,128 | 21.42% | 32,11,128 | 20.26% |
| 2. | **Foreign** | | | | |
| | **Sub-total (A)** | **89,47,792** | **59.68%** | **89,47,792** | **56.46%** |
| B. | **Non-Promoter's holding** | | | | |
| 1. | **Institutional investors** | 20,70,770 | 13.81% | 29,20,722 | 18.43% |
| 2. | **Non-institutional investors** | | | | |
| | Individual share capital up to ₹ 2 Lakh | 13,32,923 | 8.89% | 13,32,923 | 8.41% |
| | Individual share capital in excess of ₹ 2 Lakh | 20,38,356 | 13.60% | 20,38,356 | 12.86% |
| 3. | **Foreign Companies** | 0 | 0.00% | 0 | 0.00% |
| 4. | **Bodies Corporate** | 2,39,873 | 1.60% | 2,44,621 | 1.55% |
| 5. | **Any Other** [including Non-resident Indians (NRIs) and clearing members] | 3,62,814 | 2.42% | 3,62,814 | 2.29% |
| 6. | Directors and relatives | 21 | 0.00% | 21 | 0.00% |
| | **Sub-total (B)** | **60,44,757** | **40.32%** | **68,99,457** | **43.54%** |
| C. | **Non-Promoter Non-Public shareholder** | | | | |
| 1. | Custodian/ DR Holder | 0 | 0.00% | 0 | 0.00% |
| 2. | Employee Benefit Trust | 0 | 0.00% | 0 | 0.00% |
| | **Sub-total (C)** | **0** | **0.00%** | **0** | **0.00%** |
| | **Total (A+B+C)** | **1,49,92,549** | **100.00%** | **158,47,249** | **100.00%** |

#*Includes shareholding of the members of the Promoter Group.*
^*Based on beneficiary position data of our Company as on October 1, 2026.*

Except as disclosed in "– *Employee stock option schemes*" above, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Placement Document.

**Other Confirmations**

The Promoters, members of the Promoter Group, the Directors, Key Managerial Personnel and the Senior Management of our Company do not intend to participate in the Issue. No change in control in our Company will occur consequent to the Issue.

Our Equity Shares have been listed for a period of at least one year prior to the date of issuance of EGM notice dated July 10, 2026, to the shareholders for the approval of this Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue.

## DIVIDENDS

The declaration and payment of dividends by our Company will be recommended by our Board and approved by our Shareholders at their discretion, subject to the provisions of the Articles of Association and the applicable laws, including the Companies Act, 2013.

Our Board has approved and adopted a formal dividend distribution policy on September 05, 2022, and amended on February 14, 2026, in terms of Regulation 43A of the SEBI Listing Regulations ("**Dividend Distribution Policy**"). In accordance with the Dividend Distribution Policy, the dividend pay-out shall be determined by the Board after taking into account a number of factors, including but not limited to, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, with due consideration of external factors, such as prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws, and other factors that may be considered relevant from time to time. For further information, see "*Description of the Equity Shares*" on page 304.

Our Company has not declared or paid any dividend on the Equity Shares in respect of Fiscals 2026, 2025 and 2024 and since April 1, 2026 until the date of this Placement Document.

There is no guarantee that any dividends will be declared or paid in the future. The Equity Shares to be offered in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted.

Also see "*Statement of Possible Special Tax Benefits*" and "*Risk Factors*" on pages 308 and 49, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey our management's perspective on our financial condition and results of operations for the three months ended June 30, 2026 and June 30, 2025, and Fiscals 2026, 2025, 2024. Financial information for the three months ended June 30, 2026 and June 30, 2025 is not annualised and not indicative of full year results and is not comparable with our annual financial statements presented in this Placement Document. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Audited Consolidated Financial Statements and our Condensed Interim Financial Information including the schedules, annexures and notes thereto and the reports thereon in the section titled "Financial Information" beginning on page 327. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. The Audited Consolidated Financial Statements and Condensed Interim Financial Information of our Company have been prepared in accordance with Ind AS. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2026, 2025 and 2024 included herein is derived from our Audited Consolidated Financial Statements, and the financial information for the three months ended June 30, 2026 and June 30, 2025, included herein is derived from our Condensed Interim Financial Information.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Industry Overview", "Financial Information", and "Risk Factors" on pages 124, 327 and 49, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*In this section, unless otherwise indicated or the context requires, a reference to "our Company" is a reference to our Company on a standalone basis, while any reference to "we", "us" or "our" is a reference to our Company and its subsidiaries on a consolidated basis.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Industry Report on Aerospace & Defence (Global & Indian Scenario)" dated September 28, 2026 (the "**D&B Report**") prepared and released by Dun and Bradstreet and commissioned and paid by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year/Fiscal, as applicable. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. Also see, "Risk Factors – Certain sections of this Placement Document contain information from a third-party report that was commissioned and paid for by us, and reliance on such information for making an investment decision in the Issue is subject to inherent risks.".*

### OVERVIEW

For details regarding the business operations of our Company, see "*Our Business – Overview*" on page 231.

### SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

#### *Product Portfolio, Technology Capabilities and Research and Development Initiatives*

Our financial performance is significantly influenced by the breadth of our product portfolio, the sophistication of our manufacturing technologies and our ability to continuously develop and commercialise new products and manufacturing processes. We operate across multiple technology-focused verticals, including aerospace castings, titanium and superalloy materials and metal products, forgings, machining and finishing processes. Collectively, these verticals enable us to participate across multiple stages of the manufacturing value chain, from strategic materials and castings to precision-machined components. Our products include titanium and superalloy castings for aerospace, defence and space applications, air-melt castings for industrial and defence applications, single-crystal, directionally solidified and equiaxed airfoil castings for aero-engines and industrial gas turbines, titanium and superalloy ingots, billets, bars, rods, plates and sheets, precision-machined turbine blades, nozzle guide vanes, heat shields and seal segments, and industrial castings including pumps, valves, impellers and flow-control

components. These products serve applications across civil aviation, air defence, aero-engines, space, land defence, naval defence, strategic systems, industrial gas turbines, oil and gas, liquefied natural gas, marine, energy, petrochemical, pulp and paper, and power generation industries. Our revenues are dependent on our ability to increase sales across our existing product portfolio, successfully commercialise new products and technologies and expand our participation in higher-value and technologically advanced product categories. Shifts in customer demand, regulatory changes, and macroeconomic conditions may influence the mix and volume of the products manufactured by us. As such, our ability to develop and commercialize new products is a significant factor in sustaining and expanding our revenue base. Our technology development efforts include proprietary and licensed processes such as RapidCast™, PrintCast™ and ForgeCAST™, as well as controlled-microstructure castings, titanium casting using ceramic shelling, hot isostatic pressing, advanced simulation, automation and process-control technologies. Certain manufacturing processes used in our operations, including Replicast®, are licensed from third parties. Through these initiatives, we have developed capabilities in titanium and superalloy materials, additive manufacturing and metal powders, and components and sub-systems using titanium and other exotic alloys.

The pace of technological advancement in the aerospace, defence and strategic materials sectors requires continuous innovation and process improvement. Our ability to successfully develop new materials, improve manufacturing yields, reduce product development cycles and introduce differentiated products and technologies may directly affect our market position and long-term growth prospects.

***Cost and Availability of Raw Materials***

Our profitability and financial condition are significantly influenced by the cost and availability of our key raw materials. The tables below set forth cost of materials consumed for the periods indicated:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Cost of materials consumed | 7,591.28 | 39.58% | 4,091.38 | 42.12% |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Cost of materials consumed | 34,264.37 | 56.84% | 8,905.49 | 28.91% | 5,682.02 | 22.12% |

Our primary raw materials comprise titanium sponge, scrap materials, nickel and cobalt master alloys and other superalloy feedstock, ferro-alloys, and ceramic and refractory materials. We have multiple suppliers, including large OEMs and micro, small and medium enterprises. Accordingly, fluctuations in international commodity prices, changes in demand-supply dynamics, geopolitical developments, transportation constraints, tariff regimes and foreign exchange movements may affect procurement costs. Maintaining stable supplier relationships, ensuring quality consistency, and managing inventory effectively are therefore essential to sustaining operational continuity and cost competitiveness. As we continue to expand our manufacturing footprint, our ability to secure reliable and cost-effective raw material supplies will remain a key determinant of our financial performance.

***Ability to Maintain and Expand Customer Relationship and Accurately Forecast Customer Demand***

Our results of operations are driven by procurement and production decisions of our customers in the aerospace, defence, space, oil and gas, liquefied natural gas, marine, energy, petrochemical, pulp and paper, power generation and other specialised engineering sectors. The demand patterns in each of these end-markets are influenced by distinct factors, including government defence procurement budgets, civil aviation build rates, industrial capital expenditure cycles, energy sector investment and global trade conditions. Our ability to respond to sector-specific dynamics is critical to maintaining competitiveness and sustaining margins.

Further, our results of operations are significantly influenced by our ability to maintain and deepen our relationships with existing customers, acquire new customers and increase our participation across strategic programs and platforms. We cater to customers operating in highly regulated industries where supplier qualification procedures are rigorous, product development cycles are lengthy, and customer approvals often require significant investments of time and resources. Accordingly, revenues from such customers generally build over extended periods and are dependent on our ability to consistently meet quality, delivery, certification and technological requirements.

Our revenue growth is also influenced by the pace at which we are able to secure new production orders, increase the number of components or assemblies supplied under existing programs and expand our share of customer procurement requirements. In particular, an increase in the volume and value of orders generated from our customers may result in enhanced revenue visibility. Conversely, delays in customer qualification processes, postponement or cancellation of programs, customer inventory corrections, changes in procurement strategies or reductions in production schedules may adversely affect our revenues and operating performance.

In addition, our manufacturing and inventory planning are substantially influenced by customer forecasts. Actual customer demand may differ significantly from forecasts due to changes in market conditions, programme schedules, geopolitical developments, government procurement priorities or end-user demand. Any material variation between projected and actual customer requirements may affect production planning, inventory levels, capacity utilisation and working capital requirements, which may in turn affect our results of operations and financial condition.

***Manufacturing Capabilities and Capacity Utilisation***

We operate four manufacturing facilities: the Advanced Manufacturing and Technology Centre in Lucknow, Uttar Pradesh; a manufacturing facility in Mehsana, Gujarat; the Strategic Materials Technology Complex in the Uttar Pradesh Defence Industrial Corridor in Lucknow; and a manufacturing facility in Crewe, United Kingdom, as of June 30, 2026. Our results of operations and financial condition are significantly influenced by the scale of our manufacturing capabilities, the extent to which we utilise our installed capacity and the capital expenditure we incur to expand and enhance our manufacturing infrastructure. Our manufacturing operations involve substantial investments in plant and machinery, specialised equipment, quality systems and skilled personnel, resulting in a significant fixed-cost base. Consequently, our profitability is influenced by production volumes, manufacturing yields, operating efficiencies and capacity utilisation levels.

As production volumes increase, we may benefit from operating leverage through improved absorption of fixed costs across higher output levels. Similarly, changes in product mix, process yields, production efficiencies and throughput can influence our manufacturing margins. Conversely, under-utilisation of installed capacity, delays in the ramp-up of new facilities, lower-than-expected production volumes or inefficiencies in manufacturing operations could adversely affect operating margins and profitability.

Our future growth strategy also involves substantial investments in expanding our manufacturing capabilities, particularly across titanium and superalloy materials, advanced remelting technologies, precision aerospace castings, forging, rolling, machining and powder metallurgy. The timing of commissioning these facilities, customer qualification of products manufactured using such facilities, achievement of targeted utilisation levels and realisation of anticipated operating efficiencies may materially influence our future revenues, cash flows and profitability.

***Export Operations and Foreign Exchange Rate Fluctuations***

Our export operations are central to our business strategy, making a substantial contribution to our revenues. We cater to customers across diverse geographic locations including the European Union, United Kingdom, United States of America, Norway, Switzerland, Israel, China and United Arab Emirates. Our revenues are affected by economic conditions, industrial activity levels, aerospace and defence spending, energy sector investments, geopolitical developments, trade regulations and customer demand in these markets. Changes in any of these factors may affect customer procurement decisions, project execution timelines and overall demand for our products and services. A significant portion of our revenues is denominated in foreign currencies. Accordingly, fluctuations in foreign exchange rates may affect our reported revenues, profitability and cash flows. While depreciation of the Indian Rupee may generally have a favourable impact on export revenues when translated into Indian Rupees, appreciation of the Indian Rupee may adversely affect the competitiveness of our exports and our reported financial performance. Further, our export operations involve inventory in transit, overseas logistics

arrangements, international warehousing requirements and extended supply chains. Delays arising from freight disruptions, port congestion, shipping constraints or changes in international trade regulations may affect delivery schedules, working capital requirements, inventory levels and revenue recognition. Our ability to efficiently manage global logistics and mitigate foreign exchange and international business risks may therefore materially influence our results of operations and financial condition.

## MATERIAL ACCOUNTING POLICIES

See the section of this Placement Document titled "*Financial Information*" for a description of our material accounting policies used in the preparation of our Audited Consolidated Financial Statements.

## NON-GAAP MEASURES

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance such as EBITDA, EBITDA Margin, Return on Equity, Debt to Equity Ratio, Interest Coverage Ratio, Return on Net worth, Return on Capital Employed and Profit after Tax Margin have been included in this Placement Document. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the industry. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our financial statements as reported under applicable accounting standards disclosed elsewhere in this Placement Document.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. Further, these non-GAAP financial measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, these non-GAAP measures are not standardised terms, hence a direct comparison of these non-GAAP measures between companies may not be possible. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. For further information, see *"Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Placement Document. These non-GAAP measures and statistical information are not measures of operating performance or liquidity defined by Ind AS and may not be comparable*." on page 67.

## PRINCIPAL COMPONENTS OF PROFIT AND LOSS

### Total Income

Our total income consists of (a) revenue from operations; and (b) other income.

#### *Revenue from operations*

Revenue from operations primarily comprise sale of products, and other operating revenue including export incentives and income from power generation.

#### *Other income*

Other income primarily includes interest from bank deposits valued at amortised cost, rent income from investment property and property, plant and equipment, insurance claims received, gain on foreign exchange fluctuation (net), fair value gain/(loss) on investment at fair value through profit or loss (net), amortisation of deferred income, profit on sale of assets and miscellaneous income.

### Total Expenses

Total expenses comprise cost of materials consumed, change in inventories of finished goods and work in progress, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses.

***Cost of raw materials consumed***

Cost of raw materials consumed comprises the purchases of raw materials consumed during the year/period.

***Change in inventories of finished goods and work-in-progress***

Changes in inventories of finished goods and work-in-progress represent the difference between inventories of finished goods and work-in-progress at the beginning and end of the relevant period.

***Employee benefits expense***

Employee benefits expense comprises salaries, wages and bonus, contribution to provident and other funds, gratuity expense, staff welfare expenses, and employee stock option payment expenses.

***Finance costs***

Our finance cost includes interest expense on borrowings measured at amortised cost on working capital loans and on term loans, interest on others and bank charges.

***Depreciation and amortisation expenses***

Depreciation and amortisation expenses comprise depreciation on property, plant and equipment, depreciation on investment property and amortisation on intangible assets.

***Other expenses***

Other expenses primarily include manufacturing expenses such as stores and spares consumed, power and fuel and processing and work charges, and administrative, selling and other expenses such as legal and professional expenses, travelling and conveyance and rent.

**RESULTS OF OPERATIONS**

The following tables set forth certain information with respect to our results of operations for the three months ended June 30, 2026, and June 30, 2025, and for Fiscals 2026, 2025 and 2024:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | (₹ lakhs) | Percentage of Total Income (%) | (₹ lakhs) | Percentage of Total Income (%) |
| **Income** | | | | |
| Revenue from Operations | 19,179.75 | 97.30% | 9,714.63 | 90.19% |
| Other Income | 531.59 | 2.70% | 1,056.69 | 9.81% |
| **Total Income** | **19,711.34** | **100.00%** | **10,771.32** | **100.00%** |
| **Expenses** | | | | |
| Cost of materials consumed | 7,591.28 | 38.51% | 4,091.38 | 37.98% |
| Changes in inventories of finished goods and work-in-progress | (4,824.59) | (24.48%) | (2,867.88) | (26.62%) |
| Employees Benefits Expenses | 4,600.12 | 23.34% | 3,394.49 | 31.51% |
| Finance costs | 362.42 | 1.84% | 167.21 | 1.55% |
| Depreciation & amortization | 1,384.20 | 7.02% | 862.58 | 8.01% |
| Other expenses | 6,923.26 | 35.12% | 4,218.12 | 39.16% |

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | (₹ lakhs) | Percentage of Total Income (%) | (₹ lakhs) | Percentage of Total Income (%) |
| **Total expenses** | **16,036.69** | **81.36%** | **9,865.90** | **91.59%** |
| **Profit before tax** | **3,674.65** | **18.64%** | **905.42** | **8.41%** |
| Tax Expenses | 755.38 | 3.83% | 389.86 | 3.62% |
| **Profit for the period** | **2,919.27** | **14.81%** | **515.56** | **4.79%** |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | (₹ lakhs) | Percentage of Total Income (%) | (₹ lakhs) | Percentage of Total Income (%) | (₹ lakhs) | Percentage of Total Income (%) |
| **Income** | | | | | | |
| Revenue from Operations | 60,277.67 | 93.71% | 30,807.40 | 90.02% | 25,687.92 | 95.05% |
| Other Income | 4,050.88 | 6.29% | 3,415.27 | 9.98% | 1,337.92 | 4.95% |
| **Total Income** | **64,328.55** | **100.00%** | **34,222.67** | **100.00%** | **27,025.84** | **100.00%** |
| **Expenses** | | | | | | |
| Cost of materials consumed | 34,264.37 | 53.27% | 8,905.49 | 26.02% | 5,682.02 | 21.02% |
| Changes in inventories of finished goods and work-in-progress | (23,665.84) | (36.79%) | (3,567.23) | (10.42%) | 494.93 | 1.83% |
| Employees Benefits Expenses | 15,076.56 | 23.44% | 5,659.15 | 16.53% | 3,159.83 | 11.69% |
| Finance costs | 864.03 | 1.34% | 889.50 | 2.60% | 1,524.79 | 5.64% |
| Depreciation & amortization | 3,669.29 | 5.70% | 2,130.63 | 6.23% | 1,662.93 | 6.15% |
| Other expenses | 21,425.58 | 33.31% | 12,283.79 | 35.89% | 9,086.55 | 33.62% |
| **Total expenses** | **51,633.99** | **80.27%** | **26,301.33** | **76.85%** | **21,611.05** | **79.96%** |
| **Profit before tax** | **12,694.56** | **19.73%** | **7,827.47** | **22.87%** | **5,414.79** | **20.04%** |
| Tax Expenses | 2,538.69 | 3.94% | 1,725.62 | 5.04% | 1,193.21 | 4.42% |
| **Profit for the year** | **10,155.87** | **15.79%** | **6,101.85** | **17.83%** | **4,221.58** | **15.62%** |

**THREE MONTHS ENDED JUNE 30, 2026 COMPARED TO THREE MONTHS ENDED JUNE 30, 2025**

***Total Income***

Total income increased by 83.00% from ₹10,771.32 lakhs for the three months ended June 30, 2025 to ₹19,711.34 lakhs for the three months ended June 30, 2026. This was primarily due to an increase in revenue from operations.

*Revenue from operations*

Revenue from operations increased by 97.43% from ₹9,714.63 lakhs for the three months ended June 30, 2025 to ₹19,179.75 lakhs for the three months ended June 30, 2026. This increase was due to increases in sale of products from ₹9,614.12 lakhs in the three months ended June 30, 2025 to ₹19,068.20 lakhs for the three months ended June 30, 2026, and other operating revenues from ₹100.51 lakhs for the three months ended June 30, 2025, to

₹111.55 lakhs for the three months ended June 30, 2026. This increase was primarily due to an increase in the volume of products sold pursuant to commissioning of our forging facility and metal plant in March 2026.

*Other income*

Other income decreased by 49.69% from ₹1,056.69 lakhs for the three months ended June 30, 2025 to ₹531.59 lakhs for the three months ended June 30, 2026. This decrease was primarily due to decreases in interest from bank deposits valued at amortised cost from ₹631.39 lakhs for the three months ended June 30, 2025 to ₹335.58 lakhs for the three months ended June 30, 2026 due to a decline in our fixed deposits held in banks, and gain on foreign exchange fluctuation (net) from ₹394.19 lakhs for the three months ended June 30, 2025, to ₹163.16 lakhs for the three months ended June 30, 2026.

***Total Expenses***

Total expenses increased by 62.55% from ₹9,865.90 lakhs for the three months ended June 30, 2025 to ₹16,036.69 lakhs for the three months ended June 30, 2026, primarily due to increases in the cost of materials consumed, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses.

*Cost of materials consumed*

Cost of materials consumed increased by 85.54% from ₹4,091.38 lakhs for the three months ended June 30, 2025 to ₹7,591.28 lakhs for the three months ended June 30, 2026. The increase in cost of materials consumed was primarily due to an increase in purchases, which increased from ₹3,970.89 lakhs for the three months ended June 30, 2025 to ₹7,663.06 lakhs for the three months ended June 30, 2026. This increase was commensurate with the growth in our operations.

*Changes in inventories of finished goods and work-in-progress*

Inventories at the beginning of the period for the three months ended June 30, 2026 were ₹22,351.76 lakhs as compared to ₹12,733.35 lakhs for the three months ended June 30, 2025. Work-in-progress at the beginning of the period for the three months ended June 30, 2026 was ₹22,224.09 lakhs as compared to ₹12,537.00 lakhs for the three months ended June 30, 2025, and finished goods were ₹127.67 lakhs as compared to ₹196.35 lakhs for the three months ended June 30, 2025. Inventories at the end of the period for the three months ended June 30, 2026 were ₹23,902.44 lakhs as compared to ₹16,508.14 lakhs for the three months ended June 30, 2025. Work-in-progress at the end of the period for the three months ended June 30, 2026 was ₹23,581.15 lakhs as compared to ₹16,365.22 lakhs for the three months ended June 30, 2025, and finished goods were ₹321.29 lakhs as compared to ₹142.92 lakhs for the three months ended June 30, 2025. Changes in inventories of finished goods and work-in-progress for the three months ended June 30, 2026 were ₹(4,824.59) lakhs as compared to ₹(2,867.88) lakhs for the three months ended June 30, 2025.

*Employee benefits expenses*

Employee benefits expenses increased by 35.52% from ₹3,394.49 lakhs for the three months ended June 30, 2025 to ₹4,600.12 lakhs for the three months ended June 30, 2026. This increase was primarily attributable to increases in salaries, wages and bonus from ₹2,786.43 lakhs for the three months ended June 30, 2025 to ₹3,692.72 lakhs for the three months ended June 30, 2026; contribution to provident and other funds from ₹556.96 lakhs for the three months ended June 30, 2025 to ₹682.29 lakhs for the three months ended June 30, 2026, and employee stock option payment expenses from ₹15.80 lakhs for the three months ended June 30, 2025 to ₹107.28 lakhs for the three months ended June 30, 2026 on account of declaration of employee stock options and changes in the applicable labour laws in India leading to revised compliance requirements.

*Finance cost*

Finance cost increased significantly from ₹167.21 lakhs for the three months ended June 30, 2025 to ₹362.42 lakhs for the three months ended June 30, 2026. The increase was primarily attributable to increases in interest expense on working capital loans from ₹83.65 lakhs for the three months ended June 30, 2025 to ₹142.40 lakhs for the three months ended June 30, 2026, interest expense on term loans from ₹10.41 lakhs for the three months ended June 30, 2025 to ₹149.81 lakhs for the three months ended June 30, 2026, and interest on others from ₹6.99 lakhs for the three months ended June 30, 2025 to ₹16.75 lakhs for the three months ended June 30, 2026. This increase was partially offset by a decrease in bank charges from ₹66.16 lakhs for the three months ended June 30,

2025, to ₹53.46 lakhs for the three months ended June 30, 2026. This increase was primarily due to capitalization of borrowings incurred for capital expenditure.

*Depreciation and amortization expenses*

Depreciation and amortization expenses increased by 60.47% from ₹862.58 lakhs for the three months ended June 30, 2025 to ₹1,384.20 lakhs for the three months ended June 30, 2026.

*Other expenses*

Other expenses increased by 64.13% from ₹4,218.12 lakhs for the three months ended June 30, 2025 to ₹6,923.26 lakhs for the three months ended June 30, 2026. The increase was primarily due to increases in processing and work charges from ₹270.68 lakhs for the three months ended June 30, 2025 to ₹1,810.18 lakhs for the three months ended June 30, 2026 due to expenditure incurred for new product development; power and fuel from ₹645.00 lakhs for three months ended June 30, 2025 to ₹1,029.55 lakhs for three months ended June 30, 2026; stores and spares consumed from ₹1,238.34 lakhs for the three months ended June 30, 2025 to ₹1,703.09 lakhs for the three months ended June 30, 2026, and repairs and maintenance – plant and machinery from ₹156.10 lakhs for the three months ended June 30, 2025 to ₹361.77 lakhs for the three months ended June 30, 2026. This increase was commensurate with the growth in our operations.

***Tax Expense***

Tax expense increased by 93.76% from ₹389.86 lakhs for the three months ended June 30, 2025 to ₹755.38 lakhs for the three months ended June 30, 2026 due to an increase in current tax expense from ₹402.58 lakhs for the three months ended June 30, 2025 to ₹626.76 lakhs for the three months ended June 30, 2026 and deferred tax expense from ₹12.72 lakhs for the three months ended June 30, 2025, to ₹128.62 lakhs for the three months ended June 30, 2026.

***Profit for the Period***

For the reasons stated above, our profit for the period increased from ₹515.56 lakhs for the three months ended June 30, 2025, to ₹2,919.27 lakhs for the three months ended June 30, 2026.

**FISCAL 2026 COMPARED TO FISCAL 2025**

**Key Developments**

In December 2024, we acquired 100% shareholding in Trac Holdings Limited, which, through its subsidiaries, owns Trac Precision Solutions Limited ("**Trac**"), a UK-based manufacturer of precision-machined components for the aerospace, defence and power generation sectors ("**Trac Acquisition**").

***Total Income***

Total income increased by 87.97% from ₹34,222.67 lakhs in Fiscal 2025 to ₹64,328.55 lakhs in Fiscal 2026. The increase was primarily driven by an increase in revenue from operations and other income.

*Revenue from operations*

Revenue from operations increased by 95.66% from ₹30,807.40 lakhs in Fiscal 2025 to ₹60,277.67 lakhs in Fiscal 2026. The increase was due to an increase in sale of products from ₹30,338.50 lakhs in Fiscal 2025 to ₹59,864.37 lakhs in Fiscal 2026 on account of an increase in revenues generated from titanium castings, and consolidation of revenues pursuant to the Trac Acquisition for the entire Fiscal 2026. This was partially offset by a decrease in other operating revenues from ₹468.90 lakhs in Fiscal 2025 to ₹413.30 lakhs in Fiscal 2026.

*Other income*

Other income increased by 18.61% from ₹3,415.27 lakhs in Fiscal 2025 to ₹4,050.88 lakhs in Fiscal 2026. The increase was due to an increase in gain on foreign exchange fluctuation (net) from ₹617.43 lakhs in Fiscal 2025 to ₹1,896.03 lakhs in Fiscal 2026. This increase was partially offset by a decrease in interest income from bank deposits valued at amortised cost from ₹2,652.98 lakhs in Fiscal 2025 to ₹2,005.92 lakhs in Fiscal 2026.

***Total Expenses***

Total expenses increased by 96.32% from ₹26,301.33 lakhs in Fiscal 2025 to ₹51,633.99 lakhs in Fiscal 2026. The increase was due to an increase in the cost of materials consumed, employee benefits expense, depreciation and amortization expenses and other expenses.

*Cost of materials consumed*

Cost of materials consumed increased significantly from ₹8,905.49 lakhs in Fiscal 2025 to ₹34,264.37 lakhs in Fiscal 2026. The increase in cost of materials consumed was due to an increase in purchases, which increased from ₹12,161.66 lakhs in Fiscal 2025 to ₹33,736.94 lakhs in Fiscal 2026, on account of increase in volume of products sold and consolidation of cost of materials consumed pursuant to the Trac Acquisition for the entire Fiscal 2026.

*Changes in inventories of finished goods and work-in-progress*

Inventories at the beginning of the year for Fiscal 2026 were ₹12,733.35 lakhs as compared to ₹3,659.60 lakhs for Fiscal 2025. Finished goods at the beginning of the year for Fiscal 2026 were ₹196.35 lakhs as compared to ₹45.02 lakhs for Fiscal 2025, and work in progress was ₹12,537.00 lakhs as compared to ₹3,614.58 lakhs for Fiscal 2025. Inventories at the end of the year for Fiscal 2026 were ₹22,350.77 lakhs as compared to ₹12,733.35 lakhs for Fiscal 2025. Finished goods at the end of the year for Fiscal 2026 were ₹126.68 lakhs as compared to ₹196.35 lakhs for Fiscal 2025, and work in progress was ₹22,224.09 lakhs as compared to ₹12,537.00 lakhs for Fiscal 2025. Changes in inventories of finished goods and work in progress for Fiscal 2026 were ₹(23,665.84) lakhs as compared to ₹(3,567.23) lakhs for Fiscal 2025.

*Employee benefits expenses*

Employee benefits expenses increased significantly from ₹5,659.15 lakhs in Fiscal 2025 to ₹15,076.56 lakhs in Fiscal 2026. The increase was primarily attributable to an increase in salaries, wages and bonus from ₹4,961.36 lakhs in Fiscal 2025 to ₹13,737.95 lakhs in Fiscal 2026, and an increase in contribution to provident and other funds from ₹464.96 lakhs in Fiscal 2025 to ₹972.08 lakhs in Fiscal 2026. This was on account of the consolidation expenses pursuant to the Trac Acquisition for the entire Fiscal 2026, along with incremental expenses incurred for the recruitment of engineers, metallurgists and technicians for the Strategic Materials Technology Complex, annual compensation revisions, and performance-linked incentives.

*Depreciation and amortization expenses*

Depreciation and amortisation expenses increased by 72.22% from ₹2,130.63 lakhs in Fiscal 2025 to ₹3,669.29 lakhs in Fiscal 2026. The increase was due to an increase in depreciation on property, plant and equipment from ₹2,103.63 lakhs in Fiscal 2025 to ₹3,613.74 lakhs in Fiscal 2026 on account of depreciation on new equipment and facilities and the inclusion of depreciation pursuant to the Trac Acquisition for the entire Fiscal 2026, and an increase in amortisation of intangible assets from ₹23.46 lakhs in Fiscal 2025 to ₹52.01 lakhs in Fiscal 2026.

*Finance costs*

Finance costs decreased by 2.86% from ₹889.50 lakhs in Fiscal 2025 to ₹864.03 lakhs in Fiscal 2026. The decrease was due to a reduction in interest expense on working capital loans from ₹415.70 lakhs in Fiscal 2025 to ₹296.83 lakhs in Fiscal 2026 and a reduction in interest expense on term loans from ₹210.60 lakhs in Fiscal 2025 to ₹37.59 lakhs in Fiscal 2026. This decrease was partially offset by an increase in interest on others from ₹43.96 lakhs in Fiscal 2025 to ₹308.96 lakhs in Fiscal 2026.

*Other expenses*

Other expenses increased by 74.42% from ₹12,283.79 lakhs in Fiscal 2025 to ₹21,425.58 lakhs in Fiscal 2026. The increase was primarily due to increases in stores and spares consumed from ₹4,465.87 lakhs in Fiscal 2025 to ₹8,467.57 lakhs in Fiscal 2026, processing and work charges from ₹643.69 lakhs in Fiscal 2025 to ₹2,564.68 lakhs in Fiscal 2026, and repairs and maintenance – plant and machinery from ₹804.42 lakhs in Fiscal 2025 to ₹1,511.06 lakhs in Fiscal 2026. This increase was partially due to higher production and volume growth in our operations for the aerospace and defence business, resulting in higher consumption of stores and spares, increased

processing and work charges, and higher repairs and maintenance expenses. Additionally, this increase was on account of the consolidation of other expenses pursuant to the Trac Acquisition for the entire Fiscal 2026.

***Tax Expenses***

Tax expenses increased by 47.12% from ₹1,725.62 lakhs in Fiscal 2025 to ₹2,538.69 lakhs in Fiscal 2026, due to an increase in current tax expense from ₹1,470.48 lakhs in Fiscal 2025 to ₹2,146.07 lakhs in Fiscal 2026 and deferred tax expense from ₹255.14 lakhs in Fiscal 2025 to ₹392.62 lakhs in Fiscal 2026.

***Profit for the Year***

For the reasons stated above, our profit for the year increased from ₹6,101.85 lakhs in Fiscal 2025 to ₹10,155.87 lakhs in Fiscal 2026.

**FISCAL 2025 COMPARED WITH FISCAL 2024**

***Total Income***

Total income increased by 26.63% from ₹27,025.84 lakhs in Fiscal 2024 to ₹34,222.67 lakhs in Fiscal 2025, on account of increases in revenue from operations and other income.

*Revenue from Operations*

Revenue from operations increased by 19.93% from ₹25,687.92 lakhs in Fiscal 2024 to ₹30,807.40 lakhs in Fiscal 2025. The increase was due to an increase in sale of products from ₹25,159.43 lakhs in Fiscal 2024 to ₹ 30,338.50 lakhs in Fiscal 2025. This was partially offset by a decrease in other operating revenues from ₹528.49 lakhs in Fiscal 2024 to ₹ 468.90 lakhs in Fiscal 2025.

*Other income*

Other income increased significantly from ₹1,337.92 lakhs in Fiscal 2024 to ₹3,415.27 lakhs in Fiscal 2025. The increase was primarily due to an increase in interest income from bank deposits valued at amortised cost from ₹431.21 lakhs in Fiscal 2024 to ₹2,652.98 lakhs in Fiscal 2025 on account of higher interest income earned on fixed deposits in which the unutilised proceeds from the qualified institutional placement and preferential issue were temporarily invested, and an increase in gain on foreign exchange fluctuation (net) from ₹387.36 lakhs in Fiscal 2024 to ₹617.43 lakhs in Fiscal 2025.

***Total Expenses***

Total expenses increased by 21.70% from ₹21,611.05 lakhs in Fiscal 2024 to ₹26,301.33 lakhs in Fiscal 2025. The increase was due to an increase in the cost of materials consumed, employee benefits expense, depreciation and amortization expenses and other expenses.

*Cost of materials consumed*

Cost of materials consumed increased by 56.73%, from ₹5,682.02 lakhs in Fiscal 2024 to ₹8,905.49 lakhs in Fiscal 2025. The increase in cost of materials consumed was due to an increase in purchases which increased from ₹5,826.49 lakhs in Fiscal 2024 to ₹12,161.66 lakhs in Fiscal 2025 on account of increase in volume of products sold.

*Changes in inventories of finished goods and work-in-progress*

Inventories at the beginning of the year for Fiscal 2025 was ₹3,659.60 lakhs as compared to ₹4,154.53 lakhs for Fiscal 2024. Finished goods at the beginning of the year for Fiscal 2025 was ₹45.02 lakhs as compared to ₹45.02 lakhs for Fiscal 2024, and work-in-progress was ₹3,614.58 lakhs as compared to ₹4,109.51 lakhs for Fiscal 2024. In addition, inventory on the acquisition of Trac added ₹5,506.52 lakhs to opening inventories in Fiscal 2025 (nil in Fiscal 2024). Inventories at the end of the year for Fiscal 2025 was ₹12,733.35 lakhs as compared to ₹3,659.60 lakhs for Fiscal 2024. Finished goods at the end of the year for Fiscal 2025 was ₹196.35 lakhs as compared to ₹45.02 lakhs for Fiscal 2024, and work-in-progress was ₹12,537.00 lakhs as compared to ₹3,614.58 lakhs for

Fiscal 2024. Changes in inventories of finished goods and work-in-progress for Fiscal 2025 was ₹(3,567.23) lakhs as compared to ₹494.93 lakhs for Fiscal 2024.

*Employee benefits expenses*

Employee benefits expenses increased by 79.10% from ₹3,159.83 lakhs in Fiscal 2024 to ₹5,659.15 lakhs in Fiscal 2025. The increase was primarily attributable to an increase in salaries, wages and bonus from ₹2,702.96 lakhs in Fiscal 2024 to ₹4,961.36 lakhs in Fiscal 2025; and an increase in contribution to provident and other funds from ₹185.78 lakhs in Fiscal 2024 to ₹464.96 lakhs in Fiscal 2025. This was on account of the Trac Acquisition during Fiscal 2025, along with annual salary revisions, recruitment of additional personnel to support business growth, and performance-based incentives.

*Finance costs*

Finance costs decreased by 41.66% from ₹1,524.79 lakhs in Fiscal 2024 to ₹889.50 lakhs in Fiscal 2025. The decrease was due to a reduction in interest expense on working capital loans from ₹617.68 lakhs in Fiscal 2024 to ₹415.70 lakhs in Fiscal 2025; and a reduction in interest expense on term loans from ₹681.16 lakhs in Fiscal 2024 to ₹210.60 lakhs in Fiscal 2025. This was primarily on account of a decrease in our borrowings during Fiscal 2025.

*Depreciation and amortization expenses*

Depreciation and amortisation expenses increased by 28.13% from ₹1,662.93 lakhs in Fiscal 2024 to ₹2,130.63 lakhs in Fiscal 2025. The increase was due to an increase in depreciation on property, plant and equipment from ₹1,638.66 lakhs in Fiscal 2024 to ₹2,103.63 lakhs in Fiscal 2025. This increase was further supported by an increase in amortisation of intangible assets from ₹16.44 lakhs in Fiscal 2024 to ₹23.46 lakhs in Fiscal 2025.

*Other expenses*

Other expenses increased by 35.19% from ₹9,086.55 lakhs in Fiscal 2024 to ₹12,283.79 lakhs in Fiscal 2025. The increase was due to increases in stores and spares consumed from ₹3,016.61 lakhs in Fiscal 2024 to ₹4,465.87 lakhs in Fiscal 2025; and testing and inspection charges from ₹519.13 lakhs in Fiscal 2024 to ₹854.98 lakhs in Fiscal 2025. This was primarily on account of the Trac Acquisition and the resultant consolidation of financial results.

***Tax Expenses***

Tax expenses increased by 44.62% from ₹1,193.21 lakhs in Fiscal 2024 to ₹1,725.62 lakhs in Fiscal 2025, due to an increase in current tax expense from ₹1,014.34 lakhs in Fiscal 2024 to ₹1,470.48 lakhs in Fiscal 2025 and deferred tax expense from ₹178.87 lakhs in Fiscal 2024 to ₹255.14 lakhs in Fiscal 2025.

***Profit for the Year***

For the reasons stated above, our profit for the year increased from ₹4,221.58 lakhs in Fiscal 2024 to ₹6,101.85 lakhs in Fiscal 2025.

**CASH FLOWS**

The following tables set forth certain information relating to our cash flows in the period/fiscals indicated:

*(₹ in Lakhs)*

| Particulars | Three months ended June 30, 2026 | Three months ended June 30, 2025 |
|---|---|---|
| Net cash flow from/ (used in) operating activities (A) | 4,424.98 | (3,454.20) |
| Net cash flow from investing activities (B) | (4,694.52) | (8,513.98) |
| Net cash flow from financing activities (C) | 956.04 | 3,836.07 |
| Net (decrease)/increase in cash & cash equivalent (D = A+B+C) | 686.50 | (8,132.11) |

*(₹ in Lakhs)*

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Net cash flow from/ (used in) operating activities (A) | (6,865.98) | 1,358.59 | (9,627.94) |
| Net cash flow from investing activities (B) | (27,147.32) | (50,192.57) | (6,044.51) |
| Net cash flow from financing activities (C) | 18,526.24 | 54,358.69 | 28,413.08 |
| Net (decrease)/increase in cash & cash equivalent (D = A+B+C) | (15,487.06) | 5,524.71 | 12,740.63 |

**Operating Activities**

***Three months ended June 30, 2026***

Net cash generated from operating activities was ₹4,424.98 lakhs for the three months ended June 30, 2026. Profit before tax was ₹3,674.65 lakhs and adjustments to reconcile profit before tax to net cash flow primarily consisted of (i) depreciation and amortisation expense of ₹1,384.20 lakhs; (ii) interest expense of ₹308.96 lakhs; (iii) share-based payment expense of ₹152.56 lakhs; (iv) foreign currency translation reserve of ₹(44.87) lakhs; (v) provision for doubtful debts, loans and advances of ₹20.00 lakhs; (vi) amortisation of deferred income-government grant of ₹(16.67) lakhs; and (vii) interest income from assets valued at amortised cost of ₹(335.58) lakhs. Operating profit before working capital changes was ₹5,150.72 lakhs. The principal working capital adjustments during the period included an increase in inventories of ₹2,108.43 lakhs, an increase in other assets of ₹2,183.27 lakhs and an increase in other financial assets of ₹108.32 lakhs. These were partially offset by a decrease in trade receivables of ₹3,201.81 lakhs, an increase in trade and other payables of ₹831.56 lakhs, an increase in other financial liabilities of ₹1,092.61 lakhs, an increase in provisions of ₹43.99 lakhs and a decrease in financial assets-loans of ₹3.44 lakhs. Accordingly, cash generated from operations before tax amounted to ₹4,989.45 lakhs. Income taxes paid (net) amounted to ₹564.48 lakhs. As a result, net cash generated from operating activities was ₹4,424.98 lakhs for the three months ended June 30, 2026.

***Three months ended June 30, 2025***

Net cash used in operating activities was ₹3,454.20 lakhs for the three months ended June 30, 2025. Profit before tax was ₹905.42 lakhs and adjustments to reconcile profit before tax to net cash flow primarily consisted of (i) depreciation and amortisation expense of ₹862.58 lakhs; (ii) interest expense of ₹101.06 lakhs; (iii) foreign currency translation reserve of ₹737.78 lakhs; (iv) interest income from assets valued at amortised cost of ₹(631.39) lakhs; (v) gain/loss on mark-to-market foreign exchange fluctuation of ₹134.61 lakhs; (vi) unrealised foreign exchange fluctuation loss of ₹134.61 lakhs; (vii) share-based payment expense of ₹15.80 lakhs; and (viii) amortisation of deferred income-government grant of ₹(16.67) lakhs. Operating profit before working capital changes was ₹2,100.87 lakhs. The principal working capital adjustments during the period included an increase in inventories of ₹3,897.14 lakhs, an increase in other assets of ₹1,802.80 lakhs, an increase in other financial assets of ₹36.80 lakhs and a decrease in trade and other payables of ₹800.19 lakhs. These were partially offset by a decrease in trade receivables of ₹298.16 lakhs, an increase in other liabilities of ₹881.88 lakhs, an increase in other financial liabilities of ₹26.15 lakhs, an increase in provisions of ₹33.98 lakhs and a decrease in financial assets-loans of ₹5.34 lakhs. Accordingly, cash used in operations before tax amounted to ₹3,190.55 lakhs. Income taxes paid (net) amounted to ₹263.65 lakhs. As a result, net cash used in operating activities was ₹3,454.20 lakhs for the three months ended June 30, 2025.

***Fiscal 2026***

Net cash used in operating activities was ₹6,865.98 lakhs in Fiscal 2026. Profit before tax was ₹12,694.56 lakhs in Fiscal 2026 and adjustments to reconcile profit before tax to net cash flow primarily consisted of (i) depreciation and amortisation expense of ₹3,669.29 lakhs; (ii) finance costs of ₹834.56 lakhs; (iii) foreign currency translation reserve of ₹(1,268.92) lakhs; (iv) interest income of ₹2,038.72 lakhs; (v) unrealised foreign exchange fluctuation loss of ₹289.24 lakhs; and (vi) amortisation of deferred income-government grant of ₹66.67 lakhs. Operating profit before working capital changes was ₹13,723.00 lakhs in Fiscal 2026. The principal working capital adjustments in Fiscal 2026 included an increase in trade receivables of ₹12,722.01 lakhs, an increase in inventories of ₹9,084.59 lakhs, and an increase in other assets of ₹1,985.51 lakhs. These were partially offset by an increase in trade and other payables of ₹1,759.06 lakhs, an increase in other liabilities of ₹2,722.23 lakhs, an increase in other financial liabilities of ₹697.77 lakhs, a decrease in provisions of ₹285.40 lakhs, and a decrease in other financial assets of ₹14.73 lakhs. Accordingly, cash used in operations before tax in Fiscal 2026 amounted to ₹5,160.72 lakhs. Income taxes paid (net) amounted to ₹1,705.26 lakhs. As a result, net cash used in operating activities was ₹6,865.98 lakhs in Fiscal 2026.

***Fiscal 2025***

Net cash generated from operating activities was ₹1,358.59 lakhs in Fiscal 2025. Profit before tax was ₹7,921.34 lakhs in Fiscal 2025 and adjustments to reconcile profit before tax to net cash flow primarily consisted of (i) depreciation and amortisation expense of ₹1,854.85 lakhs; (ii) finance costs of ₹604.30 lakhs; (iii) share-based payment expense of ₹92.95 lakhs; (iv) unrealised foreign exchange fluctuation loss of ₹163.47 lakhs; (v) foreign currency translation reserve of ₹(299.48) lakhs; and (vi) amortisation of deferred income-government grant of ₹(66.67) lakhs. Operating profit before working capital changes was ₹7,523.01 lakhs in Fiscal 2025. The principal working capital adjustments in Fiscal 2025 included an increase in inventories of ₹5,793.62 lakhs, an increase in other assets of ₹3,072.40 lakhs and a decrease in other liabilities of ₹396.89 lakhs. These were partially offset by a decrease in other financial assets of ₹3,266.00 lakhs, a decrease in trade receivables of ₹305.10 lakhs, an increase in trade and other payables of ₹817.22 lakhs and an increase in other financial liabilities of ₹213.57 lakhs. Accordingly, cash generated from operations before tax in Fiscal 2025 amounted to ₹2,863.15 lakhs. Income taxes paid (net) amounted to ₹1,504.56 lakhs. As a result, net cash generated from operating activities was ₹1,358.59 lakhs in Fiscal 2025.

***Fiscal 2024***

Net cash used in operating activities was ₹9,627.94 lakhs in Fiscal 2024. Profit before tax was ₹5,414.79 lakhs in Fiscal 2024 and adjustments to reconcile profit before tax to net cash flow primarily consisted of (i) depreciation and amortisation expense of ₹1,662.93 lakhs; (ii) finance costs of ₹1,342.63 lakhs; (iii) share-based payment expense of ₹133.95 lakhs; (iv) interest income of ₹(431.21) lakhs; and (v) amortisation of deferred income-government grant of ₹(66.67) lakhs. Operating profit before working capital changes was ₹7,747.87 lakhs in Fiscal 2024. The principal working capital adjustments in Fiscal 2024 included an increase in other financial assets of ₹10,632.45 lakhs, an increase in trade receivables of ₹4,478.41 lakhs, an increase in other assets of ₹1,498.37 lakhs and a decrease in trade and other payables of ₹563.16 lakhs. These were partially offset by an increase in other liabilities of ₹757.95 lakhs, and a decrease in inventories of ₹324.14 lakhs. Accordingly, cash used in operations before tax in Fiscal 2024 amounted to ₹8,593.49 lakhs. Income taxes paid (net) amounted to ₹1,034.45 lakhs. As a result, net cash used in operating activities was ₹9,627.94 lakhs in Fiscal 2024.

**Investing Activities**

***Three months ended June 30, 2026***

Net cash used in investing activities was ₹4,694.52 lakhs for the three months ended June 30, 2026. This was primarily attributable to other bank balances not considered as cash and cash equivalents (net) of ₹3,763.10 lakhs and interest received of ₹301.03 lakhs. This was partially offset by the purchase of property, plant and equipment and intangible assets (including capital advances and creditors for capital goods) of ₹8,758.65 lakhs.

***Three months ended June 30, 2025***

Net cash used in investing activities was ₹8,513.98 lakhs for the three months ended June 30, 2025. This primarily reflected the purchase of property, plant and equipment and intangible asset (including capital advances and creditors for capital goods) of ₹8,143.91 lakhs and other bank balances not considered as cash and cash equivalents (net) of ₹461.34 lakhs. This was partially offset by interest received of ₹91.27 lakhs.

***Fiscal 2026***

Net cash used in investing activities was ₹27,147.32 lakhs in Fiscal 2026. This primarily reflected the purchase of property, plant and equipment and intangible assets, including capital advances and creditors for capital goods, of ₹31,732.37 lakhs and investments made of ₹17,011.62 lakhs. This was partially offset by interest received of ₹2,164.37 lakhs and changes in other bank balances not considered as cash and cash equivalents (net) of ₹2,418.68 lakhs.

***Fiscal 2025***

Net cash used in investing activities was ₹50,192.57 lakhs in Fiscal 2025. This primarily reflected the purchase of property, plant and equipment and intangible assets, including capital advances and creditors for capital goods, of ₹18,998.45 lakhs, investments made of ₹17,011.62 lakhs and changes in other bank balances not considered as cash and cash equivalents (net) of ₹16,881.18 lakhs. This was partially offset by interest received of ₹2,652.98 lakhs and proceeds from the sale of property, plant and equipment of ₹45.70 lakhs.

***Fiscal 2024***

Net cash used in investing activities was ₹6,044.51 lakhs in Fiscal 2024. This primarily reflected the purchase of property, plant and equipment and intangible assets, including capital advances and creditors for capital goods, of ₹11,652.52 lakhs. This was partially offset by changes in other bank balances not considered as cash and cash equivalents (net) of ₹5,165.60 lakhs and interest received of ₹431.21 lakhs.

**Financing activities**

***Three months ended June 30, 2026***

Net cash generated from financing activities was ₹956.04 lakhs for the three months ended June 30, 2026. This primarily reflected proceeds of short-term borrowings (net) of ₹1,403.22 lakhs. These inflows were partially offset by finance costs paid of ₹308.96 lakhs, repayment of lease liabilities of ₹253.98 lakhs, and repayment of long-term borrowings of ₹78.00 lakhs.

***Three months ended June 30, 2025***

Net cash generated from financing activities was ₹3,836.07 lakhs for the three months ended June 30, 2025. This primarily reflected proceeds from long-term borrowings of ₹2,273.81 lakhs and proceeds from short-term borrowings (net) of ₹1,999.25 lakhs. These inflows were partially offset by repayment of lease liability of ₹334.43 lakhs, finance costs paid of ₹101.06 lakhs, and proceeds from issue of equity shares (net of issuance expenses) of ₹1.50 lakhs.

***Fiscal 2026***

Net cash generated from financing activities was ₹18,526.24 lakhs for Fiscal 2026 as a result of proceeds from long-term borrowings of ₹10,455.04 lakhs, proceeds from short-term borrowings (net) of ₹9,595.80 lakhs and proceeds from issue of equity shares (net of cost issuance expenses) of ₹30.02 lakhs, partially offset by repayment of lease liabilities of ₹ 673.66 lakhs, finance costs paid of ₹ 834.56 lakhs and repayment of long-term borrowings of ₹ 46.40 lakhs.

***Fiscal 2025***

Net cash generated from financing activities was ₹54,358.69 lakhs for Fiscal 2025 as a result of proceeds from issue of equity shares (net of cost issuance expenses) of ₹67,636.85 lakhs and proceeds from long-term borrowings of ₹2,656.34 lakhs, partially offset by repayment of long-term borrowings of ₹ 8,109.90 lakhs, repayment of short-term borrowings (net) of ₹ 7,177.52 lakhs, finance costs paid of ₹ 604.30 lakhs and repayment of lease liabilities of ₹ 42.78 lakhs.

***Fiscal 2024***

Net cash generated from financing activities was ₹28,413.08 lakhs for Fiscal 2024 as a result of proceeds from issue of equity shares (net of cost issuance expenses) of ₹29,564.53 lakhs, proceeds from short-term borrowings (net) of ₹1,342.98 lakhs and proceeds from long-term borrowings of ₹146.57 lakhs, partially offset by repayment of long-term borrowings of ₹ 1,264.60 lakhs and finance costs paid of ₹ 1,342.63 lakhs.

**Indebtedness**

The table below sets forth details in relation to our indebtedness as of June 30, 2026:

*(₹ in Lakhs)*

| Particulars | Outstanding as of June 30, 2026 |
|---|---|
| **Current borrowing (A):** | |
| Secured (loan on demand and current maturity) | 7,166.15 |
| Unsecured (bill discounted and lease liability) | 1,446.16 |
| **Non-current borrowing (B):** | |
| Secured | 18,445.82 |
| Unsecured | 341.07 |
| **Total borrowing (A)+(B)=(C)** | 27,399.20 |

**Contingent Liabilities and Capital Commitments**

The table below sets forth details in relation to our contingent liabilities as of June 30, 2026:

*(₹ in Lakhs)*

| Particulars | As at June 30, 2026 |
|---|---|
| **C. Contingent Liabilities** | |
| **1. Other contingent liabilities:** | |
| Disputed amounts for goods and service tax gross of amount paid under protest amounting to ₹ 16.59 lakhs (previous year ₹ 16.59 lakhs)* | 16.59 |
| **2. Guarantees excluding financial guarantees:** | |
| Bank guarantees | 8,745.11 |
| **D. Capital and Other Commitments** | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 14,742.03 |

**In respect of the above matters pending at various authorities(GST cases are pending at appellate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable.*

**Quantitative and Qualitative Disclosure of Market Risk**

In the course of our business, we are exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. We are not engaged in speculative treasury activities but seek to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by our management, which provides guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

***Market Risk:*** Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect our income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage our market risks. We export finished goods which are denominated in the currency other than the functional currency which exposes us to foreign currency risk. To minimize this risk, we enter into forward contracts in respect of sales made in currencies other than our functional currency.

***Credit Risk:*** Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. We are exposed to credit risk from trade receivables, loans and advances and other financial instruments.

***Liquidity Risk:*** Liquidity risk is the risk that we will have insufficient resources to meet our financial liabilities as they fall due. Our objective is to maintain optimum levels of liquidity to meet our cash and collateral requirements. We rely on a combination of borrowings, cash and cash equivalents, and cash flows generated from operations to meet our funding requirements. Our current committed lines of credit are sufficient to meet our short- to medium-term expansion needs. We monitor rolling forecasts of our liquidity requirements to ensure that we have sufficient cash to meet operational needs while maintaining adequate headroom under our undrawn committed borrowing facilities and avoiding any breach of borrowing limits.

For more information, see the sections titled "*Our Business"* and "*Risk Factors*" at page 231 and 49, respectively, of this Placement Document.

**Summary of reservations or qualification or adverse remarks in the auditors' report and their impact on the financial statements and financial position of our Company, the correct steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remark**

There have been no qualifications, reservations or adverse remarks our statutory auditor's report on Audited Consolidated Financial Statements.

**Related Party Transactions**

We enter into various transactions with related parties. For further information see "*Related Party Transactions*" beginning on page 48 of this Placement Document.

**Seasonality**

Seasonality does not have a material impact on our operations.

**Unusual or infrequent events or transactions**

Except as described in this Placement Document, no unusual or infrequent events or transactions has taken place that have in the past or may in the future affect our business operations or future financial performance.

**Changes in accounting policy**

There have been no changes in our accounting policies during the last three financial years.

**Known trends or uncertainties**

Other than as described in the sections "*Risk Factors*" and "*Management's Discussion and Analysis of Factors affecting the Financial Condition, Results of Operations*", beginning on pages 49 and 108 respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

**Material Developments**

In the opinion of our board of directors, other than as described in this Placement Document there has not arisen, since the date of the last financial statements included in this Placement Document, any circumstances that materially and adversely affect or are likely to affect the business, revenue or our profitability or the value of our assets or our ability to pay our liabilities (on a standalone or consolidated basis) in the next 12 months.

## INDUSTRY OVERVIEW

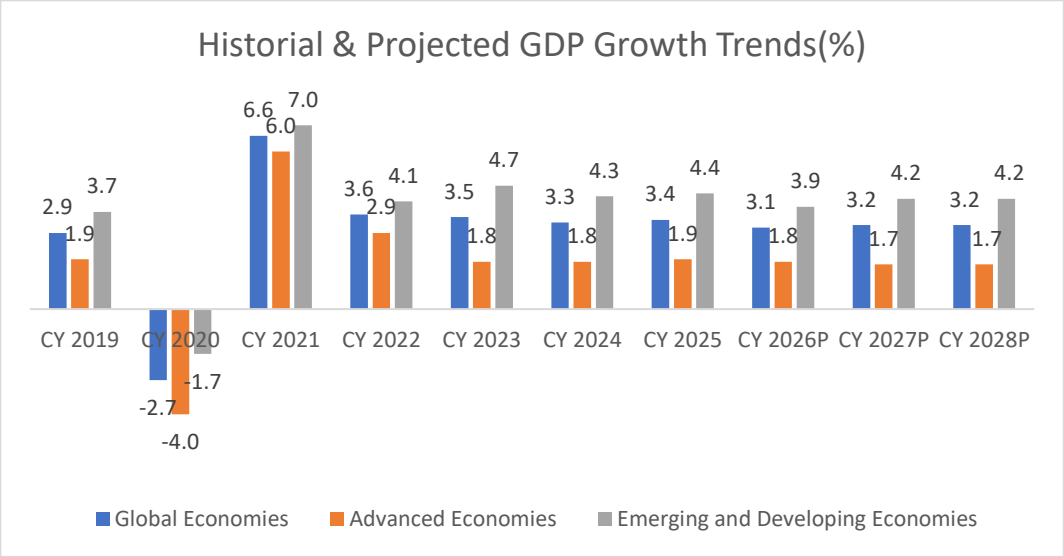
*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Industry Report on Aerospace & Defence (Global & Indian Scenario)" dated September 28, 2026 (the "**D&B Report**") prepared and issued by Dun & Bradstreet. The D&B Report has been exclusively commissioned and paid for by our Company in connection with the Issue. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the D&B Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. While preparing the report, D&B has also sourced information from publicly available sources.*

*For further information, see "Risk Factors - Certain sections of this Placement Document contain information from a third-party report that was commissioned and paid for by us, and reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 68. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 15.*

### Global Macroeconomic Scenario

According to World Economic Outlook, global growth is projected at 3.1% in 2026 and at 3.2% in 2027 and 2028, slower than the recent pace of about 3.4% in CY 2024 to 2025 and is expected to settle at approximately that rate over the medium term, below the historical average of 3.7% during 2000 to 2019. The forecast for 2026 has been revised downward by 0.2 percentage point, while the forecast for 2027 and 2028 remains unchanged compared with the January 2026 WEO Update. Global headline inflation is expected to rise to 4.4% in 2026 and decline to 3.7% in 2027, reflecting upward revisions for both years.

The conflict involving US, Israel and Iran is increasingly functioning as a global supply and confidence shock. The International Energy Agency ("**IEA**") describes the current situation as the largest oil supply disruption on record, with flows through the Strait of Hormuz reduced to a trickle and the resulting effects spreading across refined fuels and liquefied natural gas ("**LNG**"). At the same time, aviation disruptions and elevated risk premia are weakening services activity and increasing uncertainty around investment decisions. A significant share of global energy flows through the Strait of Hormuz, and shipping disruptions and insurance constraints are therefore translating directly into higher landed costs, supply chain delays, and greater output risks for energy-intensive manufacturing. As a result, the policy environment has increasingly become challenging, while growth support is required but renewed cost-push inflation across energy, freight, and eventually food inputs are limiting the scope for faster monetary easing. For the aerospace and defence industry, geopolitical uncertainty has increased the strategic importance of supply-chain resilience and the availability of critical materials and components



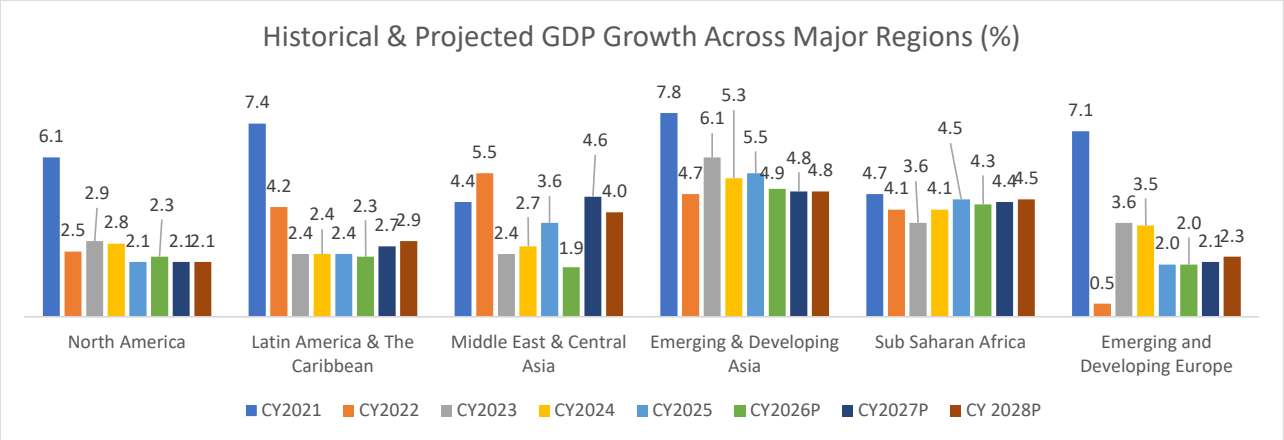

*Source – IMF Global GDP Forecast Release, April 2026*
*Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook ("**WEO**"). This classification is not based on strict economic criteria and has evolved over time. It comprises 40 countries in the Advanced Economies category, including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected Eurozone members (Germany, Italy, France, etc.). The group of emerging and developing economies (156) comprises all economies not classified as Advanced Economies (e.g., India, China, Brazil, Malaysia).*

***Historical and Projected GDP Growth***

GDP growth across major regions showed a mixed trend during 2024 to 2025. While growth in several regions—including Middle East & Central Asia, Emerging and Developing Asia, Sub-Saharan Africa as well as Latin America and the Caribbean—is expected to slow further in 2026, performance remains uneven across geographies.

In the Middle East and Central Asia, economic growth is projected to decline from 3.6% in 2025 to 1.9% in 2026, before recovering to 4.6% in 2027 and 4.0% in 2028, reflecting the region's direct exposure to the conflict and the anticipated rebound thereafter. For commodity-exporting economies directly affected by the conflict, reduced production and export activity are expected to result in a significant downward revision to 2026 GDP growth projections.

Growth in emerging and developing Asia is projected to moderate from 5.5% in 2025 to 4.9% in 2026 and is further estimated to grow at 4.8% in 2027 and 2028. Within the region, China's 2026 growth forecast has been revised upward by 0.2 percentage point relative to the October estimate, to 4.4%, despite a 0.1 percentage point downward revision from January. This upward adjustment reflects the impact of lower effective U.S. tariff rates on Chinese goods, along with stimulus measures that are expected to offset the negative effects of the shock arising from the Middle East conflict. However, China's growth is projected to slow to 4.0% in 2027, as structural headwinds continue to weigh on the economy, including the prolonged slowdown in the housing sector, a shrinking labor force, declining returns on investment, and weaker productivity growth.




*Source- IMF World Economic Outlook, April 2026*

In Latin America and the Caribbean, economic growth is projected to remain broadly stable at 2.3% in 2026 before strengthening to 2.7% in 2027 and 2.9% in 2028. The effects of the Middle East conflict across the region are expected to be uneven, with smaller economies likely to experience a more pronounced negative impact due to their relatively greater vulnerability to external shocks.

Growth in sub-Saharan Africa is projected to remain relatively stable at 4.3% in 2026 and 4.4% in 2027 and 4.5% in 2028. However, this regional outlook masks significant variation across countries, with some economies expected to face more pronounced challenges than others. In particular, oil-importing and non-resource-intensive economies are likely to be adversely affected by the conflict in the Middle East, as heightened external pressures may weigh on economic activity and weaken growth prospects. In emerging and developing Europe, economic growth is expected to slow sharply to 2.0% in 2025 and recover only marginally thereafter, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027 and 2.3% in 2028.

***Global Economic Outlook***

The conflict between Israel/the United States and Iran, which began in February, has developed into a global shock to transport, trade, and security planning. As a result, periodic airspace closures across Israel and parts of the Gulf, together with severe disruption to shipping through the Strait of Hormuz, have affected the movement of oil, oil products, and LNG. Consequently, businesses have faced longer and less reliable supply lines, higher freight and insurance costs, and more frequent "stop-go" operating conditions.

The near-term growth outlook has softened as the conflict is affecting both demand and costs. Disruption to the oil channel is coinciding with pressure on the non-oil outlook as travel and services weaken and risk premia rise. Airspace disruption has increased operating costs and reduced travel reliability, while higher jet fuel costs have added to pressure on carriers and freight forwarders.

Investment conditions have also tightened as higher regional risk premia have increased insurance, shipping, hedging, and working capital costs. At the same time, logistics disruption and higher input costs are raising inflation risks. Fertilizer and related input disruption is also creating a lagged risk to food prices.

Geopolitical conflicts, trade restrictions and logistics disruptions have increased the focus of governments and aerospace and defence manufacturers on diversified sourcing, domestic manufacturing and secure supply chains for critical materials and components.

**Asia-Pacific:** The conflict is weighing on business continuity through higher oil prices, tanker constraints, insurance and rerouting costs, and energy availability risks. Fuel-importing economies such as Japan, South Korea, India, and parts of Southeast Asia face downtime risks, while Asia–Europe shipment diversions are extending lead times and affecting chemicals, electronics, and pharmaceuticals.

**Latin America:** Higher Brent crude prices are increasing input costs and inflation risks across Latin America. Hydrocarbon exporters such as Brazil, Colombia, and Ecuador may benefit from stronger external balances, while

energy importers including Panama, Chile, and Central America face higher import bills and rising fertilizer costs that are pressuring agriculture.

**Middle East & North Africa:** MENA remains directly exposed to the conflict, with risks from missile and drone attacks, weaker exports, delayed investments, and softer near-term growth. Countries with limited domestic food production may face food-import constraints, while Bahrain, Qatar, and Kuwait remain vulnerable to Strait of Hormuz disruptions.

**Sub-Saharan Africa:** The conflict is adding pressure through disrupted energy and fertilizer supply chains, with higher oil prices raising fuel and transport costs in import-dependent economies such as Kenya, Uganda, Ethiopia, and Ghana. Policy responses vary, including fuel subsidies in Ethiopia and stronger cost pass-through in Kenya.

***Global Growth Projection***

Growth in advanced economies is projected at 1.8% in 2026 and 1.7% in 2027 and 2028, while the overall impact of the Middle East conflict is expected to remain modest, lowering 2026 growth by 0.2 percentage point relative to the pre-conflict forecast. This limited effect reflects positive terms-of-trade gains in the United States and stronger growth momentum, supported by government measures, in Japan, whereas more significant negative effects are expected mainly in net energy-importing economies, including the euro area and the United Kingdom. In the United States, growth is projected at 2.3% in 2026 and 2.1% in 2027 and 2028, with fiscal policy and the lagged effects of monetary easing in 2025 continuing to support activity, even as higher trade barriers since April 2025 weigh on growth. The 0.1 percentage point downward revision from the January 2026 WEO Update reflects a small negative effect from the war, but this is partly offset by a rebound following the end of the 2025 federal government shutdown, along with stronger productivity growth and positive carryover effects. Although the International Emergency Economic Powers Act ("**IEEPA**") ruling may reduce tariff-related fiscal revenues, its impact on the fiscal balance and activity is expected to remain limited and spread over the forecast horizon. Growth in 2027 is expected to remain solid, supported by tax incentives, including those for corporate investment under the One, Big, Beautiful Bill Act ("**OBBBA**"), while technology-driven momentum is projected to moderate and productivity growth is expected to gradually converge toward historical norms.

Growth in emerging market and developing economies is projected to slow to 3.9% in 2026 before recovering to 4.2% in 2027 and 2028, while the Middle East conflict is expected to have a greater impact on this group than on advanced economies, reducing 2026 growth by 0.3 percentage point relative to the pre-conflict forecast. In emerging and developing Asia, growth is expected to moderate from 5.5% in 2025 to 4.9% in 2026 and 4.8% in 2027 and 2028. Within the region, China's 2026 growth forecast has been revised upward to 4.4%, as lower effective U.S. tariffs and stimulus measures offset the impact of the conflict, although growth is projected to slow to 4.0% in 2027 as structural headwinds intensify. India's growth outlook has also improved, with growth revised upward to 7.6% in 2025 and projected to remain at 6.5% in 2026, 2027 and 2028, supported by strong carryover effects and lower additional U.S. tariffs on Indian goods. Meanwhile, several South and Southeast Asian economies are expected to face weaker domestic demand due to lower tourism and remittance inflows, while the Philippines has seen a sharp downward revision for 2026.

In the Middle East and Central Asia, growth is projected to decline from 3.6% in 2025 to 1.9% in 2026, before rebounding to 4.6% in 2027 and 4.0% in 2028, reflecting the region's direct exposure to the conflict. The downturn is expected to be most severe among affected commodity exporters, particularly Bahrain, Iran, Iraq, Kuwait, and Qatar, while the impact is expected to be less severe in other economies. Accordingly, Iran's economy is projected to contract by (-) 6.1% in 2026, before rebounding to 3.2% in 2027 and moderating to 1.5% in 2028. By contrast, Saudi Arabia's growth is projected at 3.1% in 2026, rising to 4.5% in 2027 before easing to 3.6% in 2028. In sub-Saharan Africa, growth is expected to remain broadly stable at 4.3% in 2026, 4.4% in 2027, and 4.5% in 2028, although oil-importing economies are likely to face greater pressure, while Nigeria and South Africa are expected to record moderate but gradually improving growth profiles. In Latin America and the Caribbean, growth is projected at 2.3% in 2026, 2.7% in 2027, and 2.9% in 2028, with Brazil expected to benefit modestly in the near term from its position as a net energy exporter, while Mexico is projected to recover gradually to 1.6% in 2026, 2.2% in 2027, and 2.1% in 2028.

In emerging and developing Europe, the sharp slowdown in growth to 2.0% in 2025 is expected to reverse only marginally, with the region projected to expand at an average rate of 2.0% in 2026, 2.1% in 2027, and 2.3% in 2028. Within the region, Russia's 2026 growth forecast has been revised upward by 0.3 percentage point relative to January, to 1.1%, as higher commodity prices are expected to support activity. This momentum is projected to continue, with growth remaining at 1.1% in 2027 before moderating slightly to 1.0% in 2028. By contrast, Türkiye's 2026 growth forecast has been revised downward by 0.8 percentage point relative to the January 2026 WEO to 3.4%, as weaker-than-expected growth in 2025 and higher oil and gas prices are expected to weigh on activity.

**Key factors impacting Global Macroeconomic landscape**

Geopolitics continues to constitute a major source of global macroeconomic and business risk. The Russia–Ukraine war remains a persistent driver of instability, as Russia has intensified large-scale missile and drone attacks on Ukrainian cities and infrastructure, while Ukraine has stepped up strikes on Russian ports, refineries, and export infrastructure, reportedly contributing to a reduction in Russian oil output in April. The Israel–Iran–U.S. confrontation has emerged as the most significant near-term external shock to the global economy, with the IMF warning that disruptions to the Strait of Hormuz and regional energy infrastructure could materially weaken global growth and raise inflation; under its April 2026 reference forecast, global growth has been lowered to 3.1% and inflation raised to 4.4%, with materially worse outcomes under prolonged disruption scenarios. In parallel, the Pakistan–Afghanistan border conflict remains a significant regional flashpoint, although China-mediated talks are seeking to secure a ceasefire and reopen border crossings after months of cross-border attacks and trade disruption. At the same time, U.S. strategic activism continues to influence regional risk perceptions: Washington has removed sanctions on Venezuela's interim leadership and deepened engagement with Caracas, tensions over Greenland have re-emerged amid renewed U.S. rhetoric and ongoing diplomatic discussions with Denmark and Greenland, and U.S.–Nigeria security cooperation has continued to deepen in response to regional instability and counterterrorism concerns. In addition, resource nationalism and strategic competition over rare earths and other critical minerals have become increasingly operational concerns rather than distant strategic risks. The IEA's April 2026 assessment notes that demand for magnet rare earths has doubled since 2015 and is projected to increase by more than 30% by 2030, while supply chains remain highly concentrated, with China accounting for around 60% of mined output, more than 90% of refining, and nearly 95% of permanent magnet production, thereby heightening global exposure to export controls, supply concentration, and industrial policy interventions. These developments are increasing the strategic importance of domestic and diversified supply chains for aerospace and defence materials, components and manufacturing technologies

The period of relatively frictionless trade supported by multilateral liberalisation and free trade agreements is increasingly giving way to regionalisation, nearshoring, friend-shoring, and diversification of production networks. Rising tariffs, policy uncertainty, and strategic realignment are creating a more fragmented trade environment and raising the premium on resilience over pure efficiency

Technology adoption and sustainability have become core strategic priorities. Organizations are advancing digital transformation by embedding AI, automation, and cybersecurity into their operations to enhance productivity and safeguard critical assets. AI adoption is emerging as a visible driver of optimism, particularly within the information and communications sectors. Growth in cloud computing, streaming, IoT, and AI and Advancements in hardware and cooling technologies aim to reduce energy consumption and improve performance is driving the need for more powerful and scalable data centres.

**India Macroeconomic Analysis**

The global economy is expected to navigate a more challenging environment as it enters CY 2026. According to the IMF's World Economic Outlook (April 2026), global growth is projected to moderate from 3.4% in CY 2025 to 3.1% in CY 2026, reflecting weaker economic momentum across several major economies, persistent geopolitical uncertainties, and the lingering effects of global trade disruptions. Growth in advanced economies remains subdued, with the United States expected to expand at a modest pace of around 2.3% in CY 2026, while China is projected to witness a gradual slowdown to 4.4% in CY 2026 and 4.0% thereafter, highlighting structural challenges in the world's second-largest economy.

| Country | CY 2020 | CY 2021 | CY 2022 | CY 2023 | CY 2024 | CY 2025 | CY 2026 P | CY 2027 P | CY 2028 P |
|---|---|---|---|---|---|---|---|---|---|
| India[1] | –5.8% | 9.7% | 7.6% | 9.2% | 6.5% | 7.6% | 6.5% | 6.5% | 6.5% |
| China | 2.3% | 8.6% | 3.1% | 5.4% | 5.0% | 5.0% | 4.4% | 4.0% | 4.0% |
| United States | -2.2% | 6.1% | 2.5% | 2.9% | 2.8% | 2.1% | 2.3% | 2.1% | 2.1% |
| Japan | -4.2% | 2.7% | 0.9% | 1.4% | -0.2% | 1.2% | 0.7% | 0.6% | 0.6% |
| United Kingdom | -10.3% | 8.6% | 4.8% | 0.4% | 1.1% | 1.3% | 0.8% | 1.3% | 1.6% |
| Russia | -2.7% | 5.9% | -1.4% | 4.1% | 4.3% | 1.0% | 1.1% | 1.1% | 1.0% |
| Germany | -4.1% | 3.9% | 1.8% | -0.9% | -0.5% | 0.2% | 0.8% | 1.2% | 1.2% |

*Source: World Economic Outlook, April 2026*
*P: Projected*

Against this backdrop, India continues to stand out as one of the fastest-growing major economies globally. The country's growth estimate for CY2025 has been revised upward to 7.6%, supported by robust domestic demand, resilient investment activity, strong services-sector performance, and better-than-expected momentum during the latter half of the fiscal year. Looking ahead, GDP growth is projected to remain healthy at 6.5% during **CY2026** and CY2027, underpinned by favorable demographics, rising infrastructure investments, expanding manufacturing capabilities, and continued policy support. India's relative resilience assumes greater significance amid a global landscape characterized by slowing growth in major economies such as China, Germany, Japan, and the United Kingdom. Furthermore, while geopolitical tensions, including the Middle East conflict, are expected to weigh on tourism and remittance flows across several Asian economies, India remains comparatively insulated due to its large domestic consumption base and diversified growth drivers. The moderation in proposed U.S. tariffs on Indian goods has also provided a supportive tailwind for exports and business confidence.

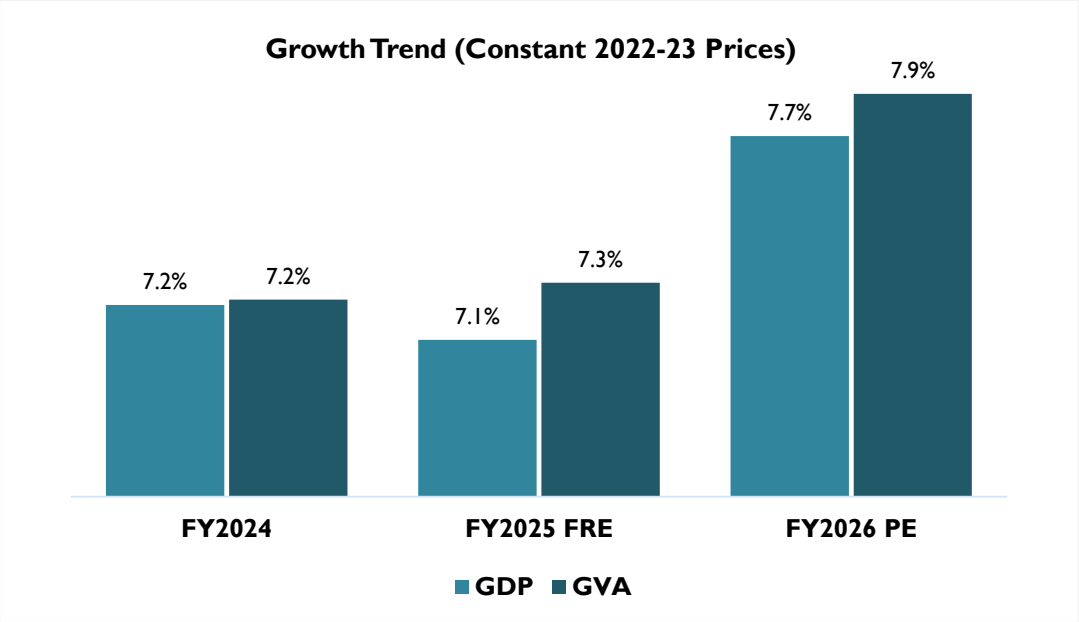
Overall, the divergence between India's sustained growth trajectory and the slowing outlook for several large economies reinforces the country's attractiveness as a preferred destination for global capital, strategic investment, and long-term business expansion. As global investors increasingly seek growth opportunities in a fragmented economic environment, India is well positioned to benefit from structural shifts in supply chains, digital transformation, and ongoing industrialization trends.

***Historical GDP and GVA Growth Trend***

As per Provisional Estimates, India Real GDP (GDP at constant prices) for Fiscal 2025 to Fiscal 2026 is estimated to reach ₹ 323.12 lakh crore, compared to the First Revised Estimate ("**FRE**") of ₹ 299.89 lakh crore for Fiscal 2024 Fiscal 2025. This represents a growth rate of 7.7% in 2025 to 2026, higher than the 7.1% growth recorded in 2024 to 2025.

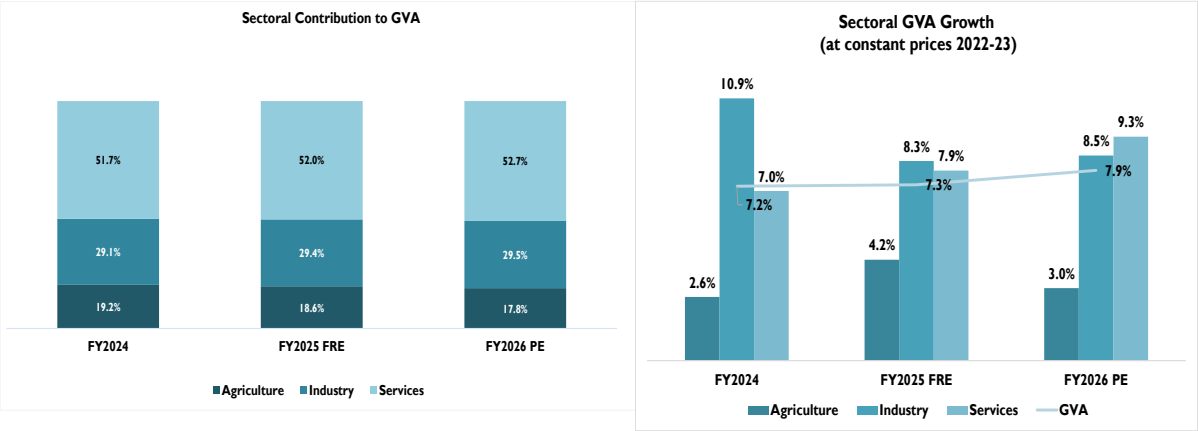
Similarly, Real GVA for Fiscal 2025 to Fiscal 2026 is estimated to reach ₹ 294.91 lakh crore, up from ₹ 273.36 lakh crore in Fiscal 2024 to Fiscal 2025. This indicates a growth rate of 7.9%, compared with the 7.3% growth achieved in the previous year.

[1] For India, data and forecasts are presented on a fiscal year basis, and GDP from 2022 onward is based on GDP at market prices with fiscal year 2022/23 as a base year




*Source: Ministry of Statistics & Programme Implementation ("**MOSPI**"), National Account Statistics: FY2025, FRE is First Revised Estimate; PE is Provisional Estimates*

***Sectoral Contribution to GVA and Annual Growth Trend***




*Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook*
*FRE is First Revised Estimate; PE is Provisional Estimates*[2]

Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in Fiscal 2026, recording a 7.9% y-o-y growth against 7.3% year-on-year growth in Fiscal 2025. Within the industrial sector, growth moderated across sub-sectors with mining, and construction activities growing by 5.15%, and 7.36%, respectively in Fiscal 2026, compared to 11.69%, and 7.30% in Fiscal 2025. Growth in the utilities sector too moderated to 1.74% in Fiscal 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in Fiscal 2025 to 29.5% in Fiscal 2026.

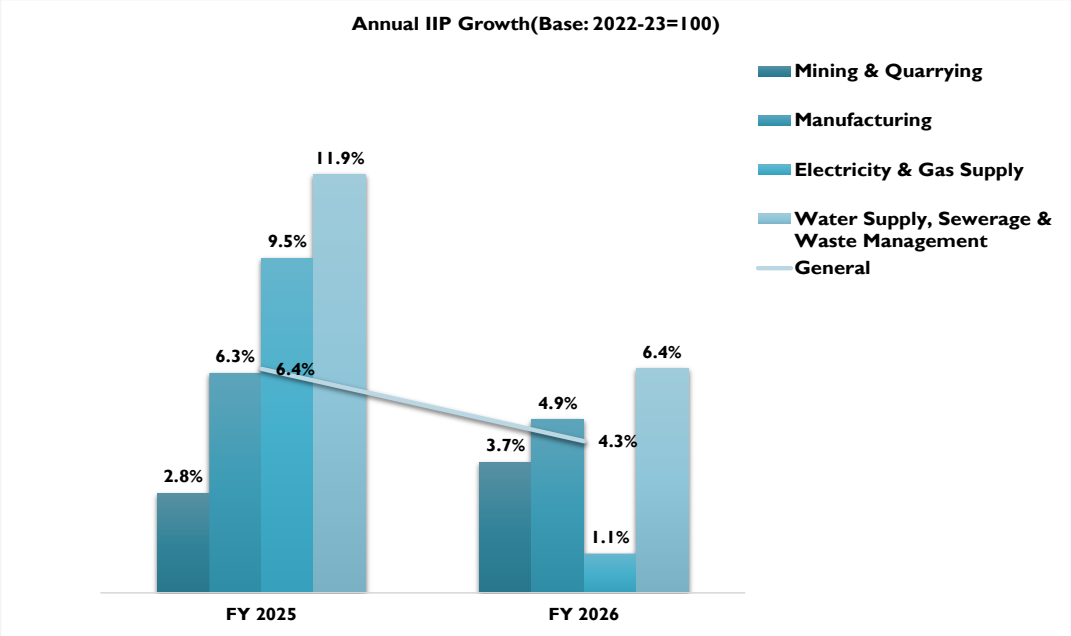
[2] https://www.mospi.gov.in/uploads/latestReleases/latest_release_1780655857536_5ac01869-ca4a-422d-b7a7-57b81da60932_Press_Note_on_GDP_Estimates_for_Q4_2025-26_and_PE_FY_2025-26_F.pdf

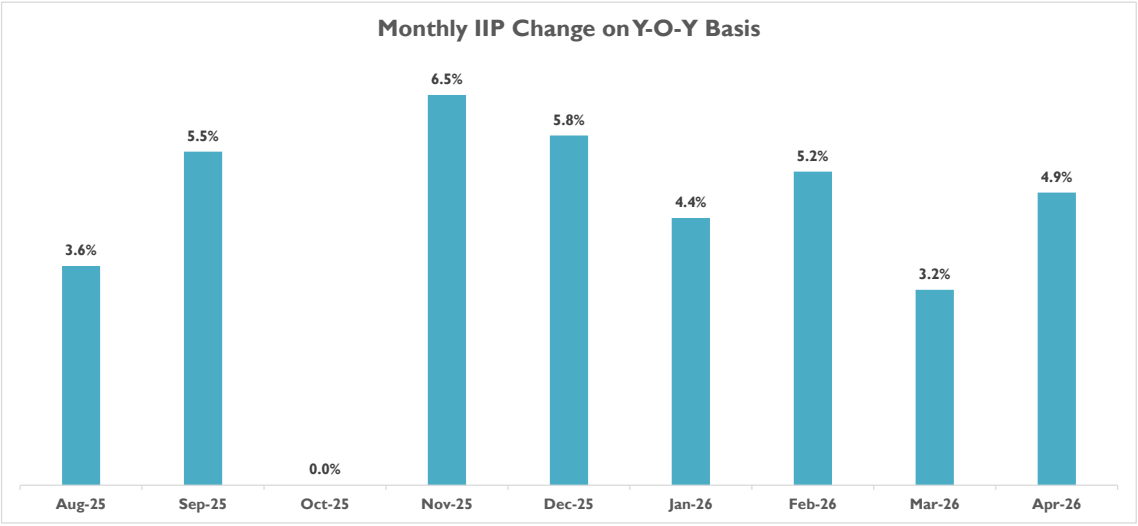
The services sector continued to be the main driver of economic growth. It expanded by 9.3% in Fiscal 2026 from 7.9% in Fiscal 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in Fiscal 2024 to 52.0% in Fiscal 2025, with a further increase to 52.7% in Fiscal 2026.

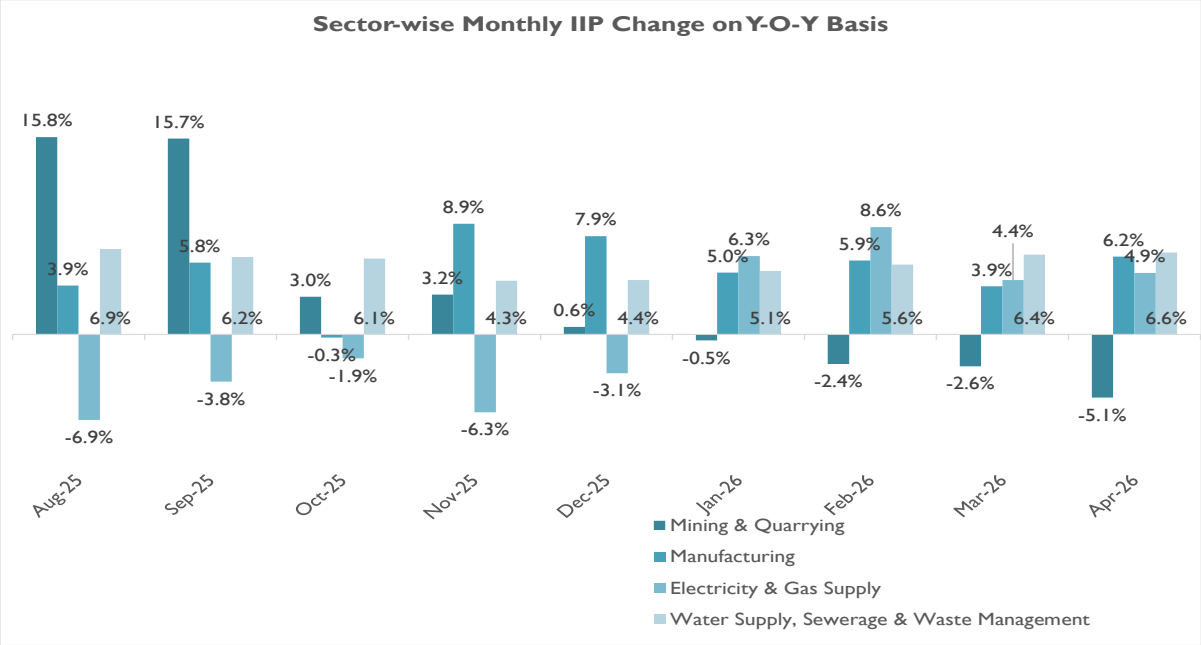
The agriculture sector saw an acceleration in growth, increasing from 2.66% in Fiscal 2024 to 4.18% in Fiscal 2025, before moderating to 3.0% in Fiscal 2026. However, its contribution to GVA declined marginally from 19.2% in Fiscal 2024 to 17.8% in Fiscal 2026. Overall, Gross Value Added ("**GVA**") growth rose to 7.9% in Fiscal 2026 from 7.3% in Fiscal 2025.

***Annual & Monthly IIP Growth***

Industrial sector performance as measured by the IIP index exhibited moderation in Fiscal 2026, recording a 4.3% y-o-y growth against 6.4% increase in the previous year. The manufacturing index showed moderation, increasing by 4.9% in Fiscal 2026 compared with 6.3% in Fiscal 2025. The Electricity & Gas Supply sector index also moderated, growing 1.1% in Fiscal 2026 compared with 9.5% in the previous year. Water Supply, Sewerage & Waste Management also moderated by 6.4% in Fiscal 2026 compared with 11.9% in the previous year, while the mining sector index grew by 3.7% in Fiscal 2026 compared with 2.8% in the previous year.



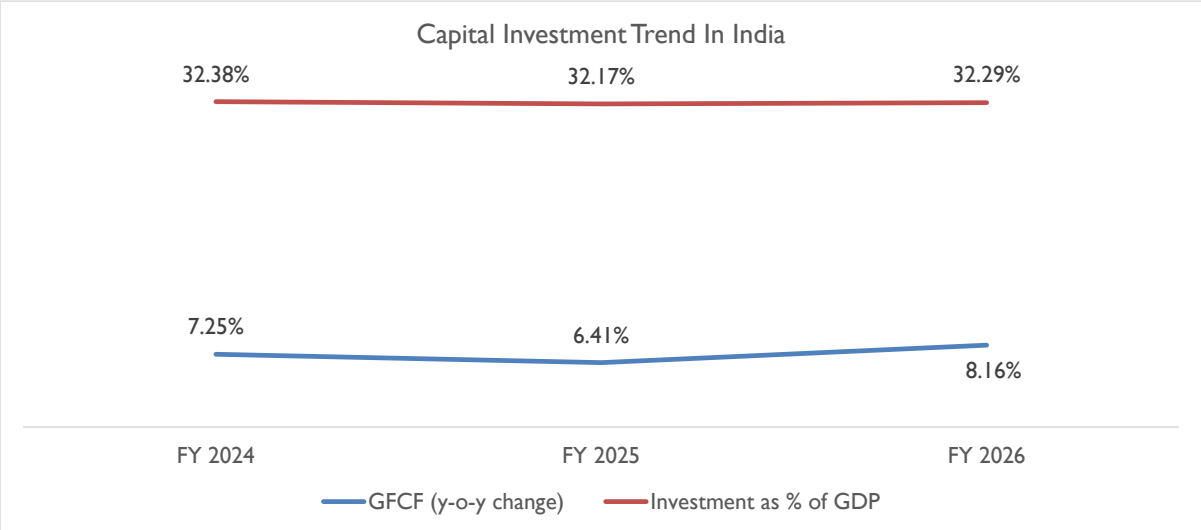


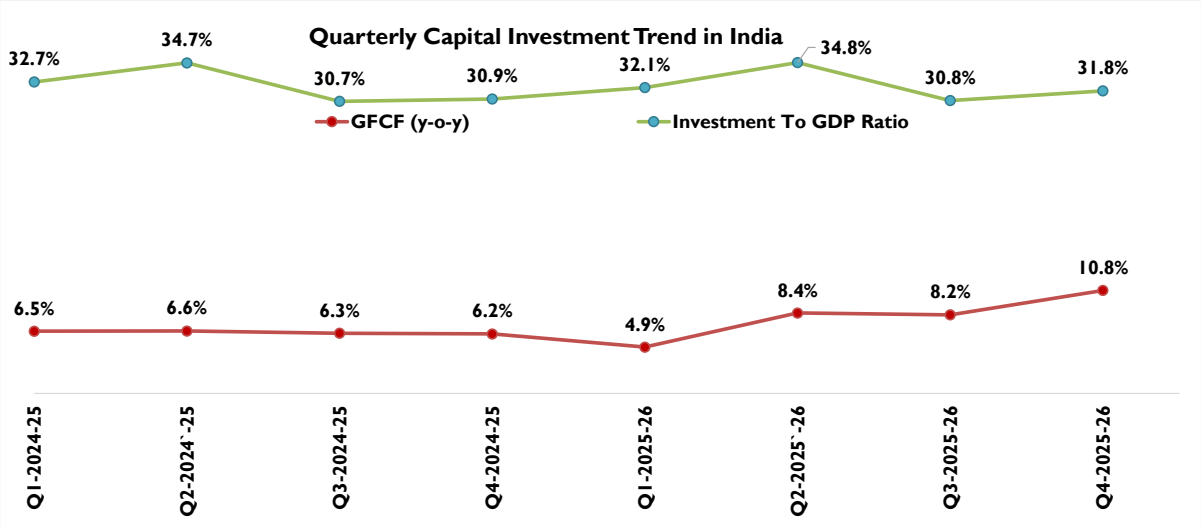

*Source: Ministry of Statistics & Programme Implementation (MOSPI)*

The IIP growth rate for the month of April 2026 is 4.9 percent as compared to April 2025. The growth rates of the Four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for the month of April 2026 are (-)5.1 percent, 6.2 percent, 4.9 percent and 6.6 percent respectively.

***Annual and Quarterly: Investment & Consumption Scenario***

Other major indicators, such as Gross Fixed Capital Formation ("**GFCF**"), a measure of investment, increased during Fiscal 2026, registering 8.16% year-on-year growth compared with 6.41% in Fiscal 2025, bringing the GFCF-to-GDP ratio to 32.29%.



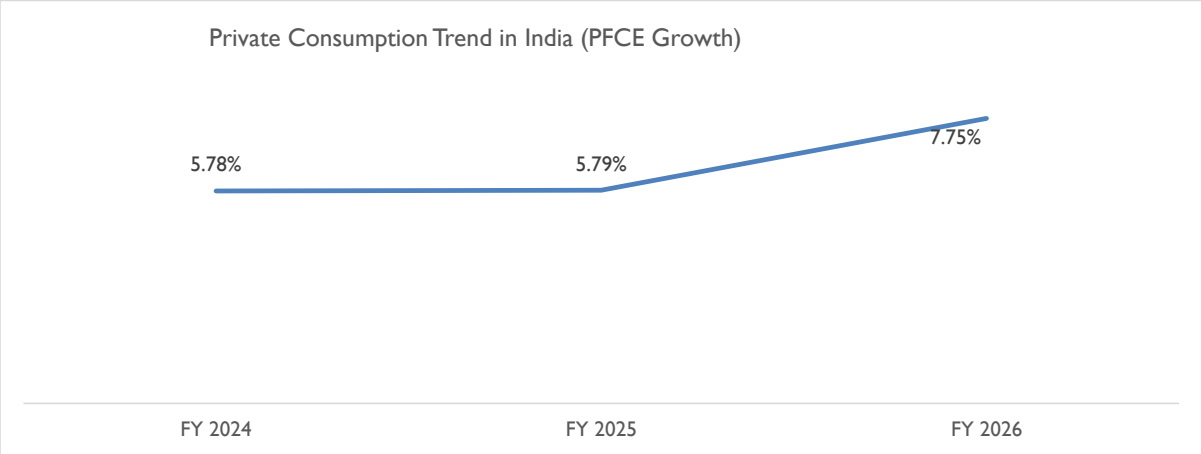


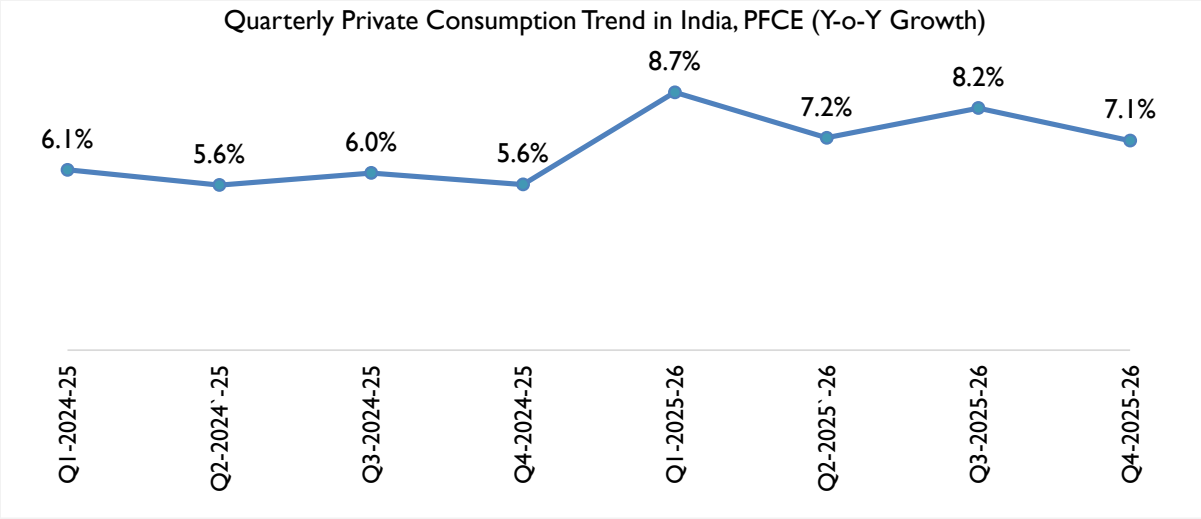

*Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook*

On a quarterly basis, India's capital investment indicators reflect a healthy and improving investment environment, supported by sustained investment intensity and stronger capital formation in recent quarters. The Investment to GDP ratio remained consistently above 30% throughout the period, highlighting continued resilience in capital deployment. The ratio increased from 32.7% in Q1 Fiscal 2024 to Fiscal 2025 to 34.7% in Q2, before moderating to 30.7% in Q3 and 30.9% in Q4. In Fiscal 2025 to Fiscal 2026, the ratio improved again to 32.1% in Q1 and further strengthened to 34.8% in Q2, the highest level during the period, before remaining healthy at 30.8% in Q3 and 31.8% in Q4. This indicates that investment activity continued to remain robust despite normal quarterly variations.

GFCF (y-o-y) growth also points toward a positive investment trend, particularly in Fiscal 2025 to Fiscal 2026. After remaining broadly stable during Fiscal 2024 to Fiscal 2025, with growth ranging between 6.2% and 6.6%, GFCF growth accelerated meaningfully from 4.9% in Q1 Fiscal 2025 to Fiscal 2026 to 8.4% in Q2 and 8.2% in Q3, before rising further to 10.8% in Q4. This strong improvement in the second half of Fiscal 2025 to Fiscal 2026 suggests strengthening fixed capital formation and a revival in investment momentum. Overall, the data indicates that India's capital investment landscape remains on a positive trajectory, with sustained investment levels and improving GFCF growth reflecting stronger capital spending, better investment confidence, and continued support for economic growth.

***Private Consumption Scenario***





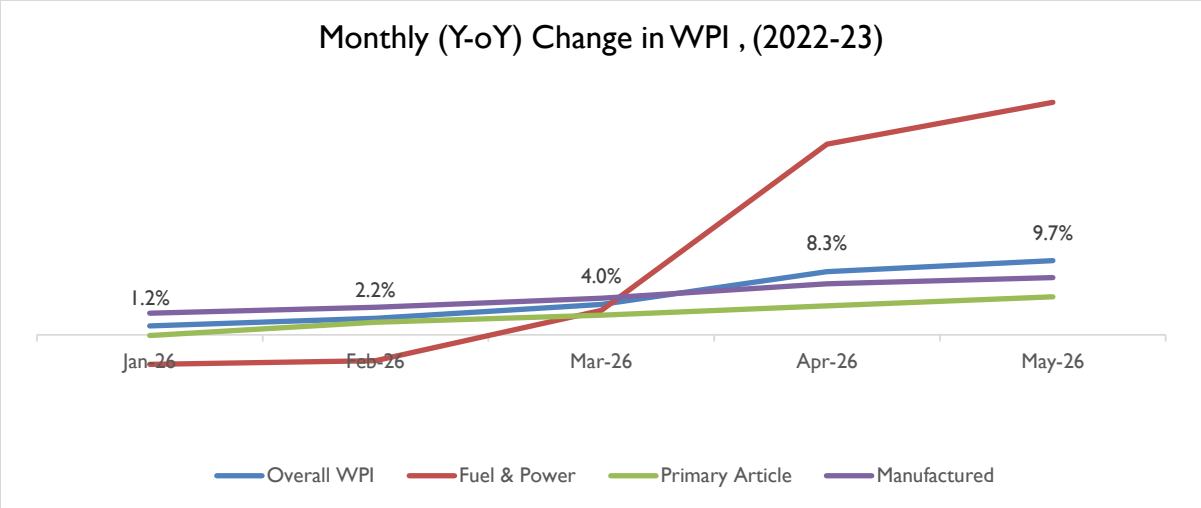

*Sources: MOSPI, CMIE Economics Outlook*
*Private Final Consumption Expenditure ("**PFCE**"), a practical proxy for household spending, recorded growth in Fiscal 2026 relative to Fiscal 2025. PFCE recorded healthy growth in Fiscal 2025 to Fiscal 2026 relative to Fiscal 2024 to Fiscal 2025. However, quarterly PFCE growth moderated sequentially to 7.1% in Q4 Fiscal 2025 to Fiscal 2026 from 8.2% in Q3 Fiscal 2025 to Fiscal 2026*

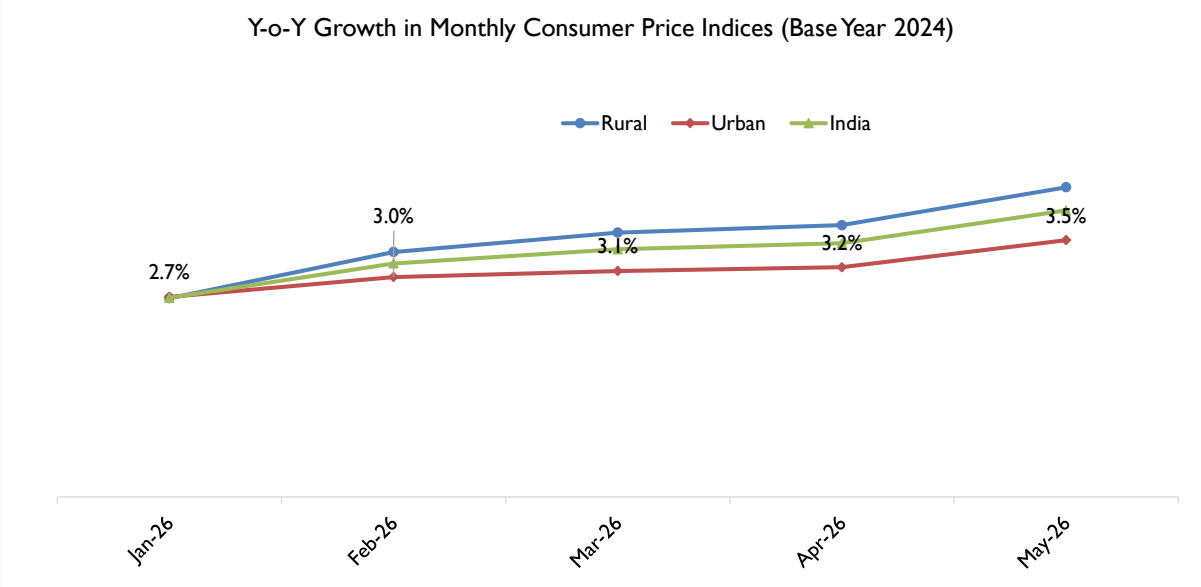
***Inflation Scenario***

The annual rate of inflation based on All India Wholesale Price Index ("**WPI**") number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.

All India Wholesale Price Index (WPI) inflation for May 2026 is 9.68 per cent on year-on-year ("**YoY**") basis, compared to 8.26 per cent in April 2026. The index for All Commodities for May 2026 stands at 109.9, whereas it was 108.8 in April 2026. Across Groups, 'Mineral Oils (containing Petroleum Products)', 'Crude Petroleum and Natural Gas', 'Manufacture of Chemicals and Chemical Products', and 'Manufacture of Basic Metals', have been major drivers of WPI inflation in April and May 2026.

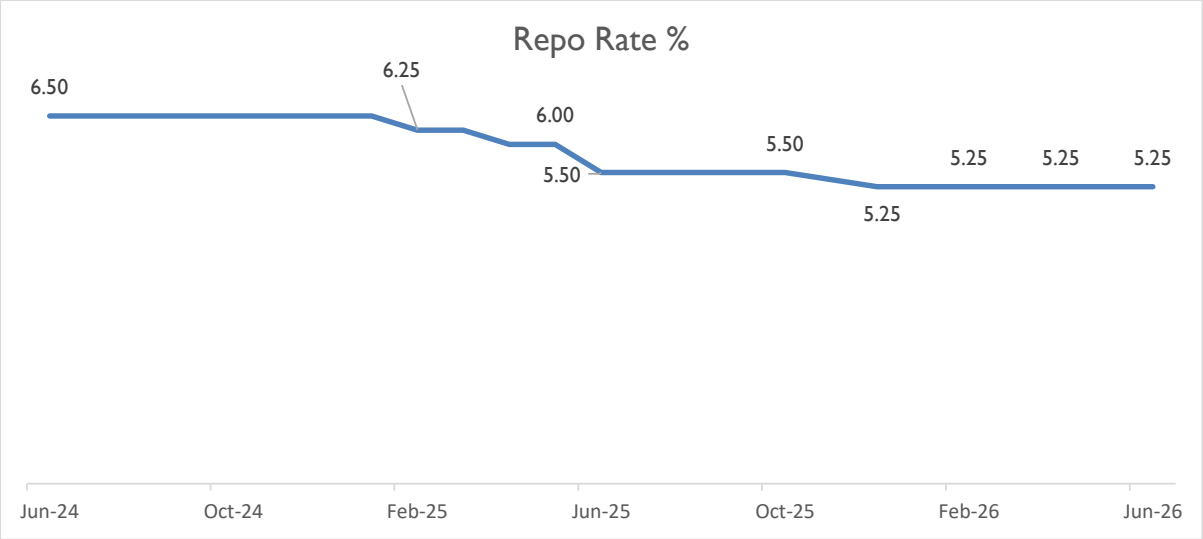
Across Major Groups, YoY inflation for Primary Articles, Fuel and Power, and Manufactured Products is 4.99 per cent, 30.33 per cent, and 7.48 per cent, respectively in May 2026, whereas it was 3.78 per cent, 24.89 per cent, and 6.68 per cent, respectively, in April 2026. The indices for Primary Articles, Fuel and Power, and Manufactured Products are 113.7, 113, and 107.8, respectively, in May 2026, whereas they were 112.6, 110.9, and 107, respectively, in April 2026.




*Source: MOSPI, Office of Economic Advisor*

With effect from January 2026, the National Statistics Office ("**NSO**") introduced a revised CPI series with base year 2024=100, drawing revised item weights from the Household Consumption Expenditure Survey ("**HCES**") 2023 to 2024. Year-on-year inflation rate based on All India Consumer Price Index ("**CPI**") with base year 2024 for the month of May, 2026 over May, 2025 is 3.93%(Provisional). Corresponding inflation rates for rural and urban are 4.25% and 3.53%, respectively. On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was held steady through January 2025 to anchor inflationary expectations. With inflation moderating below target and growth requiring support, the RBI's Monetary Policy Committee (MPC) commenced an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 bps each in February 2025, April 2025, and December 2025, and a larger 50 bps cut in June 2025 — interspersed with pauses in August and October 2025. The repo rate currently stands at 5.25%, in June 2026.




*Sources: CMIE Economic Outlook*

***Growth Outlook***

The Union Budget 2026 to 2027 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The record ₹12.2 trillion capital expenditure outlay is aimed at easing logistics bottlenecks and enhancing India's cost competitiveness. Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capex is channelled into "connectors" such as the seven proposed high-speed rail corridors and upgraded Tier-2 and Tier-3 infrastructure, thereby creating construction, logistics, and service jobs while cutting commute times. In smaller towns and villages, job creation is expected to be supported by mega textile parks, the Mahatma Gandhi Gram Swaraj Initiative's push for khadi and handloom, training for tourist guides, and new waterways and coastal shipping. Together, these steps broaden the wage base instead of providing a short-term bump.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. Dedicated rare earth corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu; customs exemptions for capital goods used in critical mineral processing and battery cells; and the India Semiconductor Mission 2.0 aim to pull manufacturing deeper into components and materials. If executed well, these measures could reduce import dependence in magnets, batteries, and chip inputs and lift the share of higher-productivity manufacturing jobs — thereby raising household incomes durably.

Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiation marks a major strategic milestone, as it offers near-universal market access for 99.5% of India's exports by value and integrates India more deeply into a U.S.$ 24 trillion economic bloc. By providing duty-free entry for key labour-intensive sectors, expanding services access, and establishing a mobility framework for Indian professionals, the deal is expected to improve market access, support export competitiveness and high-value job creation. It is likely to promote a predictable, rules-based environment for long-term trade and investment flows.

In a similar vein, India–Oman Comprehensive Economic Partnership Agreement ("**CEPA**")[3] has been framed as a comprehensive arrangement covering trade in goods and services, investment, professional mobility, and regulatory cooperation, with the objective of strengthening bilateral economic integration between India and

[3] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213203&reg=3&lang=1
The Comprehensive Economic Partnership Agreement (CEPA) between India and Oman marks a meaningful step forward in the economic relationship between the two countries. The agreement brings together trade in goods and services, investment, professional mobility, and regulatory cooperation under a single, coherent framework aimed at deepening bilateral economic integration.

Oman. Bilateral trade between the two countries stood at U.S.$ 10.61 billion in Fiscal 2024 to Fiscal 2025, providing the economic basis for the agreement. Under the CEPA, India has secured 100% duty-free market access in Oman across 98.08% of tariff lines, covering 99.38% of India's export value, thereby improving export competitiveness across sectors such as engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, and gems and jewellery. At the same time, India has adopted a calibrated liberalisation approach by offering tariff concessions on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services sub-sectors, alongside improved provisions for professional mobility, including an increase in the Intra-Corporate Transferee ceiling from 20% to 50% and commitments for a defined category of Indian professionals. Overall, the CEPA is presented as a framework intended to support trade expansion, improve market access, and strengthen long-term economic cooperation between India and Oman.

However, these gains remain exposed to external geopolitical risks. The escalation of the Middle East crisis represents an external shock for India, transmitted primarily through energy markets, logistics, and trade-linked business exposure. The Gulf–Levant 11[4] ("**GL 11**") economies account for around 15% of India's merchandise exports and 21% of its imports, with trade concentrated in high-value categories such as mineral fuels, precious metals, and electronics; disruptions in this region therefore have an outsized impact despite its modest share of global GDP.

Export exposure is unevenly distributed across India, with risks concentrated in specific districts that serve as production hubs. Discretionary exporters, such as gems and jewellery firms in the districts of Surat, Jaipur, and Mumbai; apparel manufacturers in Tiruppur; automotive producers in Ahmedabad; and electronics assemblers in Kanchipuram and Kolar, are vulnerable to demand slowdown and order deferrals in Gulf markets.

At the same time, Perishable agricultural exporters, including grapes from Nashik, bananas from Solapur, and bovine meat from Ghaziabad, face acute risks from shipping delays and logistics disruptions. Dun & Bradstreet data show that over 4,500 Indian exporters and around 1,800 importers relied on the Strait of Hormuz trade route in 2025, exposing them to working capital stress, payment delays, and production interruptions, while, for import-dependent industries, delays in critical inputs raise the risk of temporary shutdowns and sustained energy price volatility amplifies margin pressure across manufacturing and services.

***Key Growth/Demographic Drivers for Economic Growth***

***Government focus on infrastructure development***

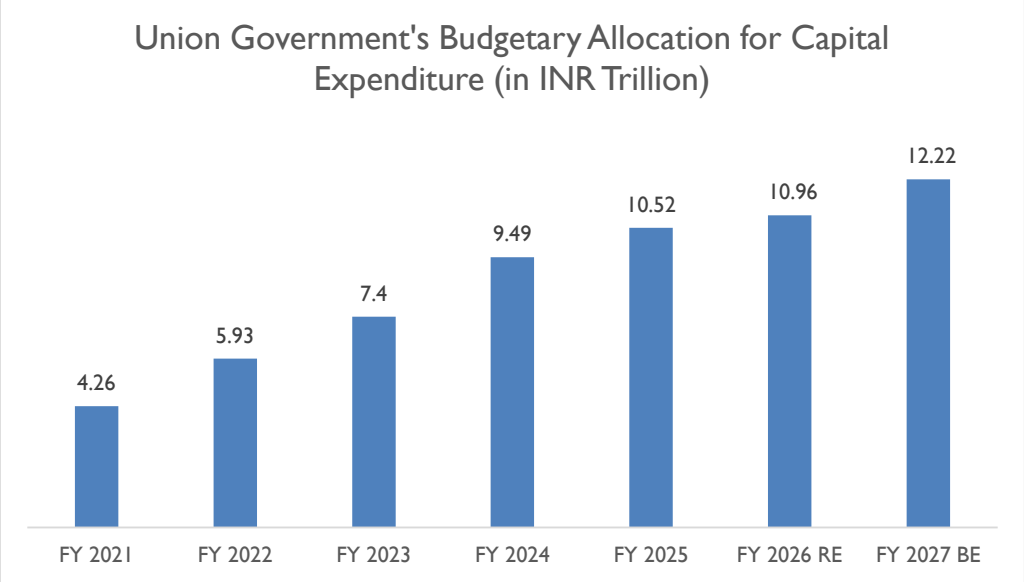
The infrastructure sector has received a strong boost in Budget FY'27, marked by a record ₹ 12.2 trillion[5] public capital expenditure allocation, reinforcing the government's focus on making assets more efficient and sustainable. The introduction of the landmark Infrastructure Risk Guarantee Fund aims to provide partial credit guarantees to lenders and revitalise private sector participation in large-scale projects. By lowering project risk premiums and easing borrowing costs, this mechanism is likely to help crowd in private capital and accelerate construction phase financing across the sector. The transport and logistics sector, in particular, will buoy infrastructure growth. Railways have received a substantial boost in allocation, which will help support the planned development of seven new high-speed rail corridors and a Dankuni-Surat DFC, which aims to cut logistics costs and improve national connectivity. Moreover, the rollout of 20 new National Waterways, new ship repair

[4] For the purposes of this report, the analysis is confined to a defined group of countries referred to as the Gulf–Levant 11 (GL-11). This group comprises Bahrain, Iran, Iraq, Israel Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. These economies are treated collectively because they are either directly involved in, or immediately exposed to, the current crisis through geographic proximity, security linkages, energy production and transit, or their role as regional trade and financial hubs

[5] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521&reg=3&lang=1#:~:text=Reinforcing%20the%20role%20of%20public,productive%20capacity%20across%20the%20economy.

hubs and a scheme to double the share of coastal and inland water transport from 6.0% to 12.0% by 2047[6] will together build a greener, more efficient multimodal freight network. Urban transformation continues through targeted development of Tier-2 and Tier-3 cities – with populations over 0.5million – alongside the creation of City Economic Regions, each supported by multi-year, challenge-based financing to establish new growth hubs and reduce pressure on metros. A broader ecosystem of reforms strengthens medium-term sector prospects. The government aims to scale domestic construction and infrastructure equipment manufacturing, reducing import dependence and improving execution capability in tunnelling, metro construction and road building machinery. The monetisation of CPSE assets will be accelerated through dedicated REIT[7] structures, helping unlock liquidity for redevelopment and new project pipelines. Additional support flows through region-specific initiatives, such as industrial corridor expansion, and tourism development in cultural and Buddhist heritage zones will further reinforce construction demand.

Together, these measures will strengthen India's infrastructure ecosystem through higher public investment, improved risk mitigation tools and wider multimodal connectivity – creating a constructive environment for sustained growth in construction, logistics and urban development.




*Union Budget, Government of India*
*Note: BE (Budget Estimates) and RE (Revised Estimates)*

***Development of Domestic Manufacturing Capability***

The Government launched the Production Linked Incentive ("**PLI**") scheme in early 2020, initially aimed at improving domestic manufacturing capability in large-scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed at attracting private investment into setting up manufacturing units and thereby strengthening domestic production capabilities. The overall incentive outlay earmarked for the PLI scheme is estimated to be ₹ 2 trillion. If fully realised, the PLI scheme could add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

***Strong Domestic Demand***

Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by the Covid-19, domestic demand is recovering. Consumer Confidence surveys by the Reserve Bank and other

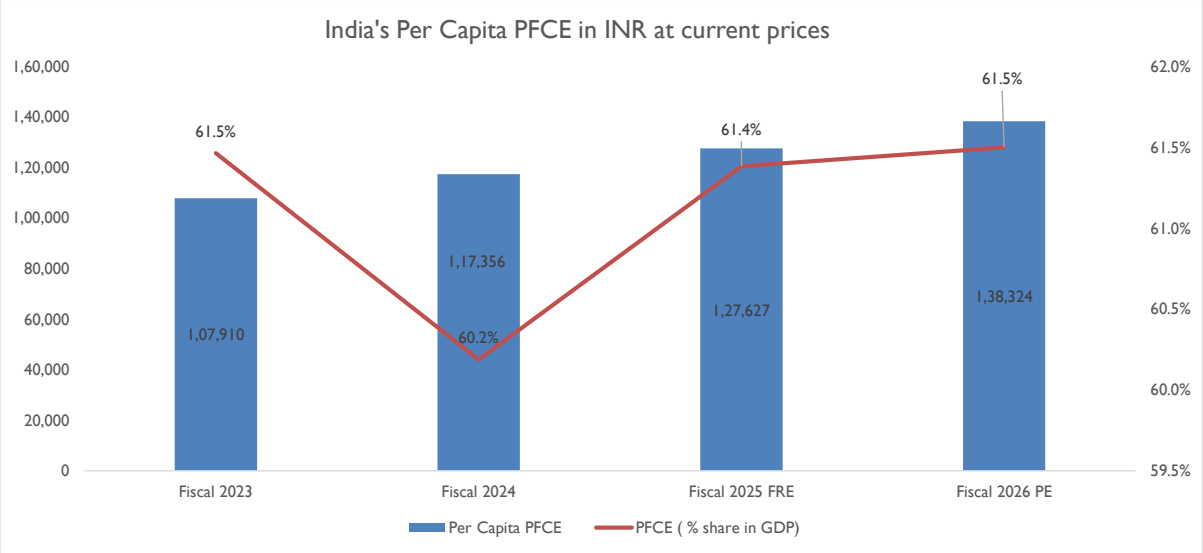
[6] https://www.indiabudget.gov.in/doc/budget_speech.pdf

[7]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221817&reg=3&lang=1

institutions point to an improvement in the Consumer Confidence Index, which is a precursor of improving demand. India has a strong middle-class segment, which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is reflecting in the private final consumption expenditure (PFCE) metric.

India's per capita Private Final Consumption Expenditure (PFCE) at current prices has shown a consistent upward trend, indicating steady improvement in household consumption levels over the years. Per capita PFCE increased from ₹ 1,07,910 in Fiscal 2023 to ₹ 1,17,356 in Fiscal 2024, and further rose to ₹ 1,27,627 in Fiscal 2025 FRE. It is estimated to increase further to ₹ 1,38,324 in Fiscal 2026 FE, reflecting continued growth in consumer spending and improving consumption capacity.

PFCE as a share of GDP also remained healthy during the period, broadly staying above 60%. The share stood at 61.5% in Fiscal 2023, moderated to 60.2% in Fiscal 2024, before recovering to 61.4% in Fiscal 2025 FRE and further improving to 61.5% in Fiscal 2026 FE. This indicates that private consumption continues to remain a key driver of India's economic growth. Overall, the steady increase in per capita PFCE, along with a stable PFCE share in GDP, reflects resilient household demand and sustained consumption momentum in the economy.




*Source: Ministry of Statistics & Programme Implementation (MOSPI)*
*FRE is First Revised Estimate; PE is Provisional Estimates*

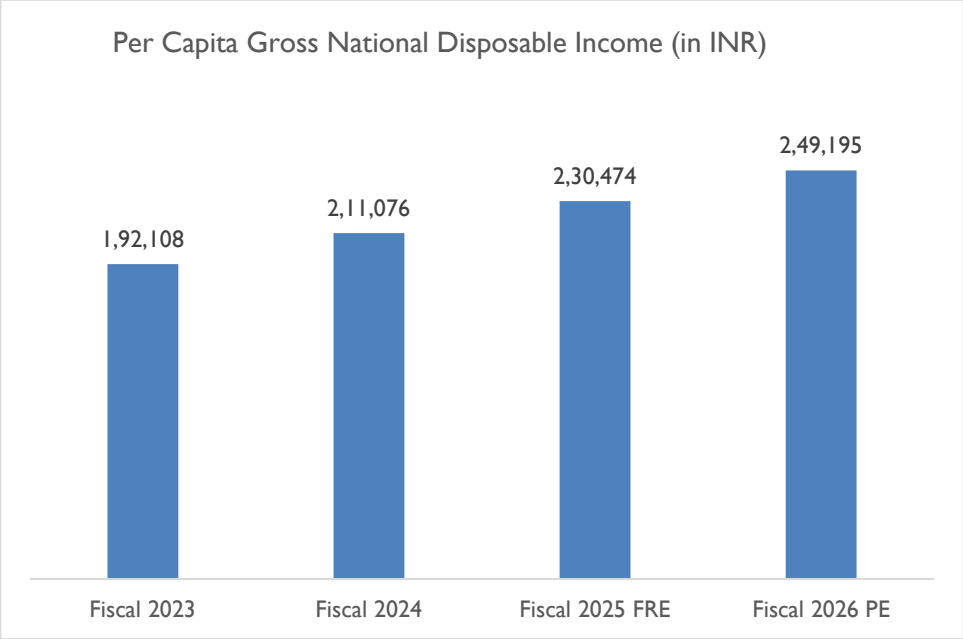
There are two factors driving this domestic demand: first, the large pool of consumers; and second, the improvement in purchasing power.

The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 2047[8]. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.

Consumer-driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO), India's per capita Gross National Disposable Income ("**GNDI**") has shown a steady upward trend, reflecting improvement in overall income levels and disposable income capacity. Per capita GNDI increased from ₹ 1,92,108 in Fiscal 2023 to ₹ 2,11,076 in Fiscal 2024 and further rose to ₹ 2,30,474 in Fiscal 2025 FRE. It is estimated to increase further to ₹ 2,49,195 in Fiscal 2026 PE, indicating continued growth in income levels across the economy. The consistent rise in per capita GNDI highlights strengthening purchasing power and improving household income conditions, which can support consumption demand going forward. Overall, the

[8] As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of ₹ 5 to 30 lakhs are considered as middle-class households.

trend reflects a positive income environment, with rising disposable income expected to contribute to sustained private consumption and broader economic growth.

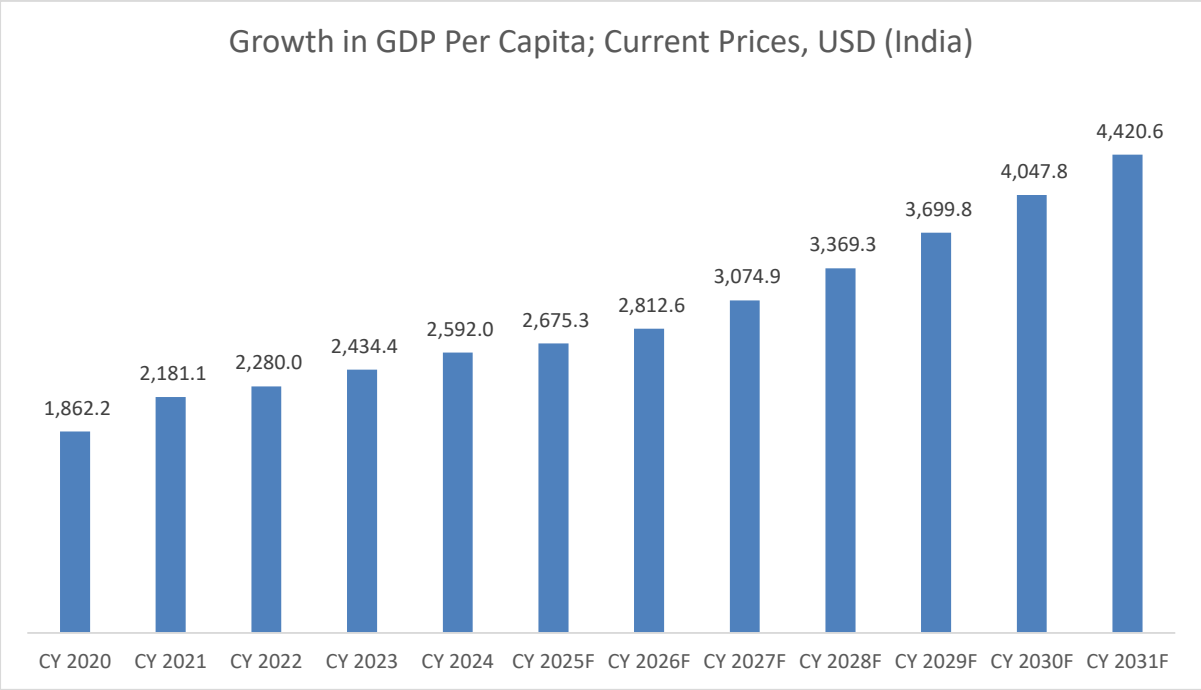



*Source: Ministry of Statistics & Programme Implementation (MOSPI)*
*FRE is First Revised Estimate; PE is Provisional Estimates*

***India's Per Capita GDP Trends***

India is poised to become the world's third-largest economy with a projected GDP of U.S.$ 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027 to 2028, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

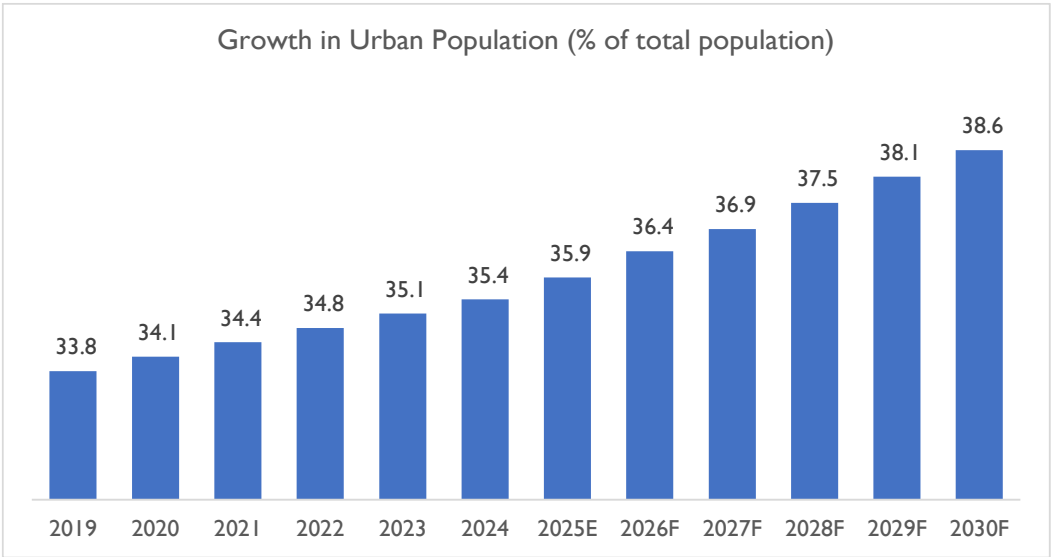
To achieve its vision of becoming the world's third-largest economy by 2027 to 2028, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.




*Source: IMF*
*From CY 2024 to CY 2031, India's per capita GDP is projected to grow at a compound annual growth rate of 7.9%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.*

***Increasing Urbanization***

As per the Handbook of Urban Statistics 2022, India's urban population has been on a steady rise. Urban dwellers accounted for over 469 million in 2021 and are projected to rise to over 558 million by 2031 and further exceed 600 million by 2036.




*Source: World Bank,[9] Dun & Bradstreet Research and Estimates*

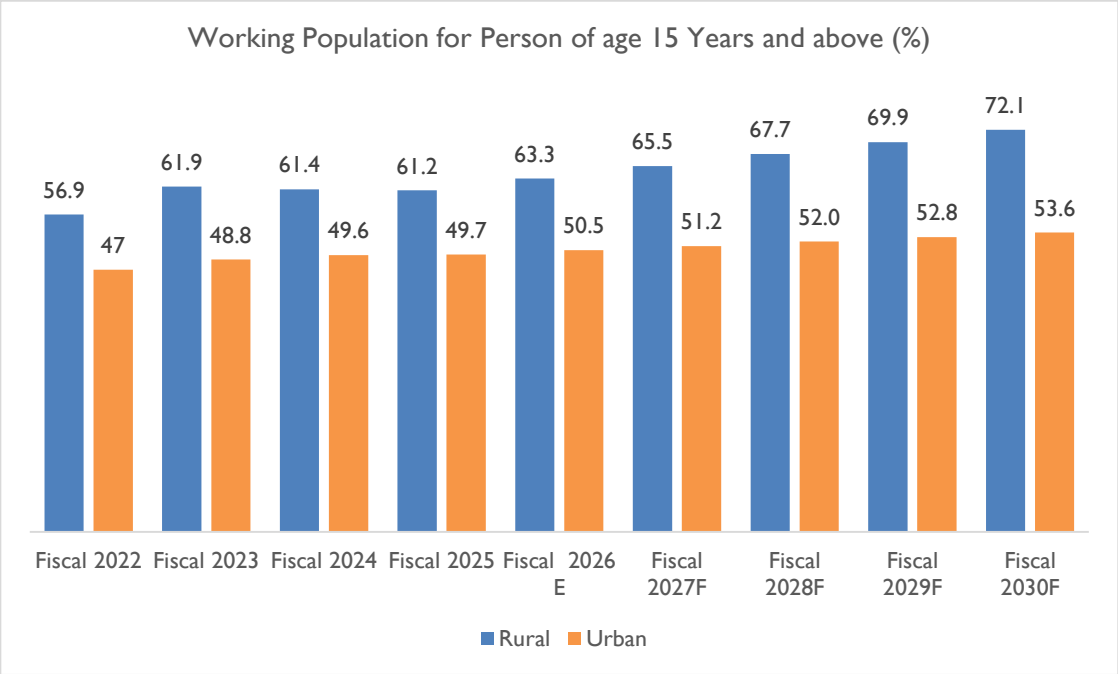
[9]https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart

The share of urban population in total population has been rising steadily. In 2019, 33.81% of the total population was urban. By 2025, it had reached 35.9%, showing an increase over a span of five years of about 2.10%. The share of urban population is further forecasted to cross 38.6% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernised, technology-driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirements.

***Rural vs. Urban Working Population by Age Group***

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In the case of the urban population, this growth is reflected in the increase from a share of 47% in FY22 to 49.7% in FY25, whereas in rural areas, it grew from 56.9% in FY22 to 61.2% in FY25.

This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.



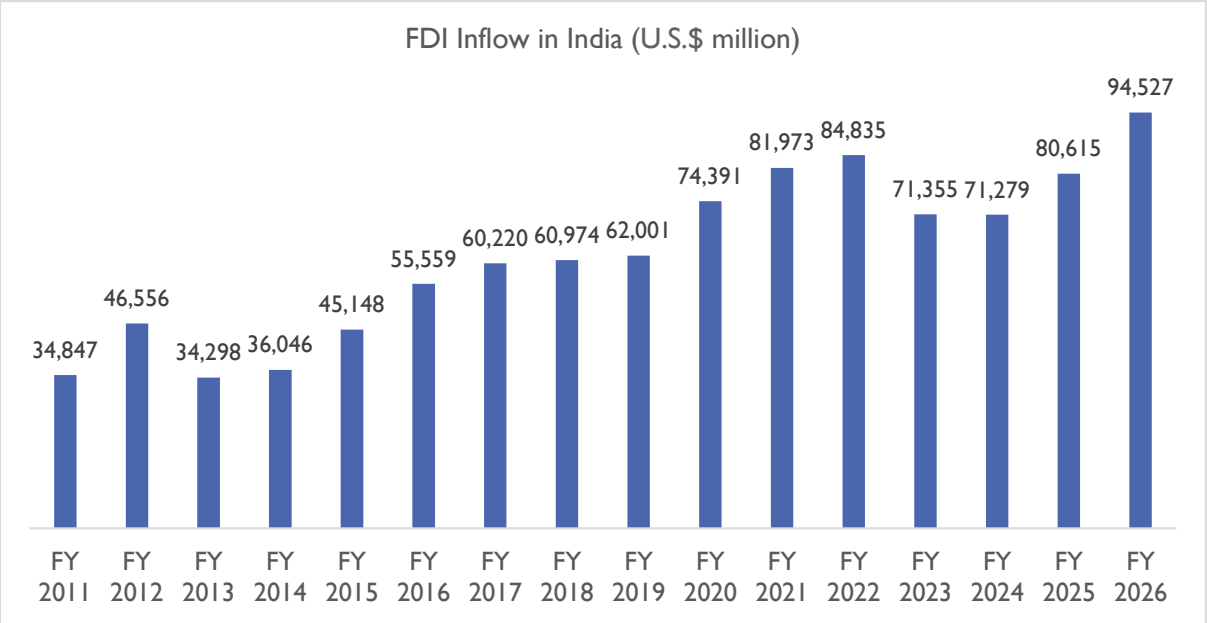

*Source: Periodic Labour Force Survey ("**PLFS**") Annual Report, Dun & Bradstreet Research and Estimates*
*Note: 2025 refers to the period January 2025 to December 2025 and likewise for 2024, 2023 and 2022*

In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these regions.

The dominance of the rural working population over its urban counterpart can be attributed to the labour-intensive nature of the agricultural sector, which ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

***Foreign Direct Investment Trend in India***

FDI inflows in India observed a steady increase from Fiscal 2013 to Fiscal 2022 while it witnessed a decline of 15% in Fiscal 2023 and a decline of 0.1% in Fiscal 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflows from April 2000 to March 2026. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System ("**NSWS**"), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses, along with sectoral measures and PLI schemes, supporting growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors has been simplified and the Income Tax Act, 1961, was amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.




*Source: Department for Promotion of Industry and Internal Trade*

**Global Defence Industry**

Annual global military expenditure reached approximately U.S.$ 2.77 Trillion in 2025, increasing by nearly 2.9% over the previous year, marking the eleventh consecutive year of spending growth. . The 2.9% rise in real terms during 2025 was lower than the sharp increase of 9.7% recorded in 2024, but spending remained at the highest level recorded by the Stockholm International Peace Research Institute ("**SIPRI**"). Over the decade 2016 to 2025, global military expenditure increased by 41%. The global defence burden, defined as defence spending as a percentage of global GDP, increased from 2.4% in 2024 to 2.5% in 2025.

Approximately 55% of the global military expenditure in 2025 was attributed to spending by the NATO bloc. Out of the total 32 members of the NATO bloc, 23 members have spent close to 2% of their GDP on military expenditure during 2025. Going ahead, NATO members have outlined to increase their military expenditure to 5% of their GDP annually by 2035[10].

[10] NATO spending details as per Stockholm International Peace Institute ("**SIPRI**"), Forecast of 5% of GDP spending on military expenditure by 2035 in NATO as per the 2025 NATO Hague Summit & Commitment

Amid rising global tensions and ongoing conflicts in Ukraine and the Middle East, the world is rapidly changing, and the defence sector is experiencing significant demand increases. Alongside higher defence budgets, countries are increasingly focusing on strengthening ammunition production, replenishing inventories, enhancing deterrence capabilities and accelerating procurement of advanced military systems

The growing emphasis on military preparedness is also driving expansion across the global defence-industrial base. Recent years have witnessed increased investments in missile systems, air defence platforms, autonomous systems, military electronics, cyber capabilities and space-based assets. According to IISS, European governments are expanding industrial capacity through procurement initiatives, ammunition production programmes and defence-focused technology investments, reflecting a broader effort to enhance defence self-sufficiency and supply-chain resilience.

**Military Modernization and Procurement Growth:** Governments across major defence markets continue to allocate higher budgets towards next-generation capabilities, including long-range strike systems, unmanned platforms, integrated air-defence systems and space-based military assets. This sustained modernization cycle is expected to support long-term demand across the defence ecosystem

**Defence-Industrial Expansion:** Increasing emphasis on production readiness, ammunition availability and supply-chain security has accelerated investments in domestic manufacturing capacity. Defence contractors are expanding production capabilities to meet growing procurement requirements, particularly across missiles, munitions, combat systems and defence electronics

**Performance of Major Defence Companies[11]:**

In 2025, several significant players in the industry recorded substantial growth in their financial performance:

Rheinmetall, Saab, and Leonardo experienced revenue growth of 29%, 26%, and 11%, respectively, during the same period.

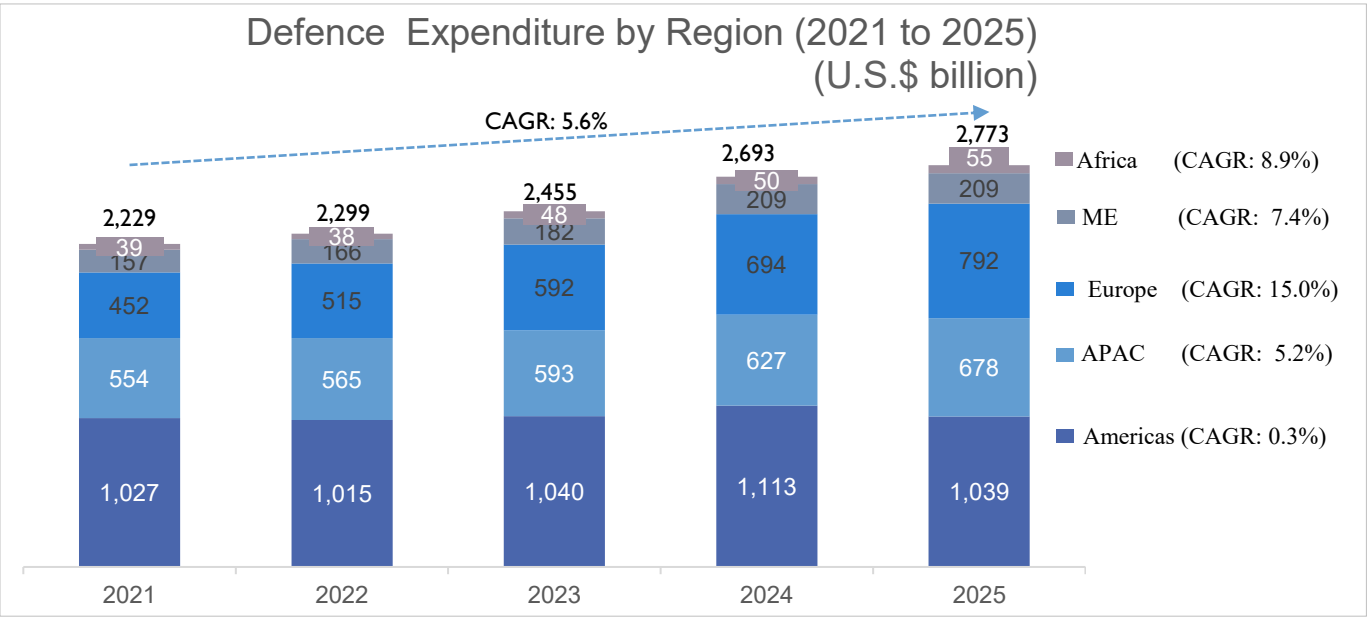
Rolls-Royce Holdings recorded 40% growth in underlying operating profit.

Lockheed Martin, Airbus, and Northrop Grumman realized revenue growth of 6%, 6%, and 2%, respectively.

**Emerging Players:** Beyond the established defence giants, technology-focused companies are increasingly shaping the future of the defence industry. Growing investments in artificial intelligence, autonomous systems, drones, advanced software and space-based capabilities are creating opportunities for newer participants alongside traditional defence contractors. As governments continue to modernize their armed forces, the growing role of these emerging players is expected to further strengthen the global defence ecosystem and support long-term industry growth.

***Global Defence Spending Pattern***

[11] Disclosures and public filings of the respective entities



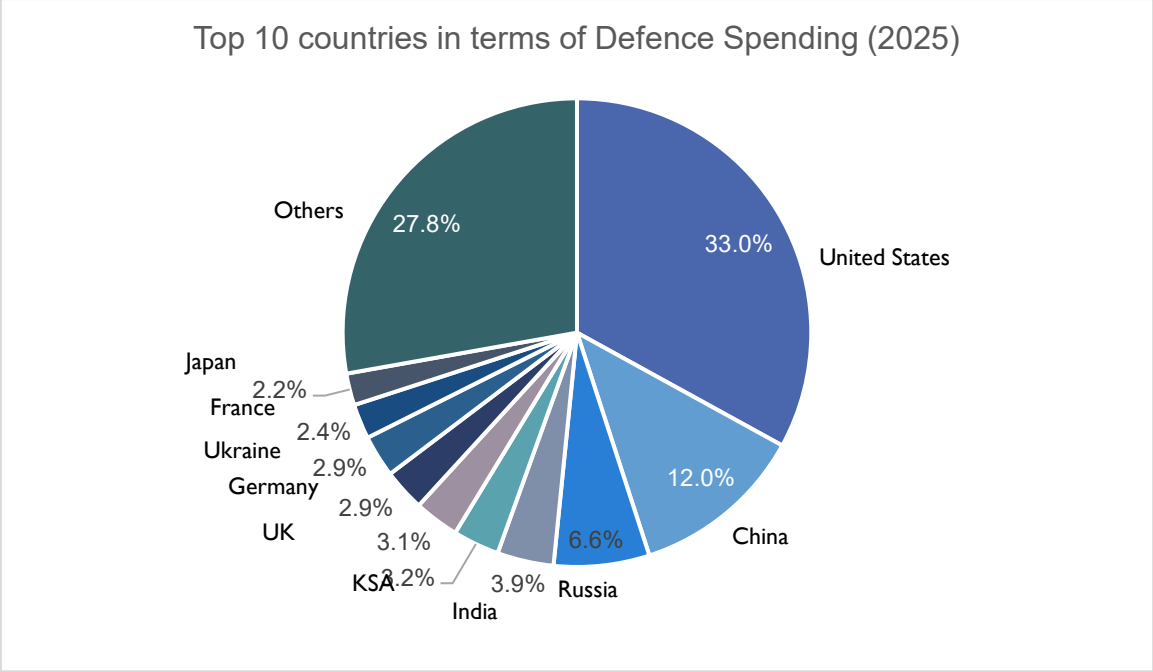

*Source: SIPRI, Figures have been rounded off to the nearest whole number*

During the five-year period from 2021 to 2025, global defence expenditure increased across most major regions, rising from U.S.$ 2,229 billion in 2021 to U.S.$ 2,773 billion in 2025, reflecting a CAGR of 5.6%. Europe recorded the fastest growth among major regions, with defence expenditure increasing at a CAGR of 15.0% during 2021 to 2025 and reaching U.S.$ 792 billion in 2025. Asia-Pacific also continued to expand, reaching U.S.$ 678 billion in 2025, supported by sustained defence spending across key markets in Asia and Oceania. Meanwhile, the Americas remained the largest spending region globally, accounting for approximately 37% of total defence expenditure in 2025, although spending in the region declined year-on-year in 2025

***Top 5 Countries in Terms of Defence Spending***

The top five military spenders, namely the United States, China, Russia, Germany and India, together accounted for 58% of global military expenditure. The United States remained the world's largest military spender, followed by China and Russia, highlighting the continued concentration of defence spending among a relatively small group of nations.

In 2025, the United States spent U.S.$ 954 billion on military expenditure, accounting for around one-third of global defence spending. Despite a 7.5% decline from the previous year, the U.S. remained the largest spender globally, allocating approximately 2.8 times more towards defence than China, the second-largest spender. China allocated an estimated U.S.$ 336 billion to defence in 2025, marking its 31st consecutive year of military expenditure growth and supporting its long-term military modernization objectives.




*Source: SIPRI*

Among the top military spenders, Ukraine recorded one of the most significant increases in defence expenditure, rising by 20% in 2025 to reach an estimated U.S.$ 84.1 billion. Germany also reported substantial growth, with military expenditure increasing by 24% to U.S.$ 114 billion, while India increased defence spending by 8.9% to U.S.$ 92.1 billion, reinforcing its position among the world's largest defence spenders

World military expenditure remains highly concentrated among a limited number of countries. The United States and China together accounted for approximately 45% of global military spending in 2025, while the top 10 military spenders contributed nearly 72% of total global expenditure.

**Defence aid to Ukraine narrows spending gap with Russia**

Russia's military expenditure increased by 5.9% to an estimated U.S.$ 190 billion in 2025, making it the third-largest military spender globally. Russia's military expenditure represented 7.5% of GDP in 2025. Despite a slower growth rate than in the preceding years, Russia continued to devote substantial resources to sustaining military operations and replenishing military capabilities

Ukraine was the seventh-largest military spender globally in 2025 after military expenditure increased by 20% to U.S.$ 84.1 billion. Ukraine's military burden reached approximately 40% of GDP, the highest in the world. Ukraine's military expenditure was equivalent to around 44% of Russia's military spending in 2025. However, Ukraine continued to receive significant military assistance from its international partners, particularly the United States and European countries, which substantially enhanced its defence capabilities beyond the expenditure reflected in national military spending statistics. Despite the absence of new military aid commitments from the United States, Ukraine received U.S.$ 52.2 Billion from international partners to support its state budget in 2025, the highest level since the start of the war and 11% higher than in 2024. The Extraordinary Revenue Acceleration ("**ERA**") loans provided by G7 countries amounted to U.S.$ 37.9 Billion, representing the single largest source of external assistance to Ukraine during the year.

**China's rising defence expenditure drives up spending by neighbours**

China, the world's second-largest military spender, allocated an estimated U.S.$ 336 billion to military expenditure in 2025, an increase of 7.4% over 2024. This was China's 31st consecutive year-on-year increase in military expenditure and the largest annual increase recorded over the past decade. China's military expenditure has increased by 62% since 2016 and accounted for 12% of global military spending in 2025.

China's spending supports the People's Liberation Army's objective of completing a comprehensive modernization of its forces across all military domains by 2035. Developments during 2025 included the testing of prototype sixth-generation combat aircraft and continued progress in advanced strategic weapons programmes.

**Rest of the World**

Japan allocated U.S.$ 68.0 Billion to its military in 2025. Taiwan's military expenditure also increased in 2025, reaching U.S.$ 23.9 Billion

Estimated military expenditure in the Middle East increased to U.S.$ 208.8 Billion in 2025. Ongoing wars, regional tensions and military modernization programmes continued to drive defence expenditure across the region.

Israel's military expenditure, the second largest in the region after Saudi Arabia, decreased by 4.9% to reach U.S.$ 48.3 Billion in 2025. The relatively modest decline reflected the reduction in the intensity of the war in Gaza following the ceasefire with Hamas in January 2025. However, with the 12-day war with Iran in June 2025 and ongoing military operations in Lebanon and Syria, Israel's expenditure in 2025 was still 97% higher than in 2022.

Iran was among the major military spenders in the Middle East, with military expenditure of U.S.$ 7.4 Billion in 2025. Military spending declined for the second consecutive year, falling by 5.6% compared with 2024.

India was the fifth largest military spender globally in 2025. At U.S.$ 92.1 Billion, its military expenditure was 8.9% higher than in 2024. India's conflict with Pakistan in May 2025, which involved the use of combat aircraft, drones and missiles, contributed to higher military expenditure during the year.

Among the world's largest military spenders, Spain's defence spending, the 15th highest in the world, was U.S.$ 40.2 Billion after growing by 50% between 2024 and 2025, representing the largest annual increase among the top 15 spenders.

Poland’s defence spending, the 14th highest in the world, was U.S.$ 31.6 Billion after growing by 75% between 2022 and 2023—by far the largest annual increase by any European country.

Brazil's military expenditure reached U.S.$ 23.9 Billion in 2025, maintaining its position among the largest military spenders in Latin America.

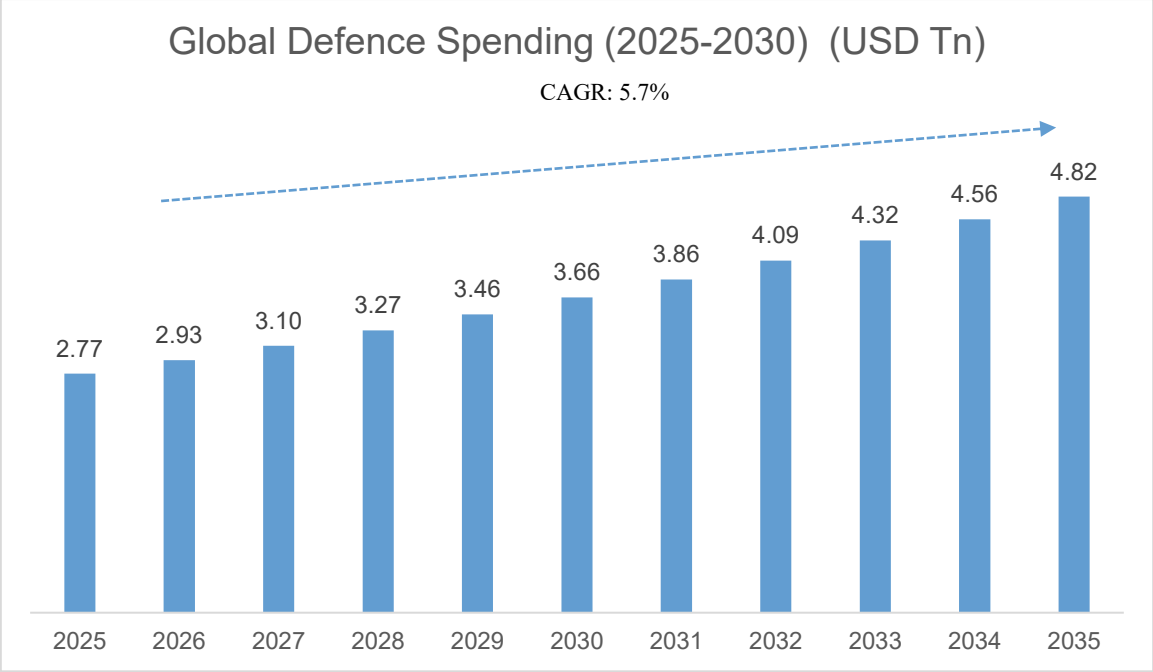
Algeria's military expenditure grew by 11% to reach U.S.$ 25.4 Billion in 2025. Algeria remained by far the largest military spender in Africa.

***Expected Growth***

As geopolitical tensions, regional conflicts and military modernization priorities continue to shape defence expenditure globally, countries are expected to sustain investments in defence capabilities over the medium term. According to SIPRI, global military expenditure reached a record level in 2025 and marked the 11th consecutive year of growth, although the year-on-year increase moderated to 2.9%, compared with the sharper rise recorded in 2024. According to the United Nations' 2025 report, The Security We Need, if current spending trends persist, global military expenditure could reach U.S.$ 4.7 to 6.6 trillion by 2035, indicating sustained long-term growth in defence spending worldwide.

Governments worldwide are increasingly investing in advanced weaponry, modernization of armed forces, stockpile replenishment, unmanned systems, cyber capabilities, military space activities and artificial intelligence-enabled defence systems. This trend is supported by structural increases in defence spending across Europe and Asia and Oceania, particularly amid the Russia-Ukraine war, NATO rearmament commitments, China’s military modernization, and rising security concerns in the Indo-Pacific

Global defence spending is expected to grow at a CAGR of 5.7% between 2025 and 2035 reaching U.S.$ 4.82 trillion.




*Source: D&B Analysis*[12]

Heightened geopolitical tensions, regional conflicts and emerging security threats are expected to remain key drivers of defence expenditure. Europe is expected to remain a major growth contributor, supported by the Russia-Ukraine war, higher NATO spending targets, and uncertainty around long-term security guarantees. Asia and Oceania are also expected to remain a key driver, supported by China's continued military modernization, India's capability enhancement, and increased military spending by Japan, South Korea and Taiwan.

Significant ongoing conflicts include:

The Russia-Ukraine war

Continued instability in the Middle East

China's military modernization and tensions in the Taiwan Strait

India-Pakistan security tensions

North Korea-related security concerns in East Asia

Ongoing conflicts and insurgencies in parts of Africa and the Middle East

At the same time, the forecast factors in a degree of moderation. SIPRI reported that global military expenditure growth slowed to 2.9% in 2025, compared with 9.7% in 2024, and that the United States, the world's largest military spender, recorded a year-on-year decline in military expenditure in 2025.

Many challenges also persist, including budget constraints, competing domestic priorities, inflationary pressures, fiscal consolidation requirements and public scrutiny regarding defence spending. Governments may therefore need to balance military modernization and deterrence requirements with broader economic and social priorities.

A particular concern for European countries and NATO members is meeting higher defence spending targets. In 2025, NATO members agreed to raise the alliance's spending target to 5.0% of GDP by 2035, including 3.5% of

[12] Based on SIPRI Military Expenditure Database 2025

GDP for core military spending. This is expected to support medium-term defence expenditure growth, although implementation may vary across countries due to fiscal constraints and differences in budgetary treatment.

**Indian Defence Industry**

India has one of the world's largest armed forces, and the defence sector holds strategic importance for the government. Key segments include fixed-wing aircraft, naval vessels and surface combatants, missiles and missile-defence systems, rotorcraft, submarines, artillery, tactical communications, electronic warfare and land systems. Major defence manufacturers include public sector units like Hindustan Aeronautics Limited ("**HAL**"), Bharat Dynamics Limited ("**BDL**"), Bharat Electronics Limited ("**BEL**"), Mazagon Dock Shipbuilders Limited ("**MDL**"), and Garden Reach Shipbuilders & Engineers ("**GRSE**") as well as A few large private players like Tata Advanced Systems Limited ("**TASL**"), Larsen & Toubro ("**L&T**") Defence,

BEML Limited, Bharat Electronics Limited (BEL) and Hindustan Aeronautics Limited (HAL).

India was the world's fifth-largest military spender in 2025, with military expenditure of U.S.$92.1 billion. The government aims to achieve annual defence exports of ₹50,000 crore by 2029. In the Union Budget 2026 to 2027, the Ministry of Defence received an allocation of ₹7.85 lakh crore, including ₹29,100.25 crore for the Defence Research and Development Organisation ("**DRDO**").

Separately, the ₹1 lakh crore Research, Development and Innovation Scheme supports private-sector R&D in sunrise and strategic technologies over six years. It is a cross-sector innovation scheme rather than a defence-specific corpus. The scheme was approved on 1 July 2025 and launched on 3 November 2025.

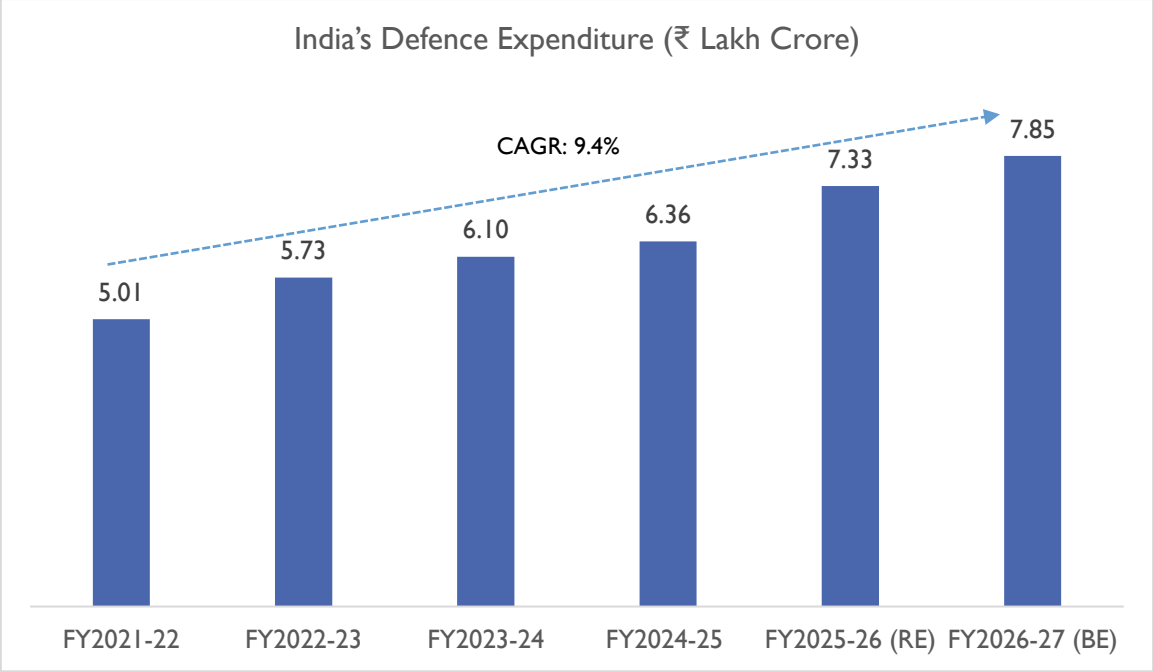
To modernise the armed forces and reduce import dependence, the government continues to promote indigenous defence manufacturing through the Defence Acquisition Procedure 2020, Positive Indigenisation Lists, Innovations for Defence Excellence ("**iDEX**"), SRIJAN DEEP and other policy measures. In Fiscal 2026 to Fiscal 2027, ₹1.39 lakh crore was earmarked for procurement from domestic defence industries.

As of November 2025, 788 industrial licences had been issued to 462 companies in the defence sector. India's defence exports reached a record ₹38,424 crore in Fiscal 2025 to Fiscal 2026, compared with ₹23,622 crore Fiscal 2024 to Fiscal 2025, representing year-on-year growth of approximately 62.7%. India exported defence products to more than 80 countries.

***Defence Spending Pattern***

India's defence budget reflects the government's continued focus on military modernisation, operational preparedness, indigenous defence manufacturing, and strategic capability enhancement. The period has witnessed sustained growth in defence allocations, supported by evolving geopolitical dynamics, border security requirements, and the broader objective of strengthening self-reliance in defence production.

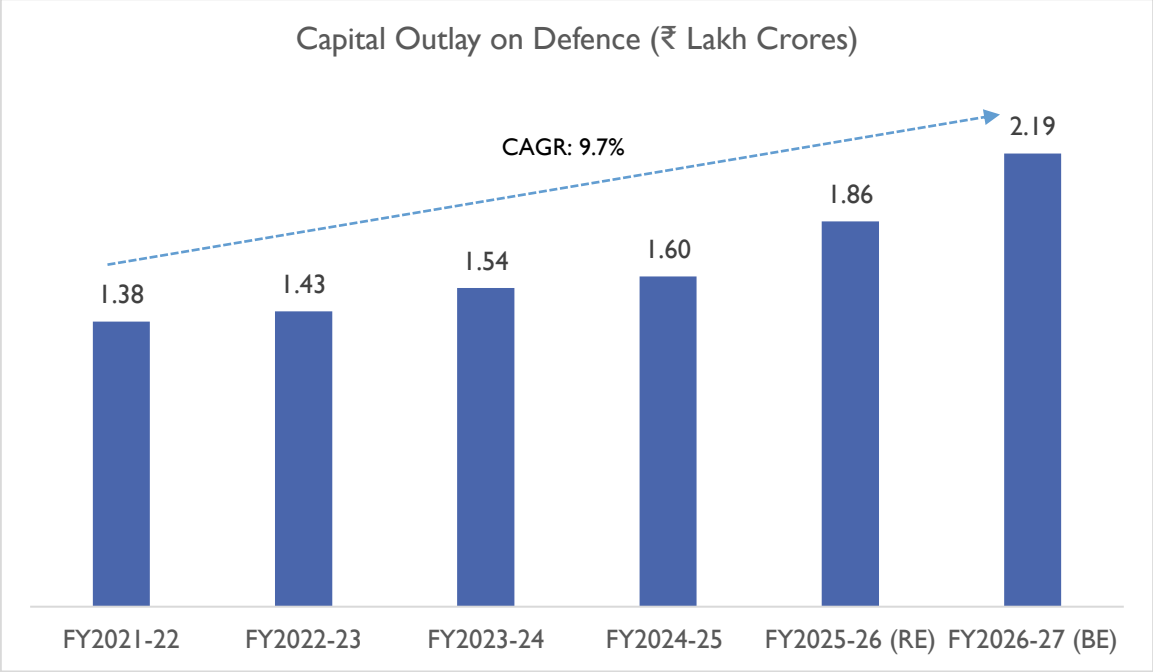
Defence expenditure increased from ₹5.01 lakh crore in Fiscal 2021 to Fiscal 2022 to ₹7.85 lakh crore in Fiscal 2026 to Fiscal 2027 ("**BE**"), representing a CAGR of 9.4% over the period. The increase has been driven by higher capital outlays for modernisation, greater procurement from domestic defence industries, enhanced investment in research and development, and continued efforts to strengthen India's defence preparedness.




*Source: Government of India*

***Capital Spending Pattern***

India's capital outlay on defence has increased steadily over the past six years, reflecting the government's continued emphasis on force modernisation, capability enhancement, and indigenous defence manufacturing. Capital expenditure has remained a key pillar of India's defence strategy, supporting the acquisition of advanced military platforms, next-generation weapon systems, aircraft, naval assets, unmanned systems, and other critical technologies required to strengthen operational preparedness and combat capability.




*Source: Government of India*

Capital outlay on defence increased from ₹1.38 lakh crore in FY2021 to 2022 to ₹2.19 lakh crore in Fiscal 2026 to Fiscal 2027 (BE), representing a CAGR of 9.7% during the period. The sharp increase in Fiscal 2025 to Fiscal

2026 and Fiscal 2026 to Fiscal 2027 reflects the government's continued focus on accelerating military modernisation and strengthening domestic defence manufacturing capabilities.

Capability development is guided by the Integrated Capability Development Plan ("**ICDP**"), formulated by Headquarters Integrated Defence Staff. The plan is reviewed annually through the two-year rolling Annual Acquisition Plan, helping align service-level acquisition priorities with joint capability requirements and available resources. In Fiscal 2026 to Fiscal 2027, ₹7,394 crore was allocated to the Border Roads Organisation for strategic infrastructure such as tunnels, bridges and airfields, while ₹975 crore was allocated for an optical-fibre-cable-based network for the Defence Services.

For Fiscal 2026 to Fiscal 2027, over ₹2.19 lakh crore has been allocated under the capital head for the Armed Forces, of which approximately ₹1.85 lakh crore has been earmarked for capital acquisition. The allocation is intended to support the procurement of advanced platforms, weapons systems, ships, submarines, unmanned aerial vehicles ("**UAVs**"), drones and other force multipliers, while simultaneously promoting indigenous defence production under the Atmanirbhar Bharat initiative.

***Defence Spending by Verticals***

As per the budgeted estimates for Fiscal 2026 to Fiscal 2027, India's defence expenditure continues to be primarily driven by the three Services, namely the Indian Army, Indian Navy, and Indian Air Force, which together account for the majority of defence spending. The Army continues to account for the largest share of service-level expenditure owing to its personnel intensity and extensive operational commitments, while the Navy and Air Force continue to receive significant allocations to support fleet expansion, platform acquisitions, advanced weapons systems, and technology upgrades.

| Defence Budget Allocation by Service (₹ Lakh Crore) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Service Verticals** | **Fiscal 2021 to Fiscal 2022** | **Fiscal 2022 to Fiscal 2023** | **Fiscal 2023 to Fiscal 2024** | **Fiscal 2024 to Fiscal 2025** | **Fiscal 2025 to Fiscal 2026 RE** | **Fiscal 2026 to Fiscal 2027 BE** | **% Change: Fiscal 2026 RE to Fiscal 2027 BE** |
| Army | 2.84 | 3.16 | 3.42 | 3.32 | 3.74 | 3.95 | 5.8% |
| Navy | 0.75 | 0.82 | 0.92 | 0.72 | 0.79 | 0.86 | 9.4% |
| Air Force | 0.97 | 1.02 | 1.28 | 0.65 | 0.82 | 0.82 | 0.0% |
| Other[13] | 0.46 | 0.74 | 0.48 | 1.67 | 1.98 | 2.21 | 11.8% |
| Total | 5.01 | 5.73 | 6.10 | 6.36 | 7.33 | 7.85 | 7.1% |

*Source: Government of India*

***Army: Largest service allocation supports operational readiness and land-force modernisation.***

The Army remains the largest of the three Services in budgetary terms. Its allocation increases from ₹3.74 lakh crore in Fiscal 2025 to Fiscal 2026 (RE) to ₹3.95 lakh crore in Fiscal 2026 to Fiscal 2027 (BE), representing growth of 5.8%. As a manpower-intensive land force, a substantial part of Army expenditure continues to support pay and allowances, stores, transportation, works, the Rashtriya Rifles, the National Cadet Corps and the Agnipath scheme, alongside capital requirements for modernisation. These expenditure heads are reflected in the Government of India's detailed Defence Services revenue budget.

Recent indigenous procurement illustrates the Army's modernisation priorities. In March 2025, the Ministry of Defence signed contracts worth approximately ₹2,500 crore for the Nag Missile System tracked anti-tank platform and around 5,000 light vehicles for the Armed Forces. The Nag Missile System is intended to enhance the anti-

[13] "Other" is principally constituted by consolidated capital-acquisition heads applicable across the Defence Services, common revenue heads such as research and development and coordination charges, and the Ministry of Defence (Civil) demand. These heads are not attributable to any individual Service and have accordingly been retained under "Other" without apportionment

tank capability and operational readiness of the Mechanised Infantry, while the light vehicles will improve mobility across different terrain and operating conditions.

In August 2025, the Defence Acquisition Council also approved procurement of thermal-imager-based driver night sights for BMP infantry combat vehicles, intended to improve night-driving capability, mobility and the operational effectiveness of the Mechanised Infantry. These acquisitions reflect continued emphasis on anti-tank capability, mechanised operations, mobility, surveillance and indigenous equipment

***Navy: Higher allocation supports sustained fleet expansion and indigenisation***

The Navy's allocation increases from ₹0.79 lakh crore in Fiscal 2025 to Fiscal 2026 (RE) to ₹0.86 lakh crore in Fiscal 2026 to Fiscal 2027 (BE), representing the highest growth among the three Services at 9.4%. The increase is aligned with continued investment in surface combatants, submarines, naval aviation, dockyard infrastructure, weapons and maritime-surveillance capabilities. The Government of India's capital budget includes dedicated heads for the naval fleet, dockyards and naval projects alongside consolidated capital-acquisition heads

The Navy's modernisation remains closely linked to indigenous shipbuilding. As of December 2025, 51 large ships valued at approximately ₹90,000 crore were under construction in India, while nearly 67% of the Navy's capital acquisitions over the preceding decade had been placed with Indian industry. Since 2014, Indian shipyards have delivered more than 40 indigenous warships and submarines to the Navy.

Recent inductions include Project 17A stealth frigates and indigenous anti-submarine warfare, survey and submarine platforms. INS Udaygiri and INS Himgiri, commissioned in August 2025, incorporate improved stealth features, surveillance radars, electronic-warfare suites, surface-to-surface missiles and surface-to-air missiles.

The Indian Naval Indigenisation Plan 2015 to 2030 and the Navy's Vision 2047 continue to provide the broader framework for building a technologically advanced and increasingly self-reliant force through indigenous design, domestic shipbuilding and the integration of emerging technologies

***Air Force: Allocation remains stable while major fighter and air-defence programmes progress***

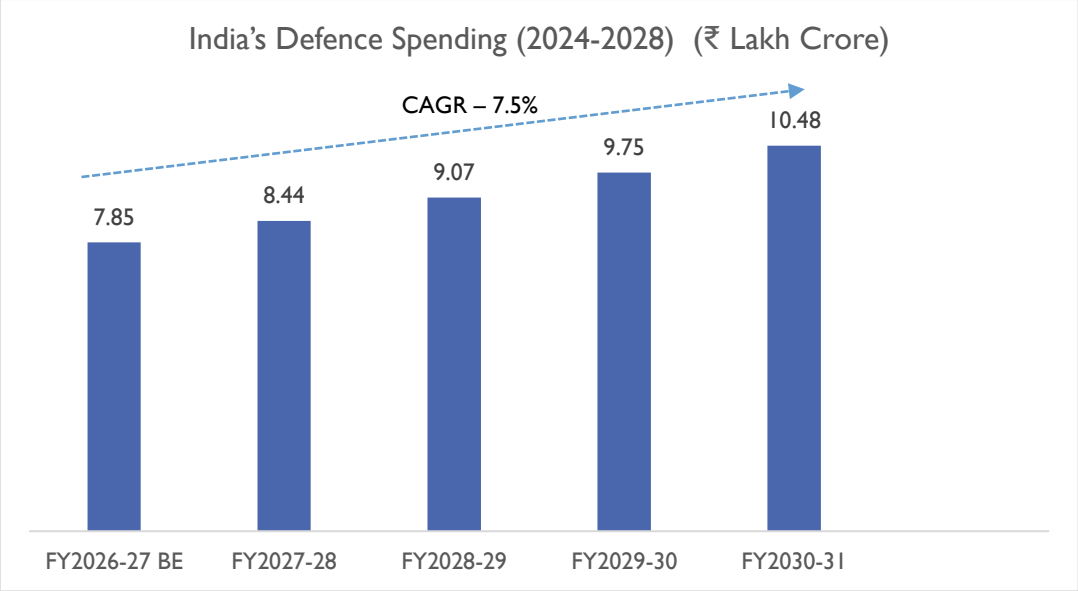
The Air Force allocation remains at ₹0.82 lakh crore in Fiscal 2026 to Fiscal 2027 (BE), broadly unchanged from Fiscal 2025 to Fiscal 2026 (RE). However, the stable service-level allocation coincides with continued progress on major aircraft, surveillance and air-defence programmes financed through the wider capital-acquisition framework. The capital budget now consolidates major heads such as aircraft and aero engines across the Defence Services, limiting direct service-wise comparison of modernisation expenditure.

In September 2025, the Ministry of Defence signed a contract worth over ₹62,370 crore with Hindustan Aeronautics Limited for 97 LCA Mk1A aircraft, comprising 68 fighters and 29 twin-seaters. Deliveries are scheduled to begin in Fiscal 2027 to Fiscal 28 and continue over six years. The aircraft will have indigenous content exceeding 64% and will incorporate systems including the Uttam Active Electronically Scanned Array radar, Swayam Raksha Kavach and control-surface actuators.

In August 2025, the Defence Acquisition Council also approved mountain radars, upgrades to the SAKSHAM/SPYDER weapon system, and sustainment of the C-17, C-130J and S-400 fleets. The mountain radars are intended to strengthen air surveillance in mountainous border regions, while integration of the upgraded SAKSHAM/SPYDER system with the Integrated Air Command and Control System is expected to enhance air-defence capability.

***Expected Growth***

India's defence expenditure is projected to grow at a CAGR of 7.5% from Fiscal 2025 to Fiscal 2026 to Fiscal 2030 Fiscal 2031, increasing from ₹ 7.33 lakh crore to approximately ₹ 10.48 lakh crore over the period. India remains among the top five global defence spenders, while continuing to face evolving security requirements across its extensive land borders, maritime domain and strategic areas of interest. The Government's continued emphasis on military modernisation, operational preparedness and indigenous capability development is expected to support sustained growth in defence expenditure over the medium term.




The focus on indigenization is expected to remain a major driver, supporting continued growth in domestic defence procurement and manufacturing. Additionally, defence export opportunities are expected to expand further, supported by policy initiatives such as Aatmanirbhar Bharat, increased private sector participation and the government's efforts to strengthen defence cooperation with strategic partner nations. Growing export penetration is expected to complement domestic demand and support the long-term growth trajectory of the sector.

Similarly, HAL, with its established presence across aircraft manufacturing, maintenance and defence platforms, remains well positioned to benefit from the government's continued modernisation initiatives. Bharat Electronics (BEL), a market leader in domestic defence electronics, is also expected to benefit from sustained defence expenditure and increasing indigenous procurement. Supported by strong execution capabilities, a healthy order pipeline and a robust balance sheet, BEL remains well placed to capitalise on emerging opportunities within India's defence ecosystem. Continued growth in defence expenditure is expected to support order inflows and revenue visibility across the broader defence industry.

In the fiscal year 2025 to 2026, India's defence exports reached an all-time high of ₹ 38,424 crore, reflecting strong momentum in India's defence manufacturing ecosystem. This growth has been supported by contributions from both private sector companies and defence public sector undertakings ("**DPSUs**"), highlighting the increasing competitiveness of Indian defence products in international markets.

Additionally, the number of export authorisations issued to defence exporters increased during FY2023 to 2024, reflecting growing international acceptance of Indian defence products and continued expansion of India's defence export footprint.

Escalating global geopolitical tensions, increasing defence modernisation requirements and India's continued focus on self-reliance are expected to support higher order inflows and revenue growth for domestic defence companies. The Indian government's efforts to strengthen bilateral and multilateral defence relationships are expected to further enhance export opportunities and support the sector's long-term development.

Despite these positive growth drivers, the sector continues to face risks such as technology obsolescence, execution challenges and supply chain constraints. However, supported by favourable policy initiatives, rising indigenisation levels and sustained government investment, India's defence sector is expected to maintain a strong growth trajectory, contributing to both economic development and national security objectives.

***Defence Imports to India***

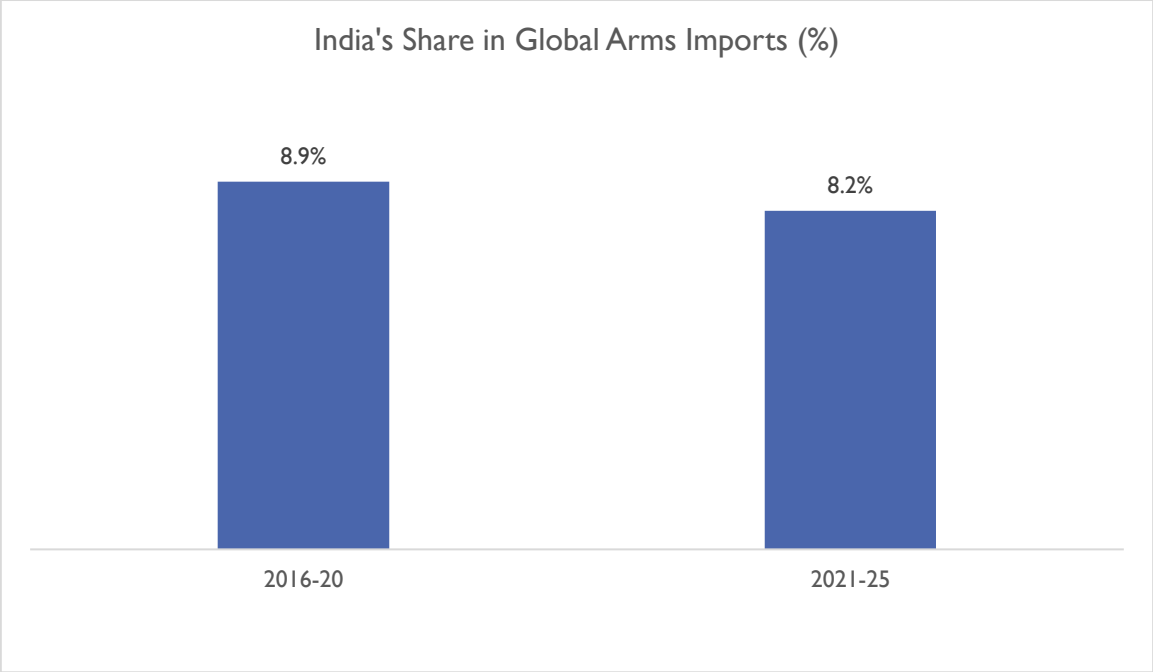
India was the world's second-largest recipient of major arms in 2021 to 2025, after Ukraine, and accounted for 8.2% of global arms imports. India's arms imports declined by 4.0% between 2016 to 2020 and 2021 to 2025.

Despite this decline, security requirements arising from tensions with China and Pakistan continued to support demand for imported major arms

Russia remained India's largest supplier of major arms in 2021 to 2025, accounting for 40% of Indian imports. However, Russia's share has declined from 70% in 2011 to 2015 to 51% in 2016 to 2020 and 40% in 2021 to 2025. India has increasingly diversified its sourcing towards other suppliers, with France accounting for 29% and Israel accounting for 15% of Indian arms imports during 2021 to 2025.

India continues to rely on foreign suppliers for selected high-value and technologically complex capabilities, even as domestic design and production capacity expands. SIPRI attributes part of the recent decline in imports to India's growing ability to design and produce its own weapons, while also noting that delays in domestic production remain a constraint. Recent and planned orders indicate that foreign procurement and indigenous manufacturing are likely to coexist over the medium term.

The Government of India is seeking to reduce import dependence through Make in India and Aatmanirbhar Bharat, supported by domestic procurement preferences, indigenisation lists and the SRIJAN portal. For Fiscal 2026 to Fiscal 2027, ₹1.39 lakh crore has been allocated for procurement from domestic defence industries, including private-sector participants. The government has also set targets of ₹3 lakh crore in annual defence production and ₹50,000 crore in annual defence exports by 2029




*Source: SIPRI*

***Positive Indigenisation Lists and Import Substitution***

As of August 2026:

Six Department of Defence Production ("**DDP**") Positive Indigenisation Lists covered 5,417 items, comprising 5,012 items notified under the first five lists and 405 additional items notified under the sixth list.

The sixth DDP list includes 389 Defence Public Sector Undertaking (DPSU) items and 16 Indian Coast Guard items, covering line replaceable units, systems, sub-systems, assemblies, spares, components and raw materials across key defence platforms.

The sixth DDP list represents an estimated business potential of approximately ₹3,070 crore for domestic industry and is expected to further promote import substitution and indigenous development

Since the launch of the SRIJAN portal in 2020, more than 33,000 defence items have been offered for indigenisation by DPSUs and Service Headquarters. More than 15,700 items have been successfully indigenised, resulting in an estimated import substitution value of about ₹9,000 crore. In addition, DPSUs have placed procurement orders, including in-house production, worth approximately ₹10,000 crore on domestic vendors up to March 2026.

These items are to be procured from Indian industry after their specified indigenisation timelines. The lists are supported by the SRIJAN portal, through which DPSUs, Service Headquarters and the Indian Coast Guard identify opportunities for domestic development and import substitution, with active participation from private industry, MSMEs and start-ups.

***Defence Manufacturing Scenario in India***

India's defence manufacturing ecosystem has undergone significant transformation under the Make in India and Aatmanirbhar Bharat initiatives, with policy measures focused on increasing indigenous design, development and production of defence equipment. The government has progressively prioritised domestic procurement, indigenisation and private-sector participation through reforms in acquisition procedures, industrial licensing, foreign investment regulations and innovation-led programmes.

***Key Developments / Regulatory Changes[14]***

The Government of India has introduced several measures to strengthen domestic defence manufacturing and reduce dependence on imported equipment. Key initiatives include:

Preference for procurement from domestic sources under the Defence Acquisition Procedure ("DAP") 2020.

Innovations for Defence Excellence (iDEX) to support startups, MSMEs and innovative technology developers.

Launch of the SRIJAN portal to facilitate import substitution and indigenous development of defence components and systems.

Establishment of Defence Industrial Corridors in Uttar Pradesh and Tamil Nadu.

Liberalisation of FDI norms, permitting up to 74% FDI under the automatic route and up to 100% through the government route.

Simplification of industrial licensing and defence manufacturing procedures.

Promotion of indigenisation through Positive Indigenisation Lists and domestic procurement mandates

The government continues to promote participation of private industry, MSMEs, startups, academia and research institutions in the defence ecosystem, while supporting technology development, local value addition and supply-chain expansion.

For Fiscal 2026 to Fiscal 2027, ₹1.39 lakh crore has been earmarked for procurement from domestic defence industries, reflecting continued emphasis on indigenous sourcing and self-reliance. The government has set targets of achieving ₹3 lakh crore of annual defence production and ₹50,000 crore of annual defence exports by 2029

To support import substitution, the Ministry of Defence has expanded the Positive Indigenisation Lists framework. As of July 2024:

Five Department of Military Affairs ("**DMA**") Positive Indigenisation Lists covered 509 major systems, sensors, weapons and ammunition.

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[14] Ministry of Defence

Five Defence Public Sector Undertaking ("**DPSU**") Positive Indigenisation Lists covered 5,012 items, including replacement units, subsystems, assemblies, components and raw materials scheduled for domestic sourcing over specified timelines

***Key Achievements***

India's defence manufacturing sector has recorded significant growth over the last decade, supported by sustained policy reforms, indigenisation initiatives and increased participation from both public and private-sector players. Government sources reported that indigenous defence production reached ₹1.46 lakh crore in Fiscal 2024 to Fiscal 2025, representing the highest-ever level achieved by the sector. Defence exports also crossed ₹23,622 crore in Fiscal 2024 to Fiscal 2025, reflecting the growing international acceptance of Indian defence products and platforms.

The growth of the sector has been supported by initiatives such as Make in India, Aatmanirbhar Bharat, iDEX, SRIJAN, Positive Indigenisation Lists, and the establishment of Defence Industrial Corridors in Uttar Pradesh and Tamil Nadu. These initiatives have encouraged greater participation from Defence Public Sector Undertakings (DPSUs), private-sector companies, MSMEs, startups, academia and research institutions across the defence manufacturing ecosystem.

The government continues to promote import substitution and indigenous capability development through the Positive Indigenisation Lists and the SRIJAN portal. As of August 2026, six Positive Indigenisation Lists notified by the Department of Defence Production covered 5,417 items, comprising 5,012 items notified under the first five lists and 405 additional items notified under the sixth list. The sixth list covered strategically important line replaceable units, systems, sub-systems, assemblies, spares, components and raw materials and represented an estimated business potential of ₹3,070 crore for domestic industry.

Since the launch of the SRIJAN portal, more than 33,000 defence items have been offered for indigenisation by DPSUs and Service Headquarters up to June 2026. More than 15,700 items have been successfully indigenised, resulting in an estimated import substitution value of about ₹9,000 crore, while DPSUs have placed procurement orders worth approximately ₹10,000 crore on domestic vendors up to March 2026.

**Global Aerospace Industry**

The global aerospace industry plays a vital role in enabling international connectivity, trade, tourism, and economic development. The industry encompasses commercial aviation, air cargo, aircraft manufacturing, airport infrastructure, maintenance, repair and overhaul ("**MRO**"), and a broad ecosystem of technology and service providers supporting global air transportation. As passenger and cargo traffic continue to expand, the aerospace sector remains a key enabler of global mobility and economic integration.

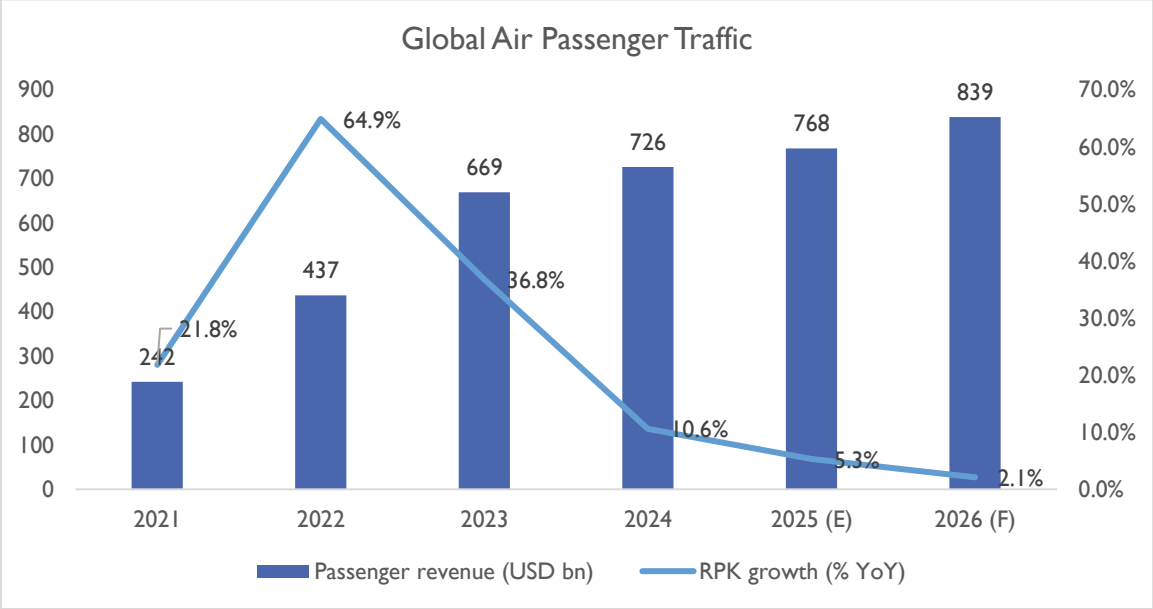
Commercial aviation represents the largest segment of the aerospace industry, covering aircraft manufacturing, airline operations, airport services, air cargo transportation, and MRO activities. Major aircraft manufacturers continue to support airline fleet expansion and modernization programs, while airports and airlines are investing in capacity enhancement, digitalization, and operational efficiency to accommodate rising traffic volumes and meet evolving customer expectations.

Demand for air transportation continues to be supported by increasing disposable incomes, expanding middle-class populations, urbanization, rising international mobility, and the growth of emerging aviation markets. According to Airports Council International ("**ACI**"), global passenger traffic surpassed pre-pandemic levels in 2024 and is expected to continue growing over the long term, supported by increasing global connectivity and sustained growth in air travel demand.

Innovation remains a key driver of the aerospace industry. Airlines, aircraft manufacturers, and technology providers continue to invest in fuel-efficient aircraft, digital technologies, automation, advanced materials, sustainable aviation initiatives, and next-generation air transport solutions. These developments are expected to improve operational efficiency, support sustainability objectives, enhance passenger experience, and strengthen the industry's long-term growth prospects.

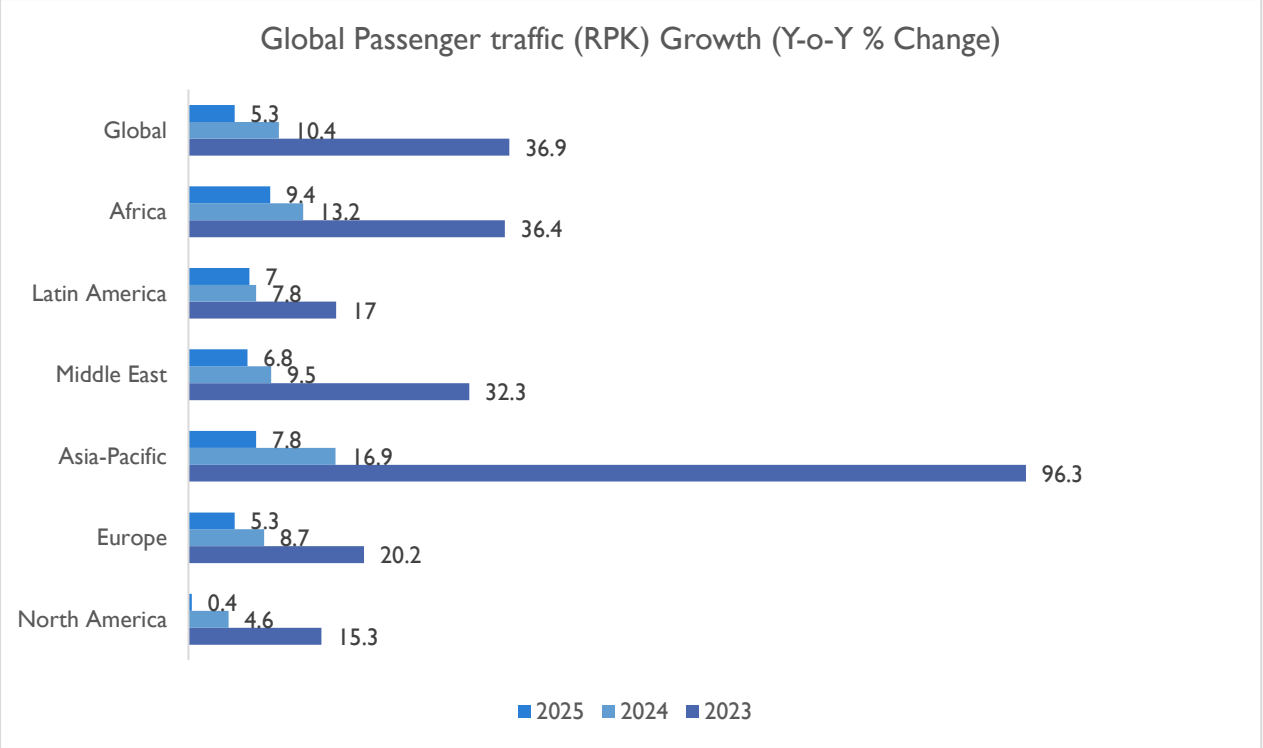
***Global Air Passenger Growth Pattern***

Global passenger traffic has continued to expand following the post-pandemic recovery period, although growth rates have progressively moderated as the industry transitions from recovery-driven expansion to a more mature growth phase. As per the latest reports of International Air Transport Association ("**IATA**"), passenger revenues increased from approximately U.S.$ 242 billion in 2021 to U.S.$ 726 billion in 2024 and are projected to reach U.S.$ 839 billion by 2026, reflecting sustained growth in air travel demand across domestic and international markets. At the same time, Revenue Passenger Kilometre ("**RPK**") growth is expected to moderate from 36.8% in 2023 to 10.6% in 2024, 5.3% in 2025, and 2.1% in 2026, indicating a gradual normalization of growth after the strong rebound observed following the pandemic.




*Source: IATA Factsheet and Annual Review*

The exceptional growth recorded during 2023 was driven by the continued reopening of international markets, the recovery of Asia-Pacific traffic, and the restoration of global connectivity. The Asia-Pacific region registered the strongest growth among all regions, with passenger traffic increasing by 96.3% YoY in 2023, significantly outperforming other major aviation markets. Growth subsequently moderated to 16.9% in 2024 and 7.8% in 2025 as the region moved closer to a stable post-recovery trajectory



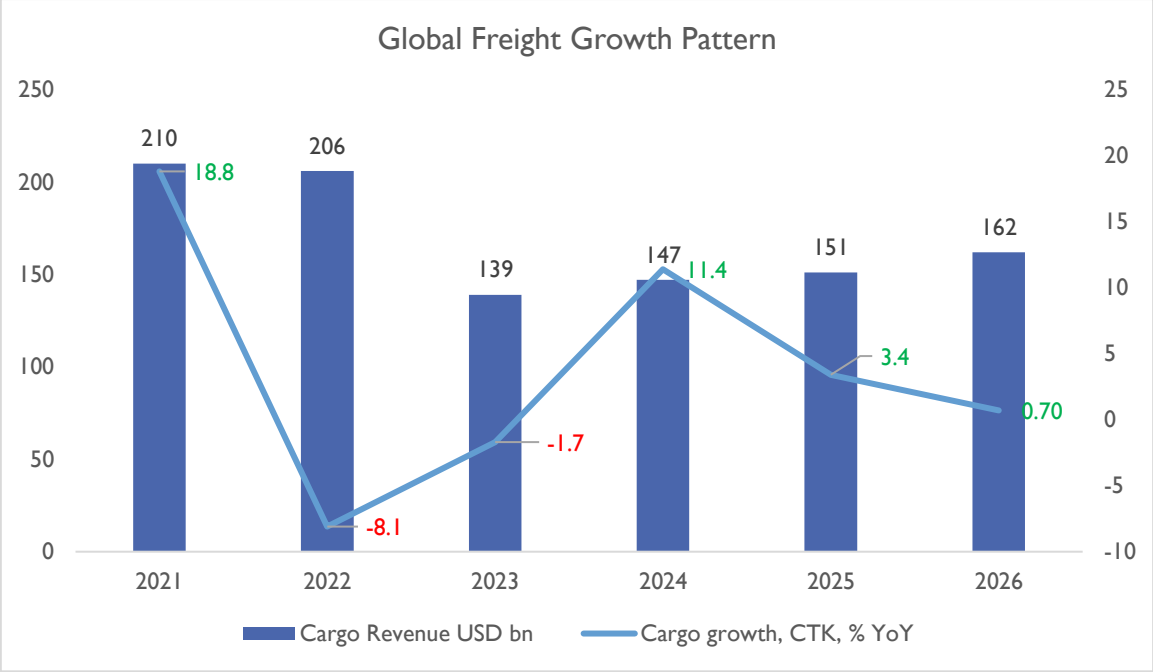

*Source: IATA Factsheet*

Passenger traffic growth remains positive across all major regions, although the pace varies considerably. Africa is expected to remain one of the fastest-growing markets, with projected traffic growth of 9.4% in 2025, followed by Asia-Pacific (7.8%), Latin America (7.0%) and the Middle East (6.8%). Europe is expected to grow by 5.3%, while North America is projected to record relatively modest growth of 0.4%, reflecting the maturity of the market and a higher post-pandemic recovery base.

Despite the moderation in growth rates, the aviation industry continues to benefit from resilient travel demand, rising passenger volumes and strong load factors. Industry forecasts indicate that passenger numbers will continue to expand through 2026, supported by ongoing growth in emerging markets, increasing international travel demand and continued expansion of airline networks, although macroeconomic conditions, fuel prices, supply-chain constraints and geopolitical developments remain key factors influencing medium-term growth prospects.

***Global Freight Traffic Growth Pattern***

Global air cargo markets have experienced a period of adjustment following the exceptional surge recorded during the pandemic years. Cargo revenues reached approximately U.S.$ 210 billion in 2021, before moderating to U.S.$ 206 billion in 2022 and U.S.$ 139 billion in 2023 amid weakening global trade conditions, inflationary pressures, geopolitical uncertainty, and normalization of supply chains. Despite these challenges, the industry has demonstrated resilience, with cargo revenues recovering to approximately U.S.$ 147 billion in 2024 and projected to increase further to U.S.$ 162 billion by 2026. The recovery reflects improving trade activity, continued growth in e-commerce, and the increasing role of air freight in time-sensitive supply chains.




*Source: IATA Factsheet*

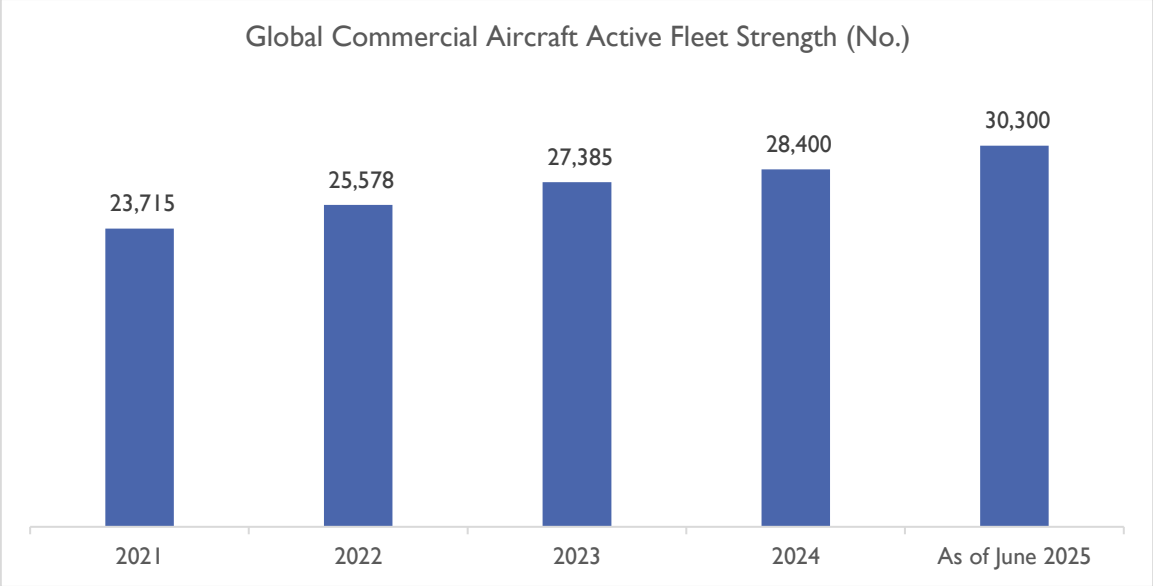
Cargo Tonne Kilometre ("**CTK**") growth exhibited significant volatility over the period. Following strong growth of 18.8% in 2021, the industry recorded a contraction of 8.1% in 2022 and 1.7% in 2023, reflecting softer demand conditions and elevated economic uncertainty. However, freight markets rebounded in 2024, with CTKs increasing by 11.4%, before growth is expected to moderate to 3.4% in 2025 and 0.7% in 2026 as the market returns to more normalized growth levels.

The recovery in cargo demand has been supported by the gradual normalization of global trade flows, continued expansion of cross-border e-commerce, supply-chain diversification efforts, and growing demand for high-value and time-sensitive shipments. Although growth rates are expected to moderate over the forecast period, air cargo continues to remain an integral component of global logistics networks due to its speed, reliability, and ability to support international supply chains.

The long-term outlook for air cargo remains positive, supported by structural growth drivers including e-commerce expansion, demand for express logistics services, increasing globalization of supply chains, and the need for rapid transportation of high-value goods. As global trade volumes continue to recover and digital commerce expands across both developed and emerging markets, air cargo is expected to maintain a critical role in supporting international commerce and logistics.

***Global Commercial Aircraft Fleet***

The global commercial aircraft fleet has demonstrated a strong recovery and expansion trajectory following the disruption caused by the COVID-19 pandemic. Fleet size increased from approximately 23,715 aircraft in 2021 to 30,300 aircraft as of June 2025, reflecting the sustained recovery in passenger traffic, airline capacity expansion, and growing demand for air transportation worldwide. The increase also highlights the aviation industry's ability to restore operational capacity while adapting to evolving market conditions and changing passenger demand patterns.




*Source: IATA and Industry Sources*

Following the pandemic-induced contraction, airlines progressively reactivated grounded aircraft and resumed fleet expansion programmes to accommodate the recovery in global air travel. Fleet growth accelerated between 2022 and 2025, supported by improving airline profitability, rising passenger volumes, and the return of international traffic across major aviation markets. During this period, carriers also continued investing in newer-generation aircraft that offer improved fuel efficiency, lower operating costs, and reduced environmental impact.

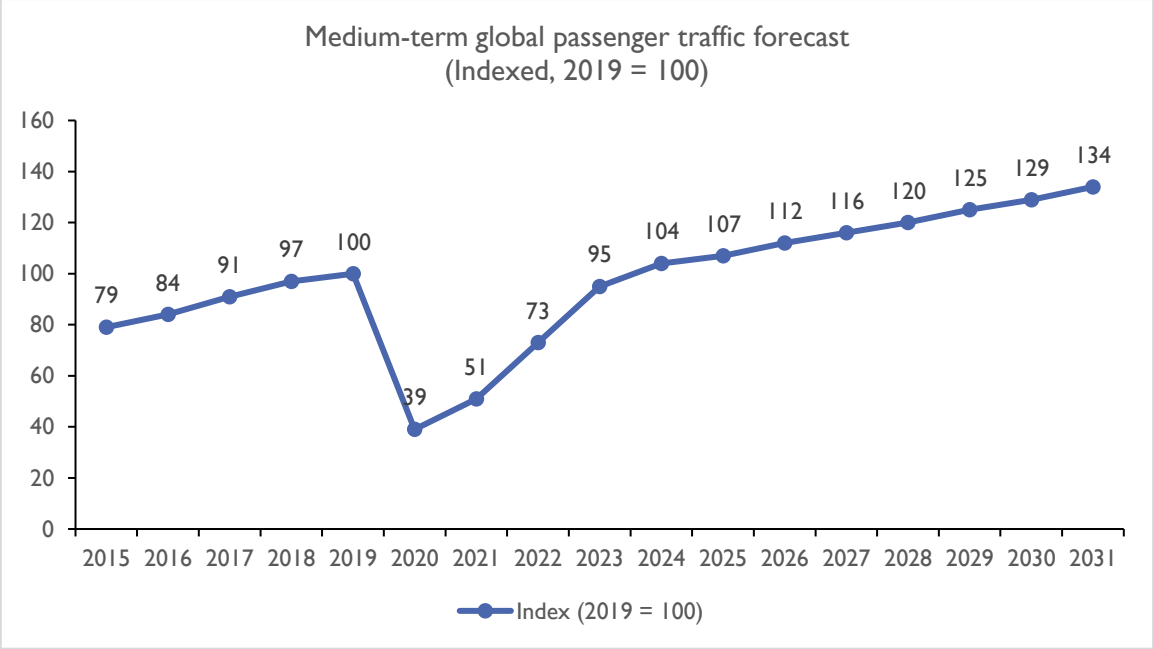
The commercial aviation sector continues to place significant emphasis on fleet modernisation. Airlines are increasingly replacing older aircraft with fuel-efficient narrow-body and wide-body platforms, while aircraft manufacturers maintain substantial order backlogs supported by long-term fleet replacement requirements. The focus on sustainability, operational efficiency, and regulatory compliance is expected to remain a key driver of future fleet investment decisions.

Growth in fleet size has also been supported by increasing aviation activity in emerging markets, particularly across Asia-Pacific, the Middle East and other high-growth regions where rising passenger demand continues to drive capacity additions. While supply-chain constraints and aircraft delivery delays remain industry challenges, the long-term outlook for the global commercial aircraft fleet remains positive, supported by expanding passenger traffic, increasing connectivity, and continued investment in aviation infrastructure and technology.

***Expected Growth: Passenger Traffic***

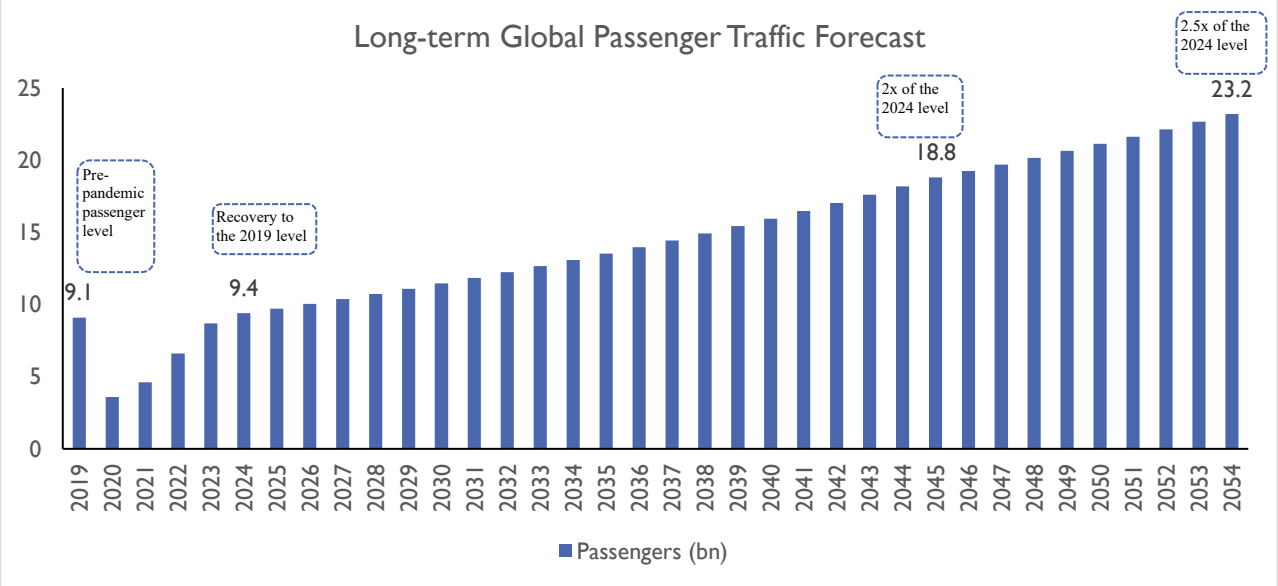
Global passenger traffic has fully recovered from the disruption caused by the COVID-19 pandemic and has entered a sustained growth phase. According to ACI World Airport Traffic Forecasts 2025 to 2054, passenger traffic in 2024 exceeded pre-pandemic (2019) levels by approximately 4% and is projected to be approximately 34% higher than 2019 levels by 2031. This indicates that the aviation industry has moved beyond the recovery phase and is now entering a period of structurally driven growth supported by rising mobility, increasing disposable incomes, stronger global connectivity and expanding air travel demand across emerging markets

The recovery in global aviation has been underpinned by the reopening of international markets, restoration of airline capacity, and strong consumer demand for both leisure and business travel. As airline networks have normalised, passenger traffic has returned to a long-term growth trajectory, supported by rising mobility across both developed and emerging economies. The aviation sector continues to benefit from increasing travel propensity, urbanisation, rising disposable incomes, and expanding access to air transport services




*Source: ACI World Airport Traffic Forecasts 2025 to 2054*

Over the medium term, passenger traffic growth is expected to be driven particularly by emerging markets, where economic development, infrastructure investment and expanding middle-class populations continue to stimulate demand for air travel. Airlines and airports are responding through capacity expansion, fleet modernisation, network development and investments in operational efficiency to accommodate future passenger growth.




*Source: ACI World Airport Traffic Forecasts 2025 to 2054*

The long-term outlook remains robust. Global passenger traffic is projected to increase from approximately 9.4 billion passengers in 2024 to approximately 18.8 billion passengers by 2045, representing roughly two times the 2024 level. Passenger volumes are forecast to continue expanding thereafter, reaching approximately 23.2 billion passengers by 2054, or around 2.5 times the 2024 level. This sustained growth reflects the continuing importance of aviation in supporting economic activity, tourism, trade, and global connectivity over the coming decades

Growth will continue to be supported by expanding aviation markets, increasing passenger mobility, ongoing airport infrastructure development, technological improvements, and the growing integration of air transportation

into global economic and social activity. While macroeconomic conditions, geopolitical developments, sustainability requirements and infrastructure constraints may influence growth patterns across regions, the long-term outlook for global passenger traffic remains strongly positive.

***Recent Developments: Air Freight Traffic***

The air freight industry is currently undergoing a significant technological transformation, shifting away from outdated mainframe systems to more sophisticated and customizable interfaces. This evolution encompasses various operational areas, including aircraft operations, revenue accounting, and network planning. The adoption of advanced technologies such as cool-chain technology, robotics, automated systems, artificial intelligence (AI), Big Data, deep learning, the Internet of Things ("**IoT**"), and augmented and virtual reality is expected to drive substantial progress in the global air freight market over the forecast period.

***Technological Advancements in Air Freight***

The air freight industry continues to undergo rapid digital transformation through the adoption of advanced analytics, artificial intelligence ("**AI**"), Internet of Things (IoT)-enabled cargo monitoring, robotics, warehouse automation, and digital data-sharing platforms. Industry initiatives such as IATA ONE Record are expected to improve shipment visibility, operational efficiency, and information exchange across the air cargo value chain. Temperature-controlled logistics solutions continue to play a critical role in supporting pharmaceutical, healthcare, biotechnology, and perishable-product supply chains, while enhanced tracking technologies are improving cargo integrity and operational transparency.

**Digital Cargo Platforms**: Industry-wide digitalisation initiatives are improving data sharing, shipment visibility, and process efficiency across airlines, freight forwarders, handlers, and shippers.

**Cool-Chain Technology**: Advanced temperature-controlled logistics infrastructure supports the transportation of pharmaceuticals, vaccines, biotechnology products, and perishables.

**Robotics and Automation**: Automated cargo handling, sorting, and warehouse systems are helping improve throughput, efficiency, and operational accuracy.

**Artificial Intelligence and Analytics**: AI-enabled forecasting, route optimisation, predictive maintenance, and capacity management are supporting improved decision-making and operational planning.

**IoT and Real-Time Monitoring**: Connected sensors enable real-time monitoring of cargo location and shipment conditions, improving reliability and visibility.

**Digital Documentation and Data Exchange**: Adoption of electronic documentation and standardised information-sharing frameworks is reducing manual processes and improving supply-chain efficiency.

***Air Freight's Role in Global Trade***

Air freight is indispensable for transporting both non-perishable items, such as jewellery, apparel, and automobile components, and perishable goods like fruits, vegetables, and meats that require rapid delivery. The industry's efficiency is particularly crucial for the distribution of vaccines and other temperature-sensitive products, supported by advanced temperature-controlled systems and state-of-the-art tools.

Advantages Over Other Transportation Modes:

Speed: Unlike rail, road, or marine transportation, which can take days or weeks, air freight offers unparalleled speed, significantly reducing delivery times.

Security: Air freight provides a high level of security for valuable and sensitive goods, reducing the risk of theft and damage compared to other transportation methods.

Reduced Packaging Needs: The ability to transport goods quickly allows for lighter packaging requirements, as there is less need for protective packaging compared to slower modes of transport.

Consolidated Services: The increasing popularity of consolidated air freight services, which combine multiple shipments into a single load, enhances cost-efficiency and streamlines logistics.

Overall, these technological advancements and operational advantages are expected to drive growth in the air freight market, making it a crucial component of global supply chains and trade. The integration of modern technologies and the inherent benefits of air freight ensure that the industry remains competitive and responsive to evolving market demands.

***Drivers of Air Freight Market Growth***

**Rising Popularity of Consolidated Air Freight Services**

Air freight service companies offer four primary delivery alternatives: charter, standard, postponed, and consolidated services. Among these, consolidated air freight has gained notable popularity due to its cost-effectiveness and operational efficiency.

Cost-Effectiveness and Operational Efficiency:

Cost Savings: Consolidated air freight allows clients to combine their shipments with others to create a full load, which significantly reduces per-unit transportation costs. By pooling multiple shipments, businesses can benefit from lower shipping rates compared to sending each shipment individually.

Consistent Timetables: Consolidated services often come with regular schedules, which enables businesses to plan their supply chains with greater precision and reliability. This consistency is particularly advantageous for managing inventory and meeting customer expectations.

Economic Advantage for Airlines: For transportation service providers and airlines, flying an aircraft with a full load of consolidated cargo is more economically viable than operating flights with partial loads. This efficiency reduces operational costs and enhances profitability.

**Impact on Market Growth:** The trend toward consolidated air freight is expected to significantly propel the global air freight market forward. Its ability to offer faster and safer transportation while reducing costs makes it an attractive option for businesses looking to optimize their logistics and supply chain operations.

***Opportunities***

**Significant Growth in the E-Commerce Sector**

The rapid expansion of e-commerce presents a substantial growth opportunity for the air freight industry.

E-Commerce Impact:

Increased Demand for Speed: E-commerce has revolutionized consumer expectations, with a growing demand for faster delivery times. Air freight is particularly well-suited to meet these demands, providing quick and reliable delivery services.

E-Commerce Volumes: According to IATA, global e-commerce remained one of the key drivers supporting air cargo demand in 2025. The continued growth of cross-border online retailing, parcel shipments, and express logistics services has contributed to record global air cargo volumes and strengthened demand for time-critical transportation solutions.

Global Trade Contribution: Air cargo continues to play a critical role in global trade, carrying goods that account for more than one-third of world trade by value, despite representing a relatively small share of global trade volumes. High-value products such as electronics, pharmaceuticals, healthcare products, aerospace components, and express consignments continue to rely heavily on air transportation.

Future Growth Driver: As online retailing and cross-border e-commerce continue to expand, they are expected to remain key drivers of growth for the air freight market. The sector's ability to transport large volumes of small,

time-sensitive shipments aligns well with the evolving requirements of e-commerce platforms, logistics providers, and end consumers.

**Growing Attention to Supply Chain Optimization**

The increasing focus on supply chain optimization and transformation is further propelling the air freight market. Key Factors Influencing Growth:

Diversification and Risk Reduction: Businesses are diversifying their supply chains to mitigate risks and ensure more resilient operations. This diversification includes a greater reliance on air freight to ensure quick and reliable delivery across global networks.

Supply Chain Reconfiguration: According to IATA, supply-chain reconfiguration and changing trade corridors were among the key factors supporting cargo demand growth in 2025. Businesses continue to utilise air freight to respond quickly to changing trade patterns and logistics requirements.

E-Commerce and Omnichannel Logistics: The booming e-commerce sector and the demand for rapid delivery services are driving businesses to incorporate air freight as a key component of their omnichannel strategies. Airlines are expanding their services to provide end-to-end solutions, enhancing the market's growth prospects.

**Technological Advancements:**

Modernization and Automation: The adoption of advanced technologies such as artificial intelligence (AI), advanced analytics, robotics, warehouse automation, IoT-enabled monitoring systems, and digital cargo platforms is transforming air freight operations. Industry initiatives such as IATA ONE Record are supporting greater visibility, operational efficiency, and information sharing across the global air cargo ecosystem.

***Threats and Challenges***

**High Costs Associated with Air Freight Solutions**

Despite its advantages, air freight comes with notable cost challenges that can constrain market growth.

Key Cost Factors:

Weight and Volume Pricing: Air freight costs are primarily determined by the greater of the actual or volumetric weight of the cargo. This pricing model can lead to high expenses, particularly for large or heavy shipments.

Additional Charges: Beyond basic transportation costs, air freight pricing often includes additional expenditures such as fuel surcharges, terminal handling fees, security surcharges, and airport transfers. These supplementary costs can add significantly to the overall expense.

Service Fees: For comprehensive door-to-door delivery, additional charges may apply, including pickup and delivery fees, cargo insurance, customs brokerage, and other accessorial charges.

Fuel Price Volatility: Air cargo operations remain highly sensitive to fluctuations in aviation fuel prices. According to IATA, fuel costs continue to represent one of the most significant operating expenses for the aviation industry, with changes in fuel prices directly influencing freight rates and transportation costs.

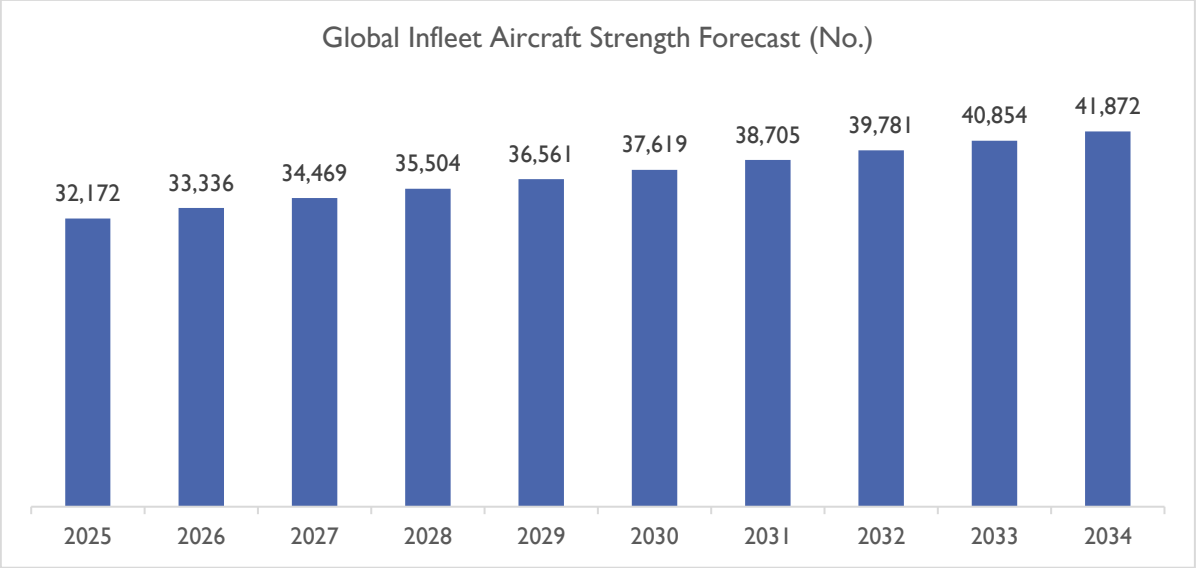
Capacity and Supply Chain Constraints: Aircraft delivery delays, supply-chain bottlenecks, labour shortages, and capacity limitations can increase operating costs across the air cargo value chain and place upward pressure on freight rates

**Market Implications:** The relatively high cost of air freight compared with alternative transportation modes such as ocean, rail, and road transport remains a key restraint on market growth. As a result, air cargo is generally preferred for high-value, time-sensitive, perishable, or mission-critical shipments, while lower-value and less time-sensitive goods may continue to rely on more economical transportation alternatives. Nevertheless, the

speed, reliability, and global connectivity offered by air freight continue to make it an essential component of international trade and modern supply chains.

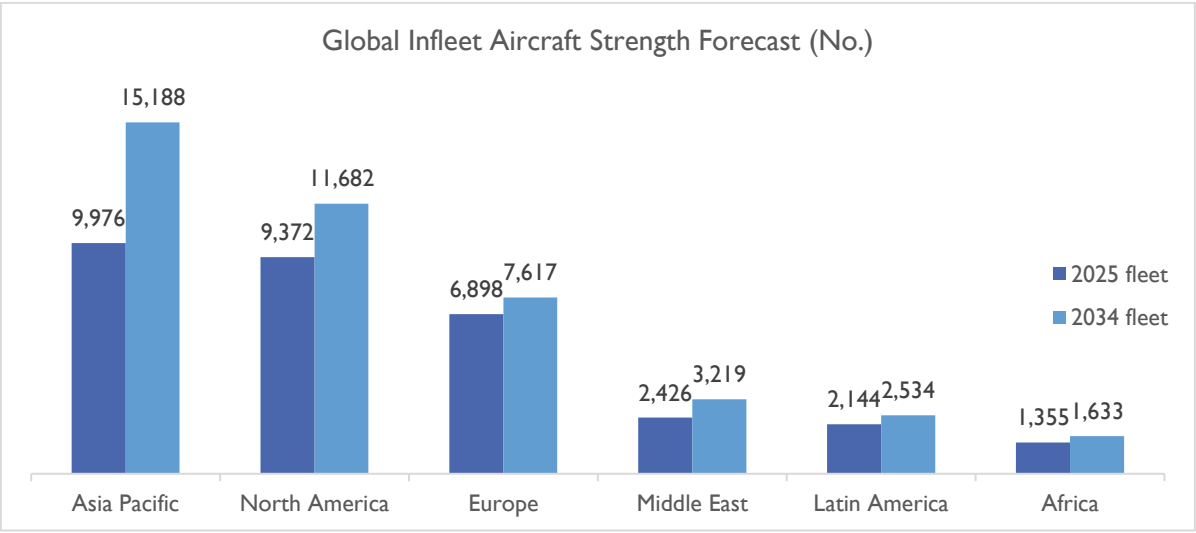
***Expected Growth: Aircraft Fleet***

The global commercial aircraft fleet is forecast to grow steadily over the next decade, increasing from approximately 32,172 aircraft in 2025 to 41,872 aircraft by 2034, reflecting continued growth in passenger demand, fleet renewal requirements, rising air connectivity, and expansion of airline networks across both developed and emerging markets.




*Source: IATA Conference- Alton Aviation Consultancy*

This growth is expected to be supported by increasing air travel demand, particularly across emerging economies where rising disposable incomes, urbanisation, and expanding middle-class populations continue to drive passenger traffic growth. Fleet expansion is also being supported by the ongoing replacement of older aircraft with newer-generation models offering improved fuel efficiency, lower operating costs, and reduced environmental impact. As airlines continue to modernise their fleets, investments in next-generation aircraft are expected to remain a key industry priority.




*Source: IATA Conference- Alton Aviation Consultancy*

Regional fleet growth patterns highlight the differing stages of aviation market maturity across the world. The Asia-Pacific region is expected to remain the largest commercial aircraft market, with the in-fleet aircraft count increasing from approximately 9,976 aircraft in 2025 to 15,188 aircraft by 2034. North America is forecast to remain the second-largest market, while Europe, the Middle East, Latin America, and Africa are also expected to record steady fleet expansion over the forecast period. Growth across these regions will continue to be supported by increasing passenger traffic, airline network expansion, and investments in airport and aviation infrastructure.

The industry's continued focus on sustainability, operational efficiency, and fleet modernisation is expected to further support long-term fleet growth. Airlines are increasingly incorporating fuel-efficient narrow-body and wide-body aircraft into their operations, while manufacturers continue to maintain substantial order backlogs supported by both fleet replacement and capacity expansion requirements. As a result, the global commercial aircraft fleet is expected to expand not only in size but also in efficiency, supporting the long-term growth of the aviation industry.

**Indian Aerospace Industry**

India's civil aviation sector is among the nation's fastest-growing industries and is projected to experience significant growth in the coming years. India has emerged as the world's third-largest[15] domestic aviation market, supported by rising passenger demand, expanding airport infrastructure and continued policy support, reflecting a strong and sustained growth trajectory.

Domestic traffic continues to account for a significant share of aviation activity in India. In FY25, Indian airports handled approximately 412 million passengers, and passenger traffic is projected to increase to 665[16] million passengers by FY31, reflecting continued growth in air travel demand and airport capacity expansion across the country.

The Airports Authority of India ("**AAI**") manages 137 airports, including 24 international, 80 domestic, 23 domestic defence airfields, and 10 customs airports. While India has a total of 450 airstrips, only 100 are fully operational. Major metropolitan airports such as Delhi, Mumbai, Kolkata, Chennai, Hyderabad, and Bangalore lead the aviation sector, representing 62% of the country's total aviation market.

Growth in Indian air passenger traffic

India's aviation sector continues to witness strong growth, supported by rising disposable incomes, expanding air connectivity, increasing tourism activity, and the continued penetration of low-cost carriers. The country remains one of the fastest-growing aviation markets globally, with passenger traffic increasing from approximately 327.3 million in Fiscal 2022 to Fiscal 2023 to 420.1 million in Fiscal 2025 to Fiscal 2026, representing a CAGR of 6.4% over the period. This sustained growth reflects the increasing importance of air transport in supporting economic activity, regional connectivity, and passenger mobility across the country.

India's aviation infrastructure has expanded significantly over the last decade. The number of operational airports increased from 74 in 2014 to 164[17] in 2025, supported by continued investments in airport infrastructure, regional connectivity and air navigation services. Meanwhile, as India celebrates hundred years of independence in 2047, the government's vision is to increase airports to 350 to 400[18] by then.

Since the beginning of the new millennium, passenger traffic in India has expanded significantly, driven by rising incomes, urbanisation, growing business travel, and increasing demand for leisure travel. The continued

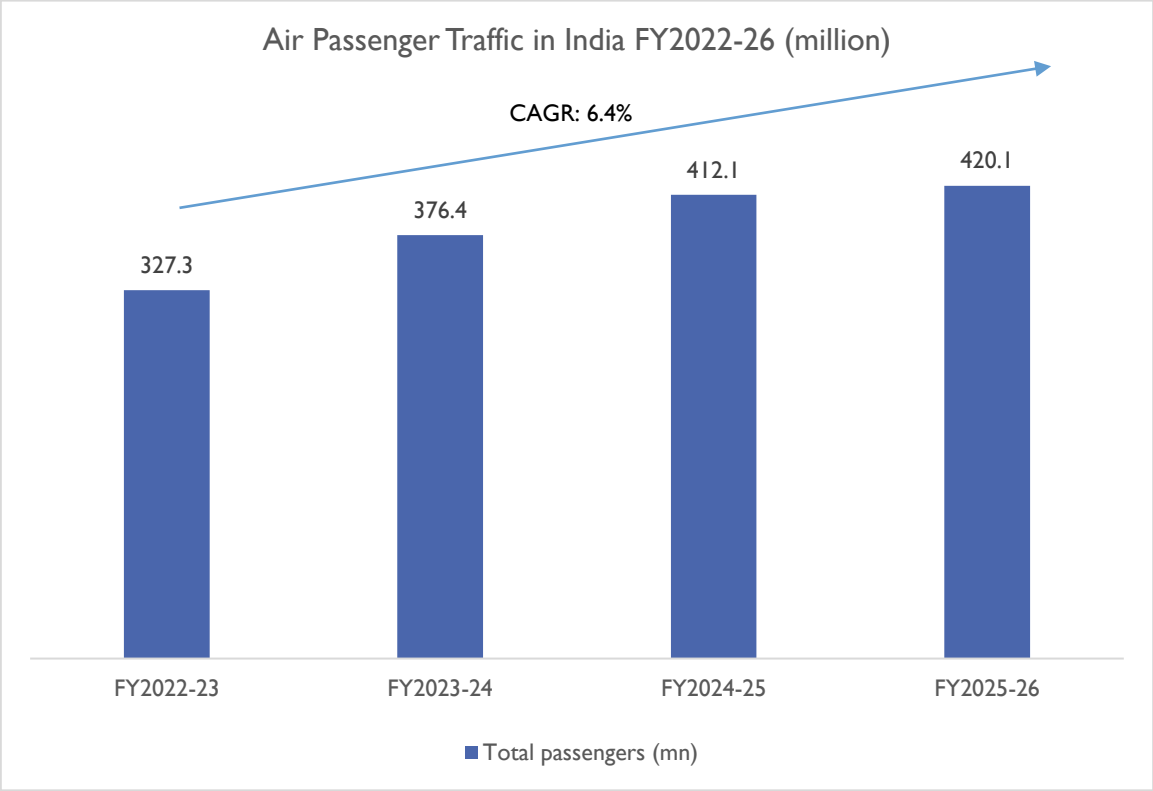
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development of airport infrastructure and enhanced connectivity to Tier-II and Tier-III cities have further expanded access to air transportation and supported long-term market growth.

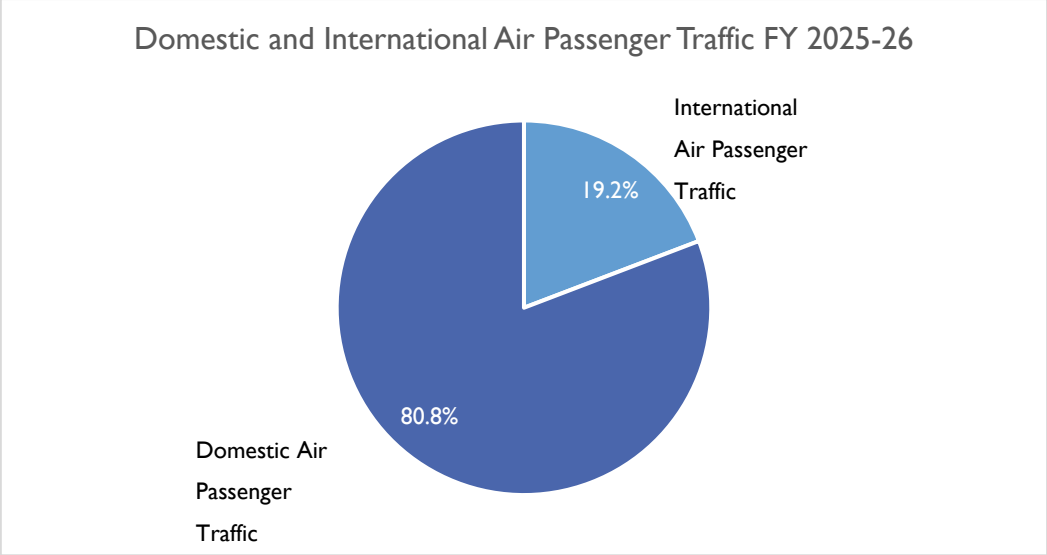



*Source: Airports Authority of India (AAI)*

According to Airports Council International (ACI), Delhi's Indira Gandhi International Airport continues to rank among the world's busiest airports by passenger traffic, highlighting India's growing importance within the global aviation ecosystem. The country's expanding aviation infrastructure and increasing passenger base are expected to further strengthen its position as one of the world's leading aviation markets.

Since the beginning of the new millennium, there has been a robust growth in passenger traffic. This growth can be attributed to several factors, including rising incomes, which increase people's ability to afford air travel, and the expansion of low-cost carriers ("**LCCs**"). These LCCs have made air travel more accessible to a broader segment of the population by offering more affordable flight options.

According to the Airports Council International (ACI), Delhi's Indira Gandhi International Airport was ranked 10th among the world's top 10 busiest airports by passenger traffic. This high ranking underscores the significant volume of traffic passing through Delhi, reflecting its status as a major global aviation hub.

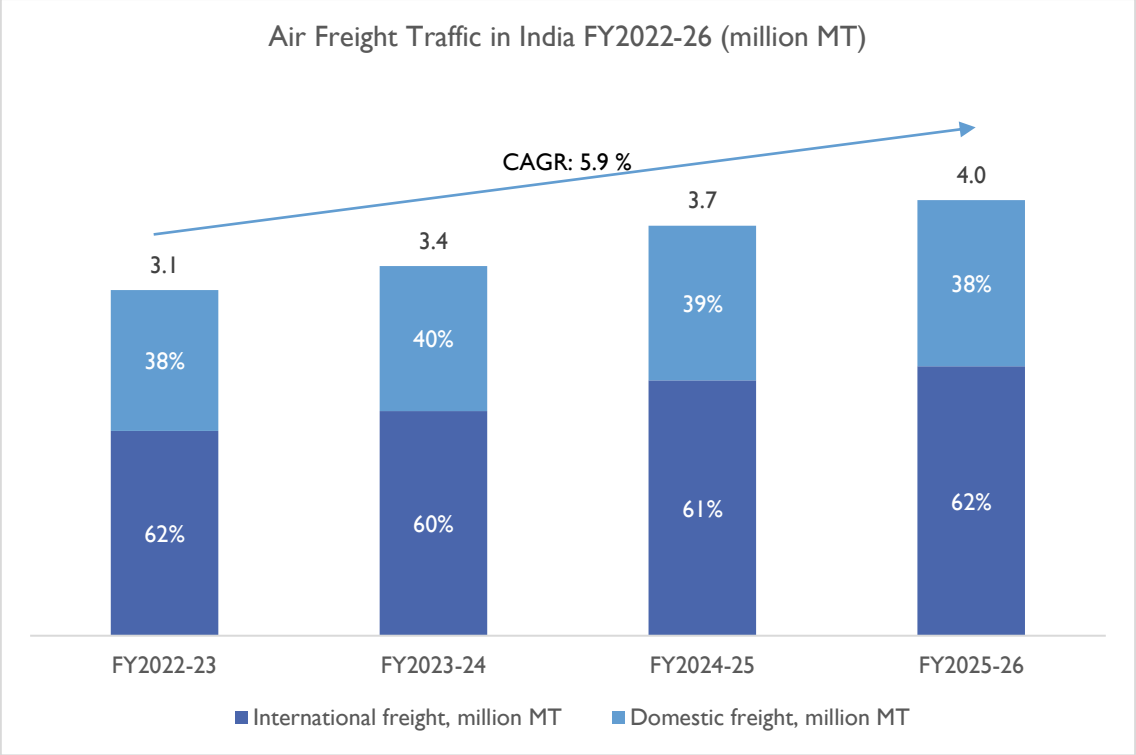



*Source: AAI Annual Reports*

Domestic passenger traffic continues to dominate the Indian aviation market. In Fiscal 2025 to Fiscal 2026, domestic passengers accounted for approximately 80.8% of total passenger traffic, while international passengers contributed 19.2%. The strong share of domestic traffic reflects the scale of India's internal aviation market, while the continued growth of international traffic is supported by increasing global connectivity, tourism, business travel, and expanding international airline operations.

***Growth in Indian freight traffic***

India's air freight sector continues to witness steady growth, supported by increasing trade activity, expanding e-commerce demand, and continued investments in cargo infrastructure. Total air freight traffic is estimated to increase from approximately 3.1 million MT in Fiscal 2022 to Fiscal 2023 to 4.0 million MT in Fiscal 2025 to Fiscal 2026, representing a CAGR of 8.9% over the period. The growth reflects the increasing importance of air cargo in supporting domestic consumption, international trade, and time-sensitive logistics requirements.




*Source: AAI Annual Reports*

International freight continues to account for the majority of air cargo traffic in India. During Fiscal 2025 to Fiscal 2026, international freight is estimated to contribute approximately 62% of overall air freight traffic, while domestic freight accounts for the remaining 38%. The strong contribution from international cargo highlights India's growing integration with global trade and supply-chain networks.

Growth in freight traffic has been supported by rising cross-border trade, increasing demand for express logistics services, and the continued expansion of e-commerce. Ongoing investments in cargo-handling infrastructure, warehousing facilities, and airport cargo terminals are also helping improve operational efficiency and support higher cargo volumes across the country.

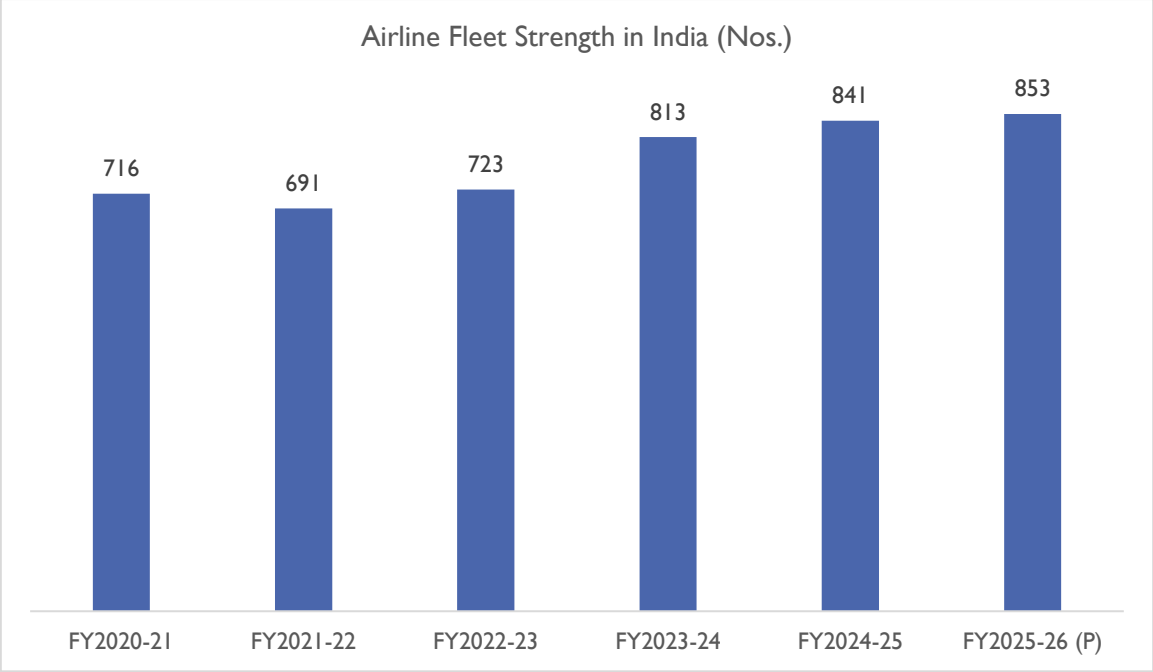
India's major airports continue to strengthen their role as cargo gateways. The development of cargo transshipment facilities, enhanced connectivity, and investments in logistics infrastructure are expected to further improve cargo movement efficiency and support long-term growth in air freight traffic.

***Airline Fleet in India***

From Fiscal 2020 to Fiscal 21 to Fiscal 2025 to Fiscal 2026, the aircraft fleet in India has undergone notable changes, reflecting both adjustment and subsequent expansion in response to changing market conditions and growing air travel demand.

Fiscal 2020 to Fiscal 21 and Fiscal 2021 to Fiscal 22 were characterised by disruptions arising from the COVID-19 pandemic, which affected airline operations, fleet utilisation and capacity expansion plans. During this period, total fleet strength fluctuated from 716 aircraft in Fiscal 2020 to Fiscal 2021 to 691 aircraft in Fiscal 2021 to Fiscal 2022, reflecting the operational and financial challenges faced by airlines across the sector.

As demand for air travel recovered, fleet expansion resumed. Total fleet strength increased to 723 aircraft in Fiscal 2022 to Fiscal 2023 and further to 813 aircraft in Fiscal 2023 to Fiscal 2024, supported by increasing passenger traffic, capacity additions and continued aircraft induction by Indian carriers. The growth trend continued with fleet strength reaching 841 aircraft in Fiscal 2024 to Fiscal 2025 and 853 aircraft in Fiscal 2025 to Fiscal 2026.




*Source: Economic Survey*[19]

The Ministry of Civil Aviation reported that the fleet of scheduled and scheduled commuter operators increased from 771 aircraft as of 31 December 2023 to 834 aircraft as of 31 December 2024, reflecting continued fleet induction by Indian carriers to cater to growing domestic and international air travel demand. The Ministry further noted that major Indian airlines have placed substantial aircraft orders to support long-term growth and network expansion.

***Air Passenger Traffic in India***

***Key Drivers***

**Tourism Industry: Domestic and International**

According to the World Travel & Tourism Council ("**WTTC**"), India was among the world's leading Travel & Tourism economies in 2024, with the sector contributing approximately ₹21 trillion to GDP and supporting over 46 million jobs. WTTC expects the sector to continue expanding over the coming years, supported by rising domestic travel demand, improving tourism infrastructure, and increasing international arrivals.

The Indian travel market is expected to expand from approximately ₹ 6,225 billion (U.S.$ 75 billion) in FY20 to ₹ 10,375 billion (U.S.$ 125 billion) by FY27. The airline sector, valued at around ₹ 1,660 billion (U.S.$ 20 billion), is projected to double in size by FY27, bolstered by improvements in airport infrastructure and increased passport accessibility. The hotel market, including domestic, inbound, and outbound segments, was valued at roughly ₹ 2,656 billion (U.S.$ 32 billion) in FY20 and is anticipated to reach about ₹ 4,316 billion (U.S.$ 52 billion) by FY27, driven by rising demand from travellers and the efforts of travel agents.

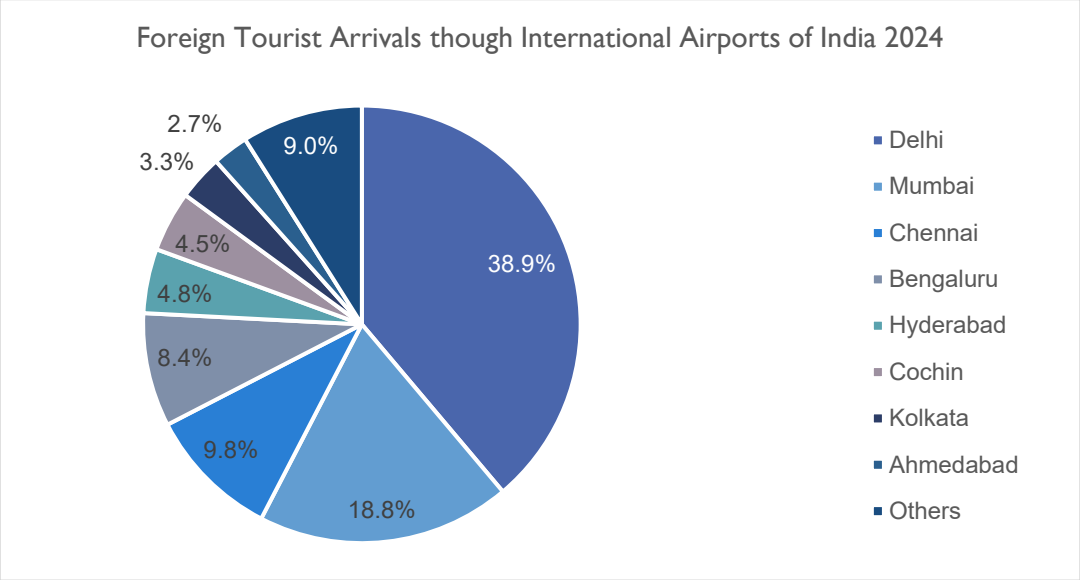
The tourism sector also continues to attract significant investment. The cumulative FDI equity inflow into the hotel and tourism sector from April 2000 to March 2024 stood at approximately U.S.$ 17.2 billion, highlighting growing investor confidence in India's travel and hospitality ecosystem.

According to the Ministry of Tourism, Foreign Tourist Arrivals ("**FTAs**") increased from 9.24 million in 2023 to 9.52 million in 2024. International airports remain the primary gateway for inbound tourism, with Delhi

[19] https://www.indiabudget.gov.in/economicsurvey/doc/stat/tab1.29.pdf

accounting for 38.9% of airport-based FTAs, followed by Mumbai (18.8%) and Chennai (9.8%). The continued recovery in inbound tourism is expected to support both domestic and international air passenger traffic.

The leading airports for FTAs in December 2024 included:




*Source: Ministry of Tourism: India Tourism Data Compendium 2025*

Domestic visitor spending increased by 20.4% in 2022, though it remained 14.1% below 2019 levels. International visitor spending rose by 81.9% in 2022 but was still 40.4% short of pre-pandemic figures. The cumulative FDI equity inflow into the hotel and tourism sector from April 2000 to March 2024 was ₹ 1,428 billion (U.S.$17.2 billion), representing 2.54% of the total FDI inflows across all sectors.

**Business travel**

India's business travel sector remains one of the largest and fastest-growing markets in the Asia-Pacific region. Growing economic activity, increasing domestic and international business engagement, expanding manufacturing capabilities, and continued growth in knowledge-based industries continue to support demand for business travel across the country.

The meetings, incentives, conferences and exhibitions ("**MICE**") segment is emerging as an important contributor to passenger traffic growth. Expansion of convention infrastructure, increasing international events, corporate travel demand, and growth in professional services continue to support air travel demand across major commercial centres.

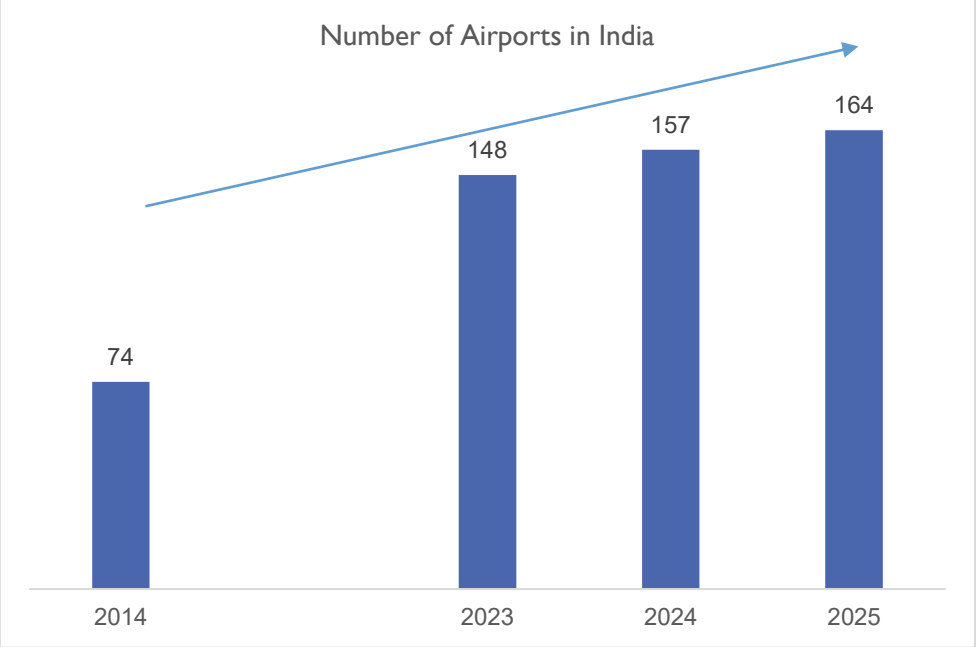
India's business travel market is expected to maintain strong growth over the medium term, driven by continued economic expansion, increasing foreign investment, and greater integration with global supply chains. Improved airport connectivity and increased airline capacity are expected to further strengthen the growth of corporate travel.

**Improvement in air connectivity & airport infrastructure**

Airports play a critical role in supporting economic growth, regional development, and international competitiveness. India has witnessed significant progress in airport infrastructure over the past decade, supported by sustained investments in airport development and aviation connectivity.

The number of operational airports increased from 74 in 2014 to 164 in 2025, supported by continued investments in airport infrastructure, regional connectivity and air navigation services.

The Regional Connectivity Scheme ("**RCS-UDAN**") remains one of the key drivers of aviation growth. The scheme has expanded air connectivity to underserved and unserved destinations, improving accessibility while supporting regional economic development and tourism growth. By connecting smaller cities to the national aviation network, UDAN has contributed significantly to passenger traffic growth.




*Source: Press Information Bureau and Economic Survey*

The sector is also increasingly focused on sustainability. Airports across India are investing in renewable energy adoption, carbon reduction initiatives, and environmentally sustainable airport operations as part of the broader aviation industry's commitment to long-term sustainable growth.

**Presence of low-cost airline travel options**

The continued expansion of low-cost carriers (LCCs) remains a major contributor to India's passenger traffic growth. Competitive fares, growing route networks, and higher flight frequencies have made air travel increasingly accessible to a broader segment of the population.

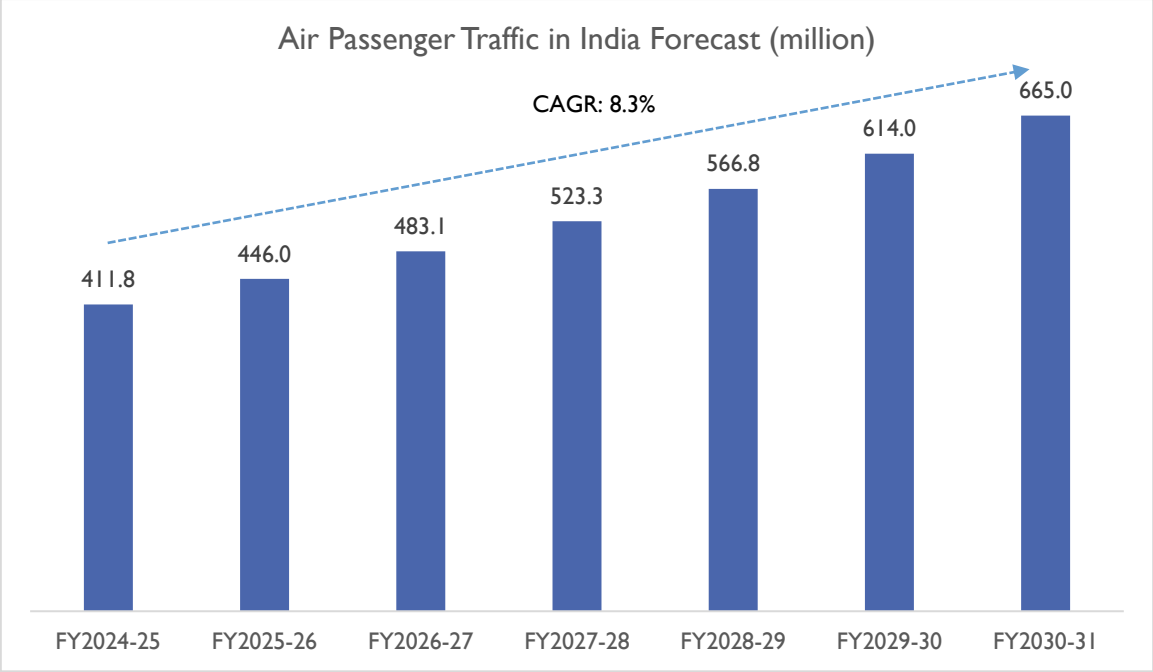
Low-cost airlines have played a significant role in stimulating demand from first-time flyers, leisure travellers, small and medium business travellers, and passengers travelling between regional centres. Their expanding presence has supported the growth of domestic air traffic and improved connectivity across the country.

The objectives of the UDAN scheme have complemented the growth of low-cost aviation by supporting regional connectivity and encouraging airlines to serve new destinations. Continued fleet expansion, network development, and increasing passenger affordability are expected to further strengthen the role of low-cost carriers in India's aviation sector.

As airlines continue to introduce new aircraft, expand their route networks, and improve connectivity, low-cost carriers are expected to remain one of the most significant drivers of passenger traffic growth in India.

***Expected Growth: Air Passenger Traffic***

By FY2030 to Fiscal 2031, air passenger traffic at Indian airports is projected to reach approximately 665 million passengers, compared with 411.8 million passengers in Fiscal 2024 to Fiscal 2025, implying a CAGR of approximately 8.3% over the period. This growth is expected to be supported by rising travel demand, airport-capacity expansion, regional connectivity and continued investment in aviation infrastructure, although short-term demand conditions and capacity constraints may influence the annual trajectory.




*Source: Economic Survey and D&B Analysis*

***Growth Drivers:***

Economic Growth: India's strong economic growth trajectory, characterized by rising incomes and a growing middle class, is a major driver of increased air travel. Economic stability and expansion are expected to continue supporting higher passenger numbers.

Infrastructure Investments: Significant investments in airport infrastructure, including the construction of new airports and the expansion of existing ones, will accommodate increased passenger traffic. Upgrades to facilities, technology, and passenger services are crucial for handling higher volumes efficiently.

Government Policies: Initiatives like the UDAN (Ude Desh Ka Aam Nagrik) scheme aims to enhance regional connectivity and make air travel more accessible. Continued support for such policies will drive growth in domestic passenger traffic.

Market Dynamics: The rise of low-cost carriers (LCCs) and increased competition in the aviation sector will contribute to growth. Additionally, increased connectivity and partnerships with international airlines will boost international traffic.

Global Trends: Global travel trends, including recovery from the COVID-19 pandemic, increased business travel, and growing international tourism, will support the expansion of both domestic and international air passenger traffic.

***Challenges***

Economic Uncertainty: Potential economic downturns or slowdowns could impact growth rates. Economic fluctuations may affect consumer spending on travel.

Regulatory Changes: Changes in aviation regulations, visa policies, or international relations could impact travel patterns and growth.

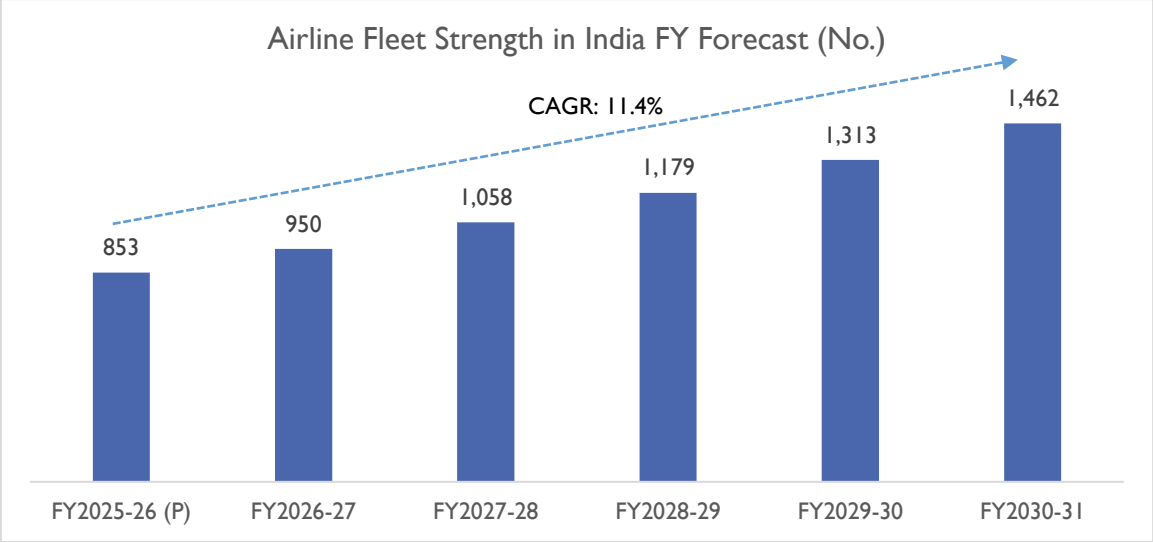
Environmental Concerns: Growing emphasis on sustainability and environmental regulations may affect the aviation sector. The industry's efforts to reduce carbon emissions and adopt greener practices will be important for long-term growth.

***Expected Growth: Airline Fleet Size in India***

India's fleet, currently just over 850 aircrafts, is projected to expand at nearly 11.4% annually over the next five years and is expected to reach 1,462 aircrafts.

Three major Indian carriers, namely Akasa Air, Air India and IndiGo, have placed substantial aircraft orders to support their domestic and international expansion plans. Air India has placed orders for 570 aircraft, including the original order for 470 aircraft in 2023 and an additional order for 100 Airbus aircraft in 2024. Akasa Air's order book comprises 226 Boeing 737 MAX aircraft, while IndiGo's order book includes nearly 1,000 undelivered A320-family aircraft and 60 firm Airbus A350-900 aircraft.[20]

The significant aircraft order books of Indian carriers are expected to support continued fleet expansion, although scheduled deliveries will also replace aircraft returned to lessors or retired from service.




Globally, commercial aircraft fleets are also expected to expand, although at a slower rate than India. The global aircraft-order backlog reached approximately 17,000 aircraft at the start of 2026, equivalent to nearly 12 years of production at prevailing manufacturing rates according to industry sources.

Despite strong travel demand, fleet expansion across mature markets is expected to remain comparatively moderate, as a larger proportion of new aircraft deliveries replaces ageing aircraft rather than adding incremental capacity. Supply-chain limitations, labour shortages, certification delays and durability issues affecting certain new-generation engines continue to constrain aircraft production and deliveries.

**Defence & Aerospace Component Industry**

The global aerospace and defence ("**A&D**") industry continued to experience strong demand during 2024 and 2025. In the aerospace segment, global passenger traffic reached record levels in 2024, exceeding pre-pandemic demand and supporting continued growth in aircraft production, aircraft components, MRO services, and aftermarket activities. In the defence sector, rising geopolitical tensions, military modernisation programmes, and increasing defence expenditure across major economies continued to support demand for defence equipment, weapons systems, avionics, propulsion systems, and next-generation technologies. Demand for aerospace and defence components is linked to the production, modernisation and maintenance of aircraft, aero engines, naval systems, land systems, missiles and space platforms. These applications require precision-engineered components manufactured using specialised materials and qualified processes.

[20] Disclosures and public filings of the respective entities

The positive outlook for A&D products and services is expected to continue over the medium term. Commercial aviation demand is projected to remain strong, supported by increasing passenger traffic, airline fleet expansion, and large aircraft order backlogs. Defence demand is also expected to remain resilient as countries continue to invest in military readiness, advanced technologies, unmanned systems, space capabilities, and defence modernisation initiatives. In addition, emerging markets such as advanced air mobility ("**AAM**"), autonomous systems, and aerospace digitisation are expected to progress further in testing, certification, and commercial deployment.

***Key Trends***

Increasing Demand for the Commercial Aircraft Segment

Rising Air Travel Rates: Global passenger traffic reached record levels in 2024 and remained above pre-pandemic levels, continuing to support demand for commercial aircraft

Higher Disposable Incomes: Rising disposable incomes and growing middle-class populations in emerging markets continue to support long-term growth in air travel demand.

Focus on Efficiency: Aircraft manufacturers continue to focus on reducing aircraft weight, improving fuel efficiency, and increasing the use of advanced materials such as composites, titanium alloys, and lightweight structures

Regional Growth: Demand for commercial aircraft is expected to remain particularly strong in Asia-Pacific and the Middle East, supported by growing passenger traffic and airline fleet expansion.

Future Deliveries: Boeing and Airbus continue to project demand for more than 40,000 new commercial aircraft over the next two decades, driven by fleet replacement and passenger traffic growth.

Continued growth in tourism, low-cost airline penetration, and regional connectivity across ASEAN markets is expected to support future aircraft demand.

Market Impact: Growth in passenger traffic and commercial aircraft production is expected to support demand for aerospace materials, precision components, forgings, castings, and engineered products used across the aerospace and defence supply chain. Aerospace, defence, industrial gas turbines and other high-performance engineering applications increasingly rely on common capability sets involving advanced materials, specialised castings and precision machining. These sectors require high-temperature, high-integrity components and depend on similar metallurgical and manufacturing capabilities. Thin-wall, large-format and controlled-microstructure castings often require substantial process development, testing and qualification before commercial production, which can limit the availability of qualified suppliers.

Supplier switching in aerospace and defence can involve renewed qualification, documentation, traceability and production-conformance requirements, which may lengthen transition timelines and increase execution complexity.

Engine-grade machining, coatings and finishing operations also require high levels of process control, repeatability, reliability and quality-system compliance, creating additional barriers for new entrants.

As these sectors continue to expand, demand for qualified suppliers with capabilities across multiple stages of the manufacturing value chain is expected to increase.

While these trends are expected to drive spending across both commercial aerospace and defence markets, companies continue to face challenges including supply-chain constraints, extended lead times, production bottlenecks, and workforce shortages. To address these challenges, companies are increasingly investing in digitalisation, automation, artificial intelligence, and advanced manufacturing technologies to improve operational efficiency and supply-chain resilience.

Even with ongoing improvements, supply-chain performance across the aerospace industry continues to face pressure from rapidly growing demand and aircraft production requirements.



Aircraft backlog has surpassed 17,000 aircraft, equivalent to nearly 12 years of current production capacity, highlighting the industry's ongoing challenge in scaling production and meeting demand. The resulting supply constraints continue to affect fleet expansion, renewal plans, and aircraft delivery timelines across the aviation industry.



The defence sector continues to witness strong demand driven by geopolitical tensions, military modernisation programmes, and rising defence expenditure across major economies. In 2025, global military expenditure reached approximately USD 2.77 trillion increasing by nearly 2.9% from 2024. However, the industry continues to face challenges in meeting elevated production requirements, particularly for munitions and critical defence equipment.



The space sector continues to experience growing demand, supported by increasing satellite deployments, commercial space missions, reusable launch technologies, and expanding private-sector participation. Investments in satellite communications, earth observation, defence applications, and space-based services continue to accelerate. As a result, companies operating across launch services, satellite manufacturing, and space infrastructure are expected to benefit from long-term growth opportunities within the global space economy

Despite strong long-term demand across aerospace, defence and related manufacturing sectors, supply-chain constraints continue to affect critical materials, castings and precision-engineered components. In many cases, capacity expansion is influenced not only by investment availability but also by specialised manufacturing know-how, qualification timelines, equipment availability and workforce capabilities, which can extend the time required to establish new qualified supply sources. Despite visible demand growth, bottlenecks can emerge across both critical-material processing and component manufacturing stages.

Integrated capability across advanced materials, forging or rolling, casting and machining remains difficult to establish and qualify. As a result, relatively few manufacturers possess end-to-end capabilities across the value chain, while fragmented suppliers may face greater coordination and qualification complexity when scaling production for aerospace and defence applications.

**Strategic Investment Activity in 2025**

Strategic investment activity in the aerospace and defence sector remained strong through 2025, supported by increasing defence expenditure, aerospace supply-chain consolidation, growing investment in space technologies, and demand for advanced capabilities. Companies continued to pursue acquisitions, mergers, and portfolio optimisation initiatives aimed at strengthening positions in commercial aerospace, defence systems, space technologies, advanced manufacturing, and mission-critical solutions.

Key Transactions[21]

[21] Disclosures and public filings of the respective entities

Boeing completed its acquisition of Spirit AeroSystems in December 2025, bringing key commercial aerostructure production capabilities back in-house and strengthening supply-chain stability across major aircraft programmes including the 737, 767, 777, and 787

Safran completed the acquisition of Collins Aerospace's flight control and actuation business in July 2025, strengthening its position in mission-critical flight control systems for commercial aircraft, military aircraft, helicopters, and future-generation aerospace platforms. The acquired business generated approximately U.S.$ 1.55 billion of revenue in 2024

Redwire completed its acquisition of Edge Autonomy in June 2025, expanding its presence across defence technology, autonomous systems, unmanned aerial platforms, and space-based capabilities, while strengthening its position in multi-domain defence solutions.

Triumph Group agreed to be acquired by Warburg Pincus and Berkshire Partners in a transaction valued at approximately U.S.$ 3 billion, highlighting continued private-equity interest in aerospace supply-chain and aircraft component businesses

***Threats & Challenges***

The threats & challenges faced by a company that manufactures and supplies metal components to defence & aerospace industry

**Regulatory Compliance**: Companies must adhere to strict regulations such as the International Traffic in Arms Regulations ("**ITAR**") and standards like AS9100. These regulations ensure the security, reliability, and quality of products supplied to the defence and aerospace sectors.

Compliance involves extensive documentation, audits, and adherence to specific production processes. Non-compliance can result in heavy fines, legal actions, and loss of business opportunities.

**Supply Chain Disruptions**: The supply chain for metal components is global, involving numerous suppliers and logistics providers. Disruptions can occur due to geopolitical tensions, natural disasters, pandemics, or logistical issues.

Delays in the supply chain can halt production, increase costs, and lead to missed deadlines. Companies must develop resilient supply chains and contingency plans to mitigate these risks.

**Technological Advancements**: The aerospace and defence sectors continue to evolve rapidly, requiring manufacturers to adopt advanced manufacturing technologies, automation, digital engineering, additive manufacturing, and next-generation production processes.

Certain advanced casting processes, including directionally solidified ("**DS**") and single-crystal ("**SX**") casting technologies, require specialised manufacturing expertise, process control and qualification capabilities, creating additional barriers to entry in high-temperature turbine and aerospace applications

**Cybersecurity Threats**: Cyber-attacks targeting the defence and aerospace industries can compromise sensitive data and intellectual property.

Companies must implement robust cybersecurity measures to protect against data breaches, espionage, and sabotage. This involves continuous monitoring, updating security protocols, and educating employees on cyber hygiene.

**Economic Fluctuations**: Economic slowdowns, interest-rate volatility, inflationary pressures, and changes in government spending priorities can affect demand across portions of the aerospace and defence value chain.

**Market Competition**: The defence and aerospace industries are highly competitive, with numerous domestic and international players vying for contracts. Companies need to maintain cost-efficiency, high quality, and innovation

to stay competitive. Building strong relationships with clients and continuously improving their offerings are key to gaining a competitive advantage.

**Workforce Challenges**: Skilled labor shortages and the need for continuous training to keep up with technological advancements are ongoing issues. Attracting, retaining, and training skilled workers is essential. Companies must invest in workforce development programs, offer competitive salaries, and create a positive work environment to address these challenges.

***Trends and Innovations in Aerospace and Defence Manufacturing:***

The aerospace and defence manufacturing sector continues to evolve in response to technological advancement, supply-chain transformation, sustainability requirements, and changing geopolitical priorities. Significant developments are occurring across areas such as advanced materials, additive manufacturing, automation, artificial intelligence (AI), digital manufacturing, and space technologies. These innovations are expected to influence future aerospace platforms, defence systems, and manufacturing processes.

***Advanced Materials Revolutionize Structures***

Advanced materials continue to play an increasingly important role in aerospace and defence manufacturing. Lightweight composites, advanced alloys, ceramic matrix composites, and next-generation engineered materials are helping improve strength, durability, thermal performance, and corrosion resistance while reducing weight. These developments support improved aircraft performance, fuel efficiency, payload capacity, and sustainability objectives. Research into nanomaterials and advanced material systems continues to support future aerospace and defence applications

***Artificial Intelligence Accelerates Engineering and Manufacturing***

Artificial intelligence is increasingly being integrated across aerospace and defence operations, supporting design engineering, predictive maintenance, manufacturing optimisation, quality control, supply-chain planning, and mission systems development. Aerospace and defence companies are expanding the use of AI-enabled tools to improve production efficiency, reduce development timelines, enhance decision-making, and improve operational performance. As adoption increases, AI is expected to play a growing role across both commercial aerospace and defence value chains

***Additive Manufacturing Transforms Production***

Additive manufacturing, or 3D printing, is becoming integral in creating aircraft and spacecraft components. NASA, for example, is exploring 3D printing for constructing spacecraft and planetary habitats using in-situ resources. As the technology evolves, additive manufacturing will become essential for rapid prototyping, producing low-volume parts, and designing complex components that traditional methods cannot achieve.

***Automation and Robotics Enhance Efficiency***

Automation and advanced robotics are increasingly being utilized on the factory floor. While human workers remain crucial for specialized tasks, collaborative robots are automating dangerous, repetitive jobs safely. This technology is enhancing precision and efficiency in manufacturing. Major defence companies are also expanding their use of intelligent robotics for tasks such as cutting, welding, painting, material handling, and quality control.

***Connected Factories Enable Data-Driven Decisions***

Connected manufacturing leverages the Industrial Internet of Things ("**IIoT**"), big data analytics, and artificial intelligence (AI) to provide comprehensive system-wide data. Networked sensors offer real-time insights into equipment health, inventory levels, and supply chain flows. AI supports decision-making by identifying production issues early and optimizing processes based on continuous data. The goal is to create autonomic factories that adjust workflows dynamically to maximize efficiency and output quality.

***Sustainability Becomes Essential***

Sustainable manufacturing practices are gaining prominence as the defence industry is a major consumer of energy and materials. Processes such as forging, casting, and painting demand significant carbon-based energy inputs. By transitioning to renewable energy, optimizing material usage, reducing waste, and recycling, defence and aerospace manufacturers can improve sustainability and resilience against energy supply disruptions.

***Emerging Innovations Shape Future Potential***

Emerging technologies hold potential for future defence production. Quantum computing may accelerate optimization tasks, blockchain could enhance supply chain transparency, and hypersonic flight might open new operational possibilities. Advances in nanotechnology, energetic chemistry, and cognitive science could lead to new materials, propellants, and autonomous systems, driving future capabilities.

***Adaptability and Partnerships***

Given the pace of technological change, adaptability remains a critical success factor. Aerospace and defence companies continue to collaborate with technology providers, research institutions, startups, and academic organisations to accelerate innovation and expand technical capabilities. Strategic partnerships are increasingly being used to access emerging technologies, strengthen product development efforts, and improve competitiveness.

***Manufacturing Excellence as a Strategic Advantage***

Investing in digital technologies and forming strategic partnerships will enable aerospace and defence manufacturers to boost efficiency, resilience, and competitiveness. Upcoming innovations are set to shape the next generation of aircraft, missile defence systems, space technologies, and multifunction platforms, providing a strategic edge. Manufacturers and military leaders must strategically plan to maintain technological leadership through manufacturing excellence.

**Industrial & Precision Casting Industry**

***Overview***

***Precision Casting***

Precision casting, also known as investment casting or lost-wax casting, is a manufacturing process renowned for its ability to produce highly detailed and accurate metal parts. The process begins with creating a wax pattern, which serves as an exact replica of the final product. This pattern is then coated with multiple layers of ceramic slurry, forming a durable shell around it. Once the shell is hardened, the wax is melted and removed, leaving a precise cavity that will be filled with molten metal. The metal solidifies within the ceramic mould, and after cooling, the ceramic shell is removed to reveal the final metal casting. This process is known for its capability to produce complex shapes with high dimensional accuracy and a smooth surface finish.

Precision casting is highly valued across various industries due to its ability to create intricate and complex components that meet stringent specifications. In the aerospace sector, it is used to manufacture critical components such as turbine blades and structural parts, which must withstand extreme conditions. The automotive industry relies on precision casting for high-performance engine components, transmission parts, and other critical systems that demand both strength and precision. Additionally, the medical industry uses this technique to produce surgical instruments and implants, where accuracy and biocompatibility are crucial. The defence sector also benefits from precision casting, utilizing it to produce reliable and durable components for military applications.

Overall, precision casting is an indispensable process across industries where performance, safety, and precision are paramount. Its ability to deliver detailed and accurate components, coupled with material versatility, makes it a preferred method for manufacturing high-quality parts in aerospace, automotive, medical, and defence applications. The process's high precision and capability to produce complex shapes ensure that it remains a critical manufacturing technique for producing parts that meet the rigorous demands of these sectors.

***Industrial Casting***

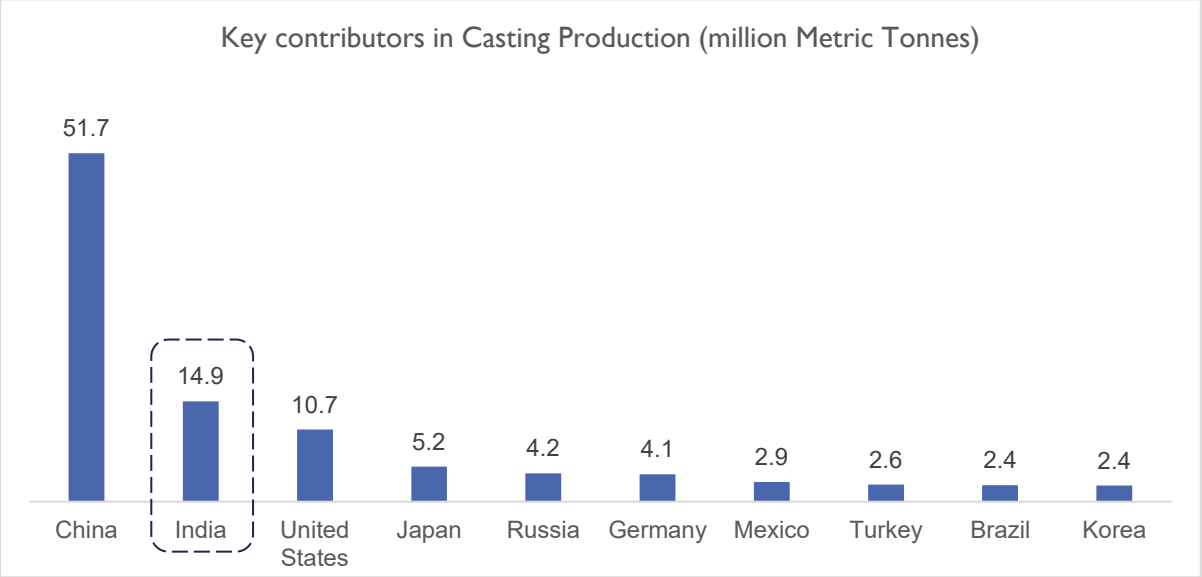
Industrial casting is a manufacturing process that produces metal parts by pouring molten metal into moulds, enabling the creation of complex shapes and sizes essential for various industries. The process begins with pattern creation, where a model of the final part is made from materials like wax, plastic, or metal. This pattern serves as a template for the mould, which is then prepared using materials such as sand or ceramic. After the mould is ready, the chosen metal is melted and poured into the mould cavity, where it cools and solidifies into the desired shape. Once solidified, the mould is removed, and the cast part undergoes finishing processes to meet the required specifications.

Key features of industrial casting include its versatility in producing a wide range of part sizes and shapes, its flexibility in material choice, and its cost-effectiveness in large-scale production. Different casting methods, such as sand casting, die casting, and investment casting, offer varying levels of precision and surface finish, making it adaptable to diverse manufacturing needs. The process supports a high production rate, particularly beneficial for industries requiring mass production, such as automotive and construction.

Industrial casting is utilized across several sectors, including automotive, construction, machinery, and energy. In the automotive industry, it is used to produce essential components like engine blocks and transmission cases. In construction, casting creates structural components and fittings, while in machinery, it produces parts like gearboxes and pump housings. In the energy sector, casting is vital for manufacturing turbine components and valve bodies, highlighting its role in enabling the production of durable and complex parts across various industries.

***Global Scenario***

According to the latest World Casting Census, global casting production continues to be led by China, India, and the United States. China remained the world's largest casting producer with approximately 51.7 million metric tonnes of production, while India retained its position as the second-largest casting producer globally with approximately 14.9 million metric tonnes, followed by the United States with 10.7 million metric tonnes. The concentration of production among these countries reflects the importance of manufacturing activity, industrial development, and end-user demand across automotive, engineering, infrastructure, aerospace, and industrial sectors.




*Source: World Casting Census and industry sources; D&B Research and Analysis based on the latest available data.*

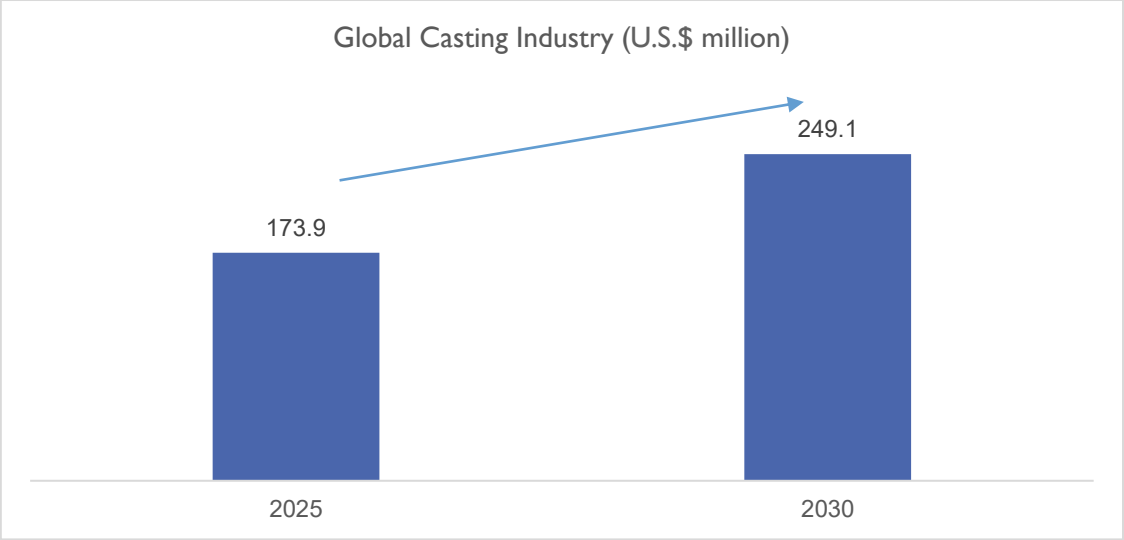
The global casting industry continues to demonstrate strong growth potential, supported by rising demand from automotive, industrial machinery, aerospace, construction, renewable energy, and transportation sectors. Increasing investments in manufacturing capacity, infrastructure development, and advanced engineering applications are expected to support continued expansion of the industry over the medium term.

The global casting market was valued at approximately U.S.$ 173.9 billion in 2025 and is projected to reach approximately U.S.$ 249.1 billion by 2030, reflecting continued growth in casting consumption across major industrial sectors. The market is expected to benefit from increasing adoption of lightweight materials, industrial automation, infrastructure investments, electric vehicle production, and growing demand for precision-engineered metal components.

This growth trajectory is projected to grow at a CAGR of 7.44% between 2025 and 2030. Such a robust CAGR indicates strong and consistent year-over-year growth, suggesting a bullish outlook for the casting industry. This steady increase reflects the industry's resilience and its ability to capitalize on emerging opportunities across various end-use sectors.

The global casting industry is poised for significant growth over the next several years, according to recent market projections. In 2025, the industry was valued at approximately U.S.$ 173.9 Billion By 2030, it is expected to reach a substantial U.S.$ 249.1 billion in 2030, marking a considerable expansion in the sector.

This growth trajectory translates to a CAGR of 7.44% between 2025 and 2030. Such a robust CAGR indicates strong and consistent year-over-year growth, suggesting a bullish outlook for the casting industry. This steady increase reflects the industry's resilience and its ability to capitalize on emerging opportunities across various end-use sectors.



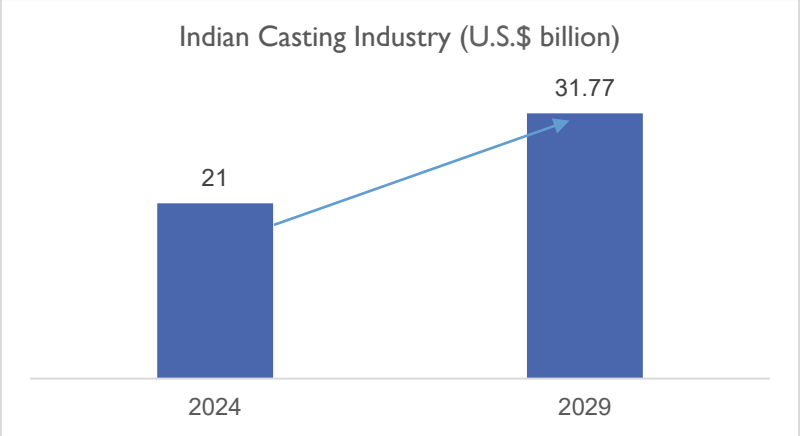

*Source: D&B Analysis*

This substantial rise in market value underscores the casting industry's vital role in supporting manufacturing processes across multiple industries, including automotive, aerospace, construction, and industrial machinery.

***Indian Scenario***

India continues to maintain its position as the second-largest casting producer globally, with annual casting production reaching approximately 15.16 million metric tonnes in FY2023 to 2024, representing growth of around 7% over the previous year. The industry comprises approximately 5,000 foundry units, the majority of which operate within the MSME sector. The Indian foundry industry generated an estimated U.S.$ 21 billion in revenue during Fiscal 2023 to Fiscal 2024, while exports reached approximately U.S.$ 4.11 billion.[22] The sector continues to play a vital role in supporting India's manufacturing ecosystem and remains one of the country's key industrial sectors.

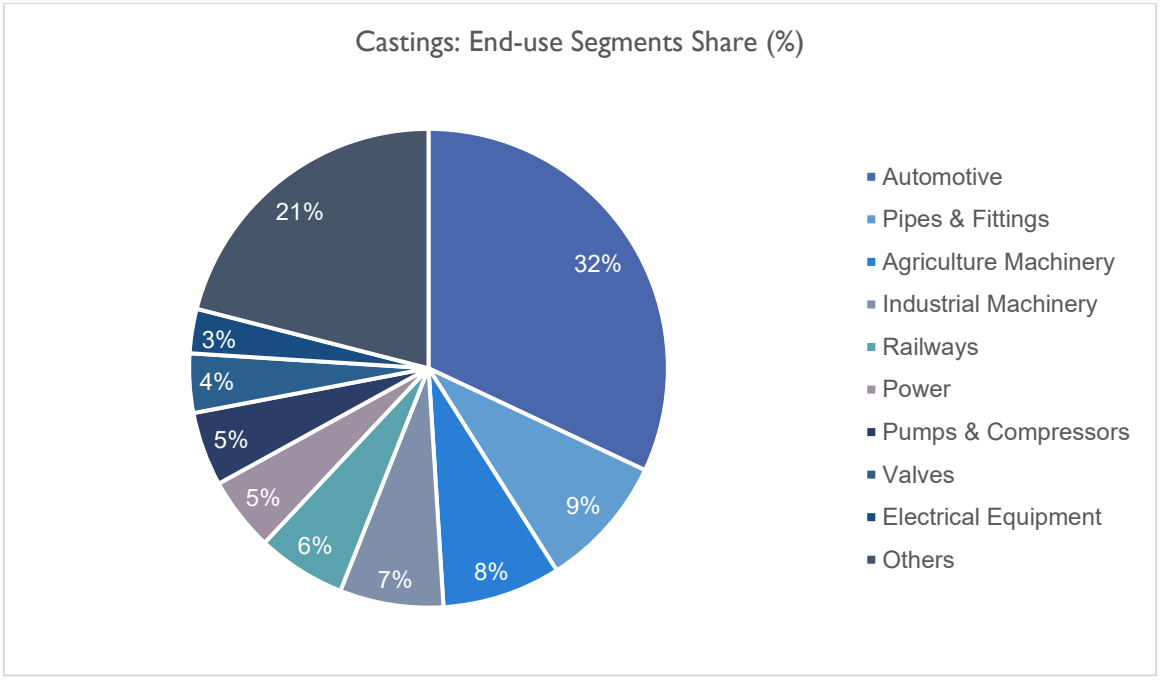
[22] https://www.foundryinfo-india.org/profile_of_indian.aspx




*Source: Foundry Informatics centre*

The Indian foundry industry remains on a long-term growth trajectory, supported by increasing demand from automotive, engineering, infrastructure, railways, defence, aerospace, renewable energy, and industrial machinery sectors. Industry estimates indicate that the market could expand from approximately U.S.$ 21 billion in 2024 to U.S.$ 31.77 billion by 2029, reflecting continued growth in manufacturing activity, industrial investment, and casting consumption across major end-use sectors. The industry currently provides employment to approximately 2 million people, including 0.5 million direct jobs and 1.5 million indirect jobs, highlighting its significant economic contribution.[23]

Despite its growth, the Indian foundry industry continues to face several challenges, particularly related to raw material availability, energy costs, environmental compliance requirements, and increasing global competition. Fluctuations in the prices of key inputs such as steel scrap, pig iron, ferroalloys, coke, and energy can significantly impact production costs and operating margins. In addition, foundries continue to face challenges related to technology upgradation, skilled manpower availability, productivity improvement, and compliance with increasingly stringent environmental standards.




*Source: Foundry Informatics centre*

[23] https://www.foundryinfo-india.org/profile_of_indian.aspx

The automotive industry continues to be the largest end-user segment for castings, accounting for approximately 32% of total casting demand. Other major end-user segments include pipes & fittings (9%), agriculture machinery (8%), industrial machinery (7%), railways (6%), power (5%), pumps & compressors (5%), valves (4%), and electrical equipment (3%). The diversified end-user profile reduces dependence on any single sector and supports long-term demand stability.

***Key Drivers & Challenges***

***Challenges in the Casting Industry***

Raw Material Costs: The casting industry is highly dependent on raw materials like metals and alloys. Fluctuations in the prices of these materials can significantly impact production costs and profitability. The industry must manage these fluctuations while maintaining competitive pricing.

Supply Chain Resilience: Global supply chains continue to face disruptions arising from geopolitical developments, logistics bottlenecks, trade restrictions, and fluctuations in raw material availability. Foundries are increasingly focusing on supply-chain resilience, supplier diversification, and inventory planning to mitigate operational risks.

Environmental Regulations: Stringent environmental regulations regarding emissions, waste management, and energy consumption pose significant challenges. Compliance with these regulations often requires substantial investment in technology and processes, increasing operational costs.

Skilled Labor Shortage: The casting process requires skilled labour to operate machinery, handle molten metals, and ensure quality control. A shortage of skilled workers, combined with the aging workforce in some regions, presents a challenge to maintaining production efficiency and quality.

Technological Advancements: While advancements in technology, such as automation and 3D printing, offer potential benefits, they also pose challenges. The industry must invest in new technologies to stay competitive, which can be costly and require a steep learning curve for the workforce.

Energy Consumption: Casting processes are energy-intensive, leading to high operational costs. Managing energy consumption and finding ways to improve energy efficiency are ongoing challenges, especially with rising energy prices and environmental concerns.

**Growth Drivers for the Casting Industry**

Rising Demand Across Automotive, Infrastructure, and Engineering Sectors: Automotive continues to remain the largest consumer of cast products. Increasing investments in infrastructure, railways, renewable energy, and engineering sectors are expected to further support demand for castings.

Defence, Aerospace and Advanced Manufacturing Demand: Increasing localisation in defence manufacturing, expansion of aerospace production and demand for high-performance engineered components are creating new growth opportunities for the casting industry. Demand for lightweight, precision-engineered, and high-strength cast components is expected to increase across these sectors.

Technological Innovations: Advances in casting technologies, such as improved moulding techniques, automation, and the integration of 3D printing, are enhancing production efficiency and quality. These innovations are making casting more cost-effective and expanding its application across various industries.

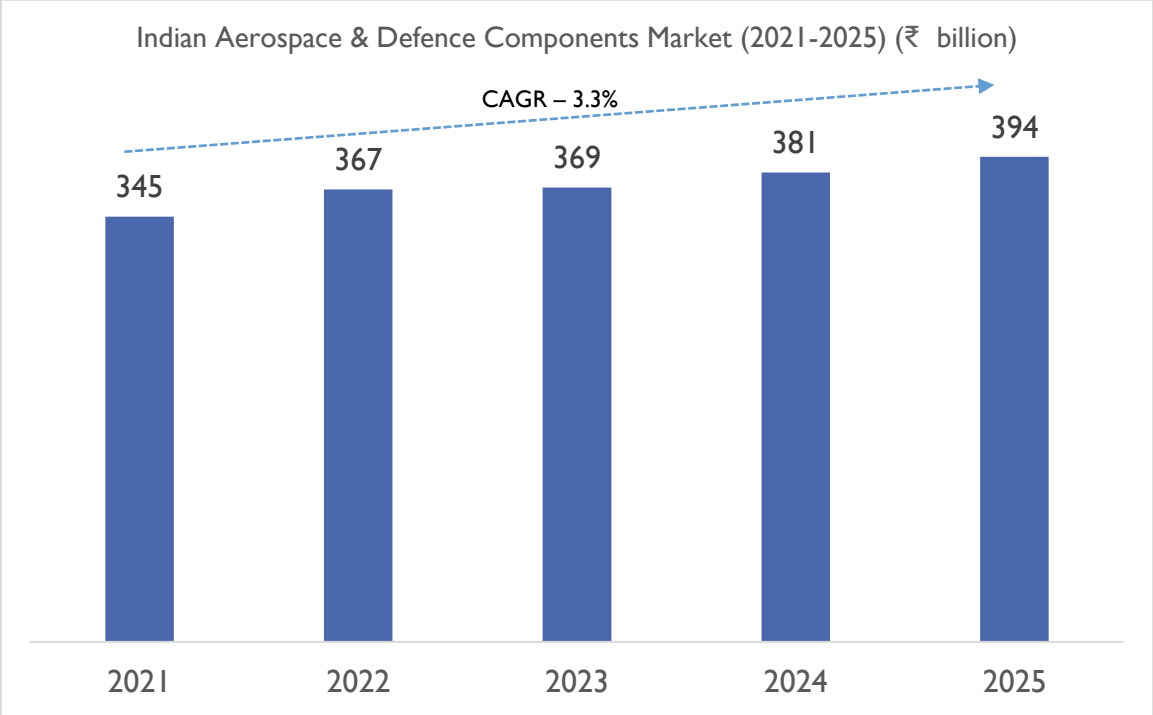
Customization and Complex Designs: The growing demand for customized and complex designs in industries such as aerospace, defence, and medical devices is propelling the need for advanced casting processes. The ability to produce intricate and precise components is a significant growth driver for the industry.

Sustainability Initiatives: Increasing focus on energy efficiency, material optimization, process modernization, recycling, and environmental compliance is driving investments in cleaner and more sustainable foundry operations.

**Indian Defence & Aerospace Component Industry**

***Market Scenario***

The Indian Aerospace and Defence (A&D) Component Industry is primarily dominated by the defence sector. Key players in the Indian A&D sector are the Defence Public Sector Undertakings (DPSUs), making government defence projects, policies, and funding crucial to the industry's development. The Indian Aerospace and Defence Industry grew at a CAGR of 3.3% between 2021 and 2025, reaching ₹ 394 billion in 2025.




*D&B Analysis*[24]

***Competitive Landscape***

While historically dominated by government entities such as Hindustan Aeronautics Limited (HAL) and the Indian Space Research Organisation ("**ISRO**"), India's aerospace sector has witnessed increasing participation from private companies such as Tata Advanced Systems, Mahindra Aerospace and Larsen & Toubro, along with specialised engineering suppliers. Private players are strengthening India's position as a manufacturing base for aerostructures, precision components, assemblies and aerospace systems. Global original equipment manufacturers ("**OEMs**") have also expanded sourcing and manufacturing partnerships in India for commercial and defence platforms. However, further investment in design, advanced manufacturing and systems-integration capabilities will be required for India to offer more complete aerospace solutions.

The broader aerospace and defence ecosystem also includes international platform manufacturers, defence-system providers and specialised suppliers such as Airbus, BAE Systems and Elbit Systems, alongside Indian organisations and programmes including BrahMos. These entities participate across different segments of the aerospace and defence value chain, including platforms, propulsion systems, subsystems, weapons systems and specialised engineering components

Airbus currently sources over U.S.$ 1.6 billion of components and services annually from India for global exports, compared with approximately U.S.$ 750 million disclosed in 2023. Its Indian ecosystem spans sourcing,

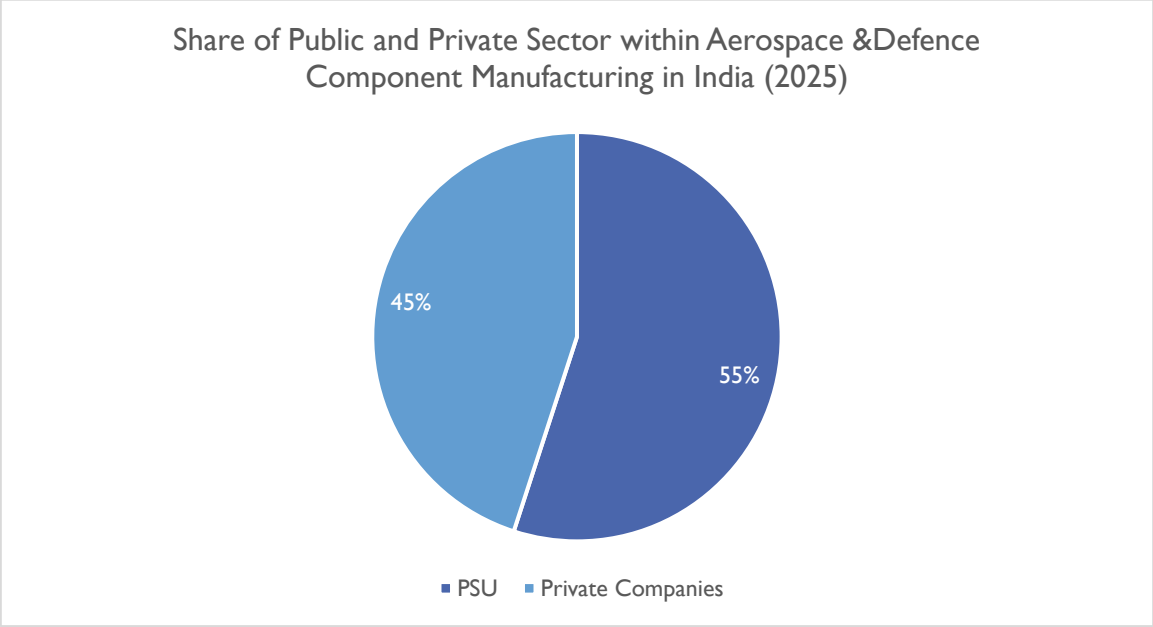
[24] Figures should be interpreted as directional estimates rather than precise market measurements. (Due to the absence of publicly available, components-specific data)

engineering, innovation, maintenance and training and supports more than 15,000 supply-chain jobs. Airbus is also expanding local industrial capability through partnerships with Indian suppliers and final assembly programmes with Tata Advanced Systems for the C295 aircraft and H125 helicopter

Boeing sources more than U.S.$ 1.4 billion annually from India through a network of over 375 suppliers, compared with more than 300 suppliers and approximately U.S.$ 1.0 billion of annual sourcing disclosed in early 2024. Its industrial presence includes Tata Boeing Aerospace Limited in Hyderabad, which manufactures Apache helicopter fuselages and 737 vertical-fin structures, together with a wider supplier base producing advanced components for commercial and defence aircraft

GE Aerospace continues to strengthen its manufacturing and supplier ecosystem in India. In May 2026, the company announced a further ₹ 100 crore investment in its Pune manufacturing facility, taking total investment announced over three years to more than ₹ 510 crore. The upgrades will expand production capability for components used across the GE90, GEnx, GE9X and LEAP engine programmes. The Pune facility works with more than 300 local suppliers within GE Aerospace's broader network of over 2,200 suppliers across India

Rolls-Royce maintains a significant engineering, manufacturing and sourcing presence in India and intends to at least double its supply-chain sourcing from the country by 2030. The company sources high-precision parts and engine components from Indian partners for its Civil Aerospace, Defence and Power Systems businesses and works with established companies including HAL, Tata, Bharat Forge and Godrej & Boyce.




*D&B Research*[25]

The Indian aerospace and defence component manufacturing ecosystem comprises both public-sector organisations and a rapidly expanding base of private manufacturers. Based on the updated component-market estimate, public-sector entities accounted for approximately 55% of component manufacturing activity in 2025, while private companies contributed around 45%. The private sector's sizeable share reflects increasing localisation, supplier diversification by global OEMs and growing domestic capabilities across precision engineering, aerostructures, electronics, castings, forgings and assemblies.

Public-sector organisations continue to play a significant role through their participation in large defence and strategic aerospace programmes. At the same time, private-sector participation has expanded through government indigenisation initiatives, global OEM partnerships and investment in specialised manufacturing capabilities. The

[25] Figures should be interpreted as directional estimates rather than precise market measurements.

increasing contribution of private players is helping diversify the component supply base and strengthen India's participation in global aerospace and defence value chains.

***Key Demand Drivers***

There are multiple factors driving India's defence and aerospace component industry. Together, these factors support domestic manufacturing, technology development, supply-chain localisation and India's integration into global aerospace and defence programmes.

| Key Drivers | Description |
|---|---|
| Government Policies and Initiatives | The Indian government has introduced policies such as the Defence Acquisition Procedure ("DAP") 2020, Positive Indigenisation Lists, SRIJAN, iDEX and the Technology Development Fund to encourage indigenous design, component development and manufacturing.<br><br>Domestic Procurement: In Fiscal 2026 to Fiscal 2027, ₹1.39 lakh crore was earmarked for procurement from domestic defence industries, including private-sector companies, strengthening demand for locally manufactured components and systems |
| Growing Defence Budget | The consistent increase in defence expenditure supports military modernisation and procurement of advanced platforms, thereby generating demand for aerospace structures, precision components, electronics, propulsion systems and engineered products.<br><br>Defence Budget 2026 to 2027: India allocated ₹7.85 lakh crore to the Ministry of Defence in Fiscal 2026 to Fiscal 2027, an increase of 15.19% over the Fiscal 2025 to Fiscal 2026 Budget Estimate. Capital acquisition expenditure was increased to approximately ₹1.85 lakh crore. |
| Private Sector Participation | Private-sector participation in defence manufacturing has increased through domestic procurement, indigenisation programmes, industrial licensing and partnerships with public-sector organisations and global OEMs.<br><br>Growth in Production: The private sector contributed approximately 24% of India's defence production in Fiscal 2025 to Fiscal 2026, compared with 22% in Fiscal 2024 to Fiscal 2025. Its production value reached around ₹42,000 crore, reflecting its expanding role in the defence ecosystem. |
| Technological Advancements | Advances in automation, additive manufacturing, advanced materials, digital engineering and precision manufacturing are enabling Indian suppliers to produce increasingly complex aerospace and defence components.<br><br>Technology Development: DRDO has developed a pool of approximately 2,000 industries for manufacturing defence systems and equipment. An additional corpus of ₹500 crore has also been sanctioned under the Technology Development Fund, with a focus on deep-tech and cutting-edge technologies |
| Strategic Partnerships and Joint Ventures | Collaborations between Indian companies and global OEMs support technology development, production capability enhancement and compliance with international aerospace standards.<br><br>OEM Sourcing: Airbus sources over U.S.$ 1.6 billion of components and services annually from India, while Boeing sources more than U.S.$ 1.4 billion annually through over 375 Indian suppliers. Rolls-Royce also intends to at least double its sourcing from India by 2030. |
| Infrastructure Development | Dedicated industrial ecosystems and specialised manufacturing facilities support capacity development across defence and aerospace components. The Defence Industrial Corridors in Uttar Pradesh and Tamil Nadu provide infrastructure for domestic production and supply-chain development.<br><br>Industrial Ecosystem: The corridors include six nodes in Uttar Pradesh and five nodes in Tamil Nadu and are intended to attract investment and strengthen the domestic defence manufacturing base. |
| Skilled Workforce | India's engineering talent and established capabilities in precision manufacturing, information technology and digital engineering support the development and production of aerospace and defence components. |

| | |
|---|---|
| | Industry Employment: Airbus supports more than 15,000 supply-chain jobs in India, while Boeing's Indian supply-chain partners employ more than 33,000 people. Rolls-Royce also engages over 2,000 high-skilled engineers in India through internal and outsourced arrangements |
| Global Supply Chain Integration | India's role in global aerospace and defence supply chains is expanding through higher OEM sourcing, export growth and increasing participation of domestic companies in international programmes. |
| | Defence Exports: India's defence exports reached a record ₹38,424 crore in Fiscal 2025 to Fiscal 2026, compared with ₹686 crore in Fiscal 2013 to Fiscal 2014, with products exported to more than 80 countries. |
| Indigenisation and Import Substitution | Increasing localisation requirements are creating opportunities for Indian manufacturers of castings, forgings, machined parts, aerostructures, electronics, sub-systems and specialised materials. |
| | Policy Support: Defence Acquisition Procedure (DAP) 2020 accords the highest procurement priority to the Buy (Indian-IDDM) category, while Positive Indigenisation Lists and the SRIJAN platform identify systems and components for domestic development and procurement. |
| Rising Commercial Aerospace Demand | In Growth in passenger traffic, airline fleet expansion and large aircraft order backlogs are increasing demand for aerospace components and engineering services. India's cost-competitive engineering and manufacturing capabilities are encouraging global OEMs to expand local sourcing. |
| | Supplier Expansion: GE Aerospace's Pune facility works with more than 300 local suppliers, within a broader network of over 2,200 suppliers across India, and manufactures components for the GE90, GEnx, GE9X and LEAP engine programmes |

***Regulatory Landscape***

India is progressively reducing its dependence on foreign suppliers through a combination of policy initiatives aimed at strengthening indigenous design, development, and manufacturing capabilities. Key measures include the implementation of the Defence Acquisition Procedure (DAP) 2020, Positive Indigenisation Lists, SRIJAN, liberalised FDI norms, and dedicated support for domestic industry under the Aatmanirbhar Bharat initiative. In Fiscal 2026 to Fiscal 2027, the Government earmarked approximately ₹1.39 lakh crore for procurement from domestic defence industries, reinforcing its commitment to indigenous manufacturing and supply-chain localisation.

The government continues to encourage participation from private industry, MSMEs, startups, academia, and research institutions. Initiatives such as Innovations for Defence Excellence (iDEX) and the Technology Development Fund ("**TDF**") support technology development and innovation across defence and aerospace applications. The Positive Indigenisation Lists ("**PILs**") and the SRIJAN Defence Portal continue to support import substitution across defence manufacturing. More than 33,000 defence items had been offered for indigenisation through the SRIJAN portal by Defence Public Sector Undertakings (DPSUs) and Service Headquarters. The first five DPSU Positive Indigenisation Lists cover 5,012 items26, while over 15,700 defence items have already been successfully indigenised, resulting in an estimated import substitution value of approximately ₹9,000 crore over the last five years. In addition, DPSUs have placed procurement orders and undertaken in-house production worth approximately ₹10,000 crore with domestic vendors up to March 2026.

Further, in August 2026, the Department of Defence Production notified the sixth Positive Indigenisation List comprising 40527 strategically important items, including components, subsystems, spares and raw materials across air, naval, armoured and missile platforms, with an estimated business potential of ₹3,070 crore, thereby expanding opportunities for domestic industry participation, particularly MSMEs and defence start-ups. These initiatives continue to create opportunities for Indian manufacturers supplying assemblies, sub-assemblies, raw materials, critical spares, precision components, electronics, castings, forgings and advanced engineering products

[26] https://srijandefence.gov.in/DashboardForPublic

[27] https://mod.gov.in/sites/default/files/DDP-notifies-6th-Positive-Indigenisation-List-of-405.pdf

Among the major defence products being exported by India are BrahMos missile systems, Dornier-228 aircraft, Advanced Light Helicopters ("**ALH**"), artillery guns, radars, armoured vehicles, rockets and launchers, electronic warfare systems, communication equipment, coastal surveillance systems, drones and unmanned systems, lightweight torpedoes, fire-control systems, avionics, navigation systems, and a wide range of precision-engineered subsystems and components.

| Government Policies/Schemes | Description |
|---|---|
| Production-Linked Incentive ("PLI") for Specialty Steel (Third Round, PLI 1.2) | The Government of India announced the third round of the Production-Linked Incentive (PLI) Scheme for Specialty Steel (PLI 1.2) on November 4, 2025. Under the scheme, titanium alloys and superalloys are identified product sub-categories within the "Steel Grades for Strategic Sectors" category and are eligible for incentives aimed at promoting domestic manufacturing of strategic materials. On February 9, 2026, 85 MoUs involving investments of over ₹11,000 crore were signed with 55 companies under the scheme. The scheme seeks to strengthen domestic capabilities and reduce import dependence for strategic materials used across aerospace, defence and other high-technology sectors. |
| Foreign Direct Investment ("FDI") | The Government of India has liberalised foreign direct investment (FDI) norms to encourage technology transfer, global partnerships, and investment in aerospace and defence manufacturing. Under the current policy framework, FDI in defence manufacturing is permitted up to 74%[28] through the automatic route for companies seeking new defence industrial licences, while investment beyond 74% and up to 100%[29] may be permitted through the government route in cases likely to result in access to modern technology. In civil aerospace activities that do not require a defence industrial licence, including aircraft maintenance, repair and overhaul (MRO), FDI up to 100% is permitted through the automatic route. The policy aims to strengthen domestic manufacturing capabilities, improve integration with global supply chains, and attract international aerospace and defence companies to India. |
| Uniform Taxation | India has adopted a uniform GST rate[30] of 5% on aircraft and aircraft-engine parts, components, testing equipment, tools, and tool-kits used in aviation-related activities. The uniform tax structure simplifies compliance requirements, reduces cost inefficiencies, and supports the growth of aerospace manufacturing and MRO activities. The measure is intended to improve the competitiveness of India's aviation ecosystem while providing a more predictable taxation framework for industry participants |

**Export of Aerospace & Defence Components from India**

Leading aircraft OEMs such as Boeing and Airbus continue to view India as a strategic market for both manufacturing and exports. This is driven by India's growing demand for aircraft, components and equipment, its strong engineering talent base, competitive manufacturing costs, and expanding supplier ecosystem. Global OEMs are increasingly deepening partnerships with Indian suppliers and MSMEs to strengthen aerospace manufacturing capabilities and integrate India further into global aerospace and defence supply chains. Airbus currently sources over U.S.$ 1.6 billion annually in components and services from India, while Boeing sources more than U.S.$ 1.4 billion annually through its extensive supplier network.

The Government of India continues to promote indigenous aerospace and defence manufacturing through initiatives such as Make in India, Aatmanirbhar Bharat, DAP 2020, Positive Indigenisation Lists, SRIJAN, and iDEX. India's defence production reached a record ₹1.78 lakh crore in Fiscal 2025 to Fiscal 2026, while defence exports touched an all-time high of ₹38,424 crore. The government has also articulated long-term targets of ₹3

[28] https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2004475&reg=48&lang=2 — confirms 74% automatic / up to 100% government route for defence

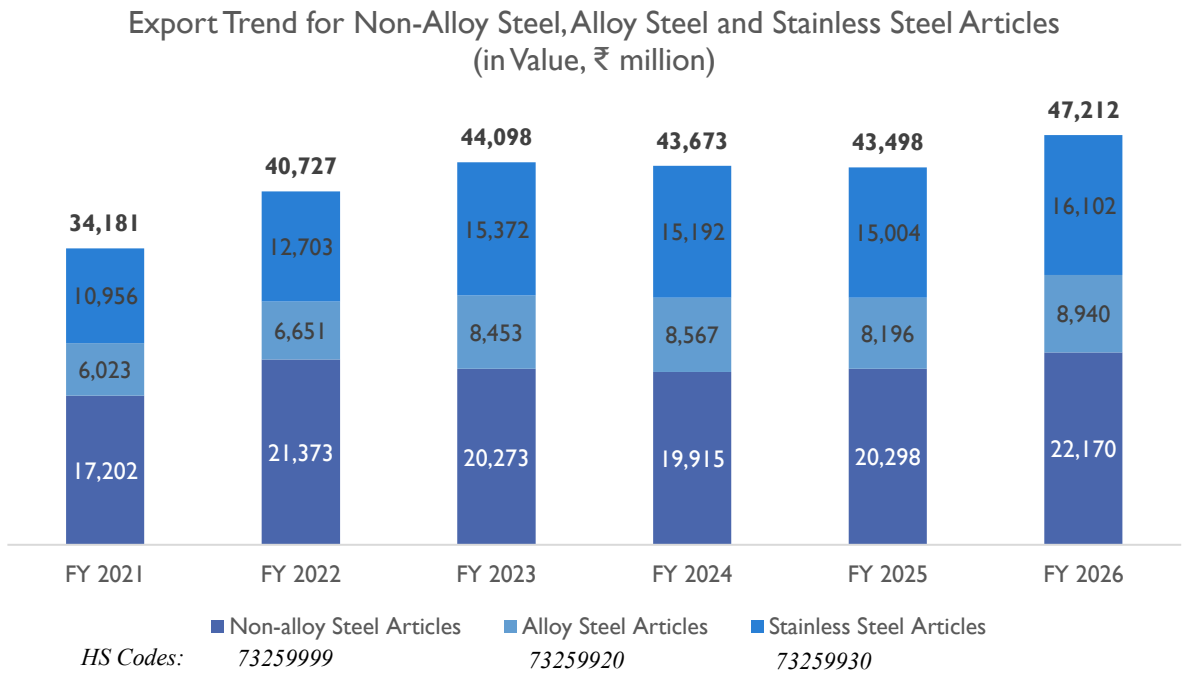
[29] https://www.pib.gov.in/Pressreleaseshare.aspx?PRID=2040688&reg=48&lang=2

[30] https://www.sansad.in/getFile/loksabhaquestions/annex/184/AU3318_VMcYcZ.pdf?source=pqals

lakh crore in defence production and ₹50,000 crore in defence exports by 2029, reflecting its continued focus on strengthening the domestic manufacturing base and export capabilities

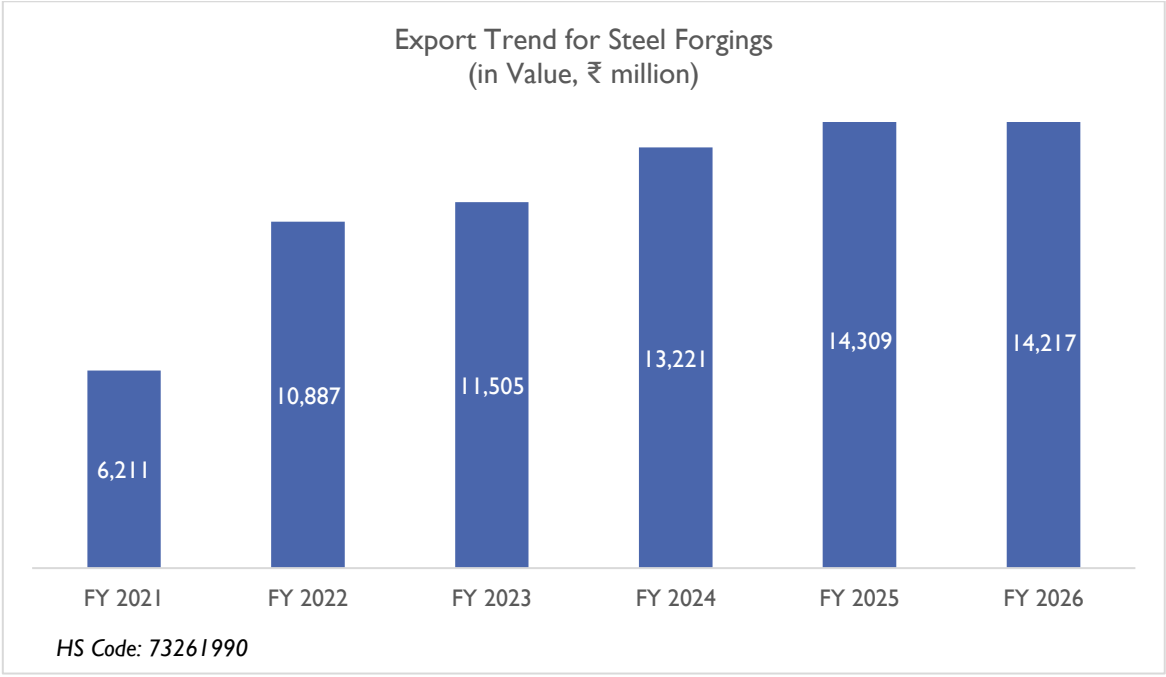
***Annual Export Trend***

Exports of Non-Alloy Steel Articles, Alloy Steel Articles and Stainless-Steel Articles continued to grow between FY2021 and FY2026, with total exports increasing from approximately ₹ 34.2 billion in FY2021 to ₹ 47.2 billion in FY2026, representing a CAGR of around 6.7% during the period. Among the three categories, Stainless-Steel Articles recorded the fastest growth, increasing from ₹ 11.0 billion in FY2021 to ₹ 16.1 billion in FY2026, supported by rising demand from aerospace, defence, engineering and advanced manufacturing applications.



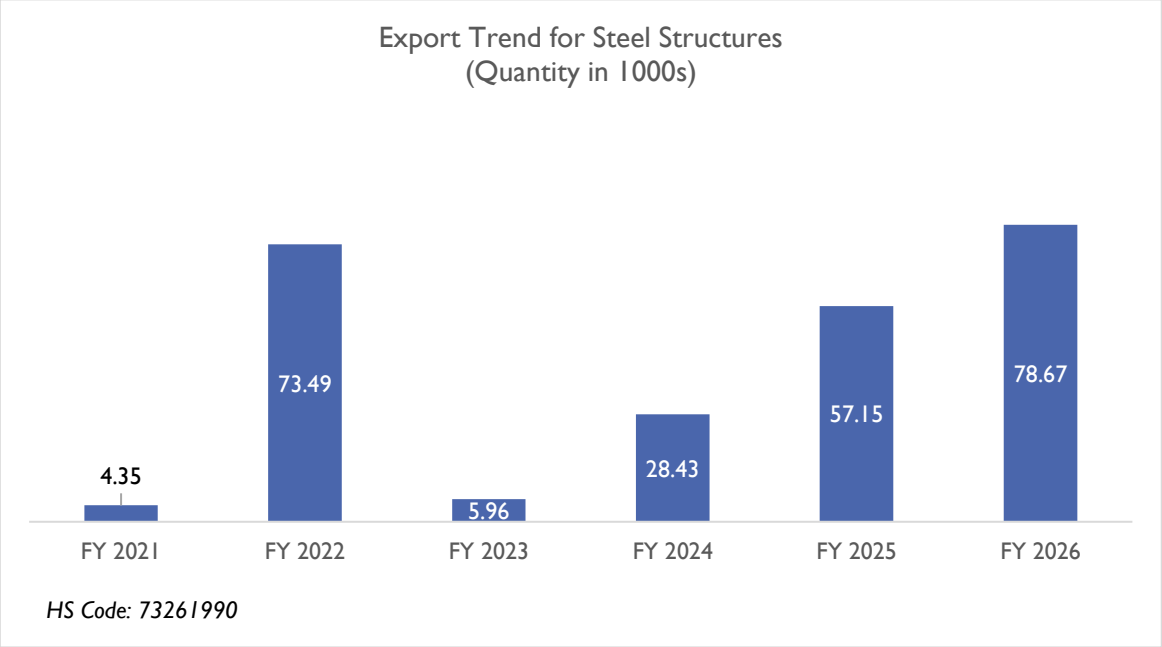

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*Source: Directorate General of Foreign Trade*



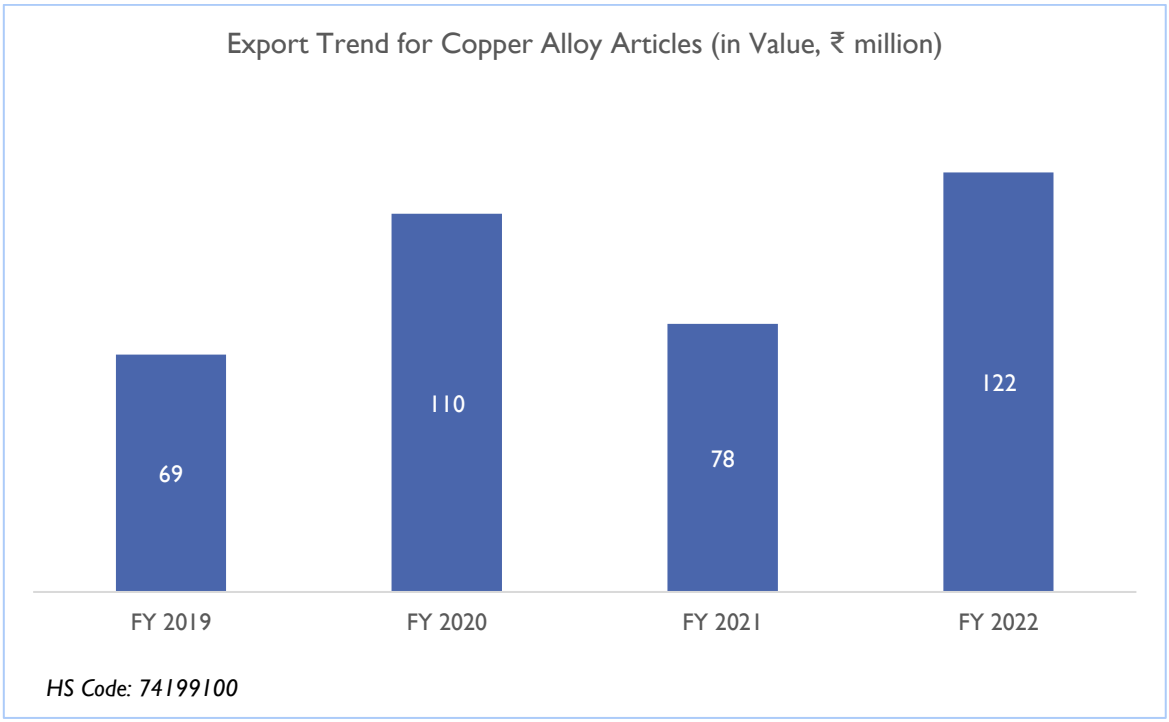
*Source: Directorate General of Foreign Trade*

Exports of steel forgings more than doubled from ₹ 6.2 billion in FY2021 to ₹ 14.2 billion in FY2026. The consistent increase over the period highlights rising demand for forged components across automotive, aerospace, defence, railways, industrial machinery, and engineering applications.

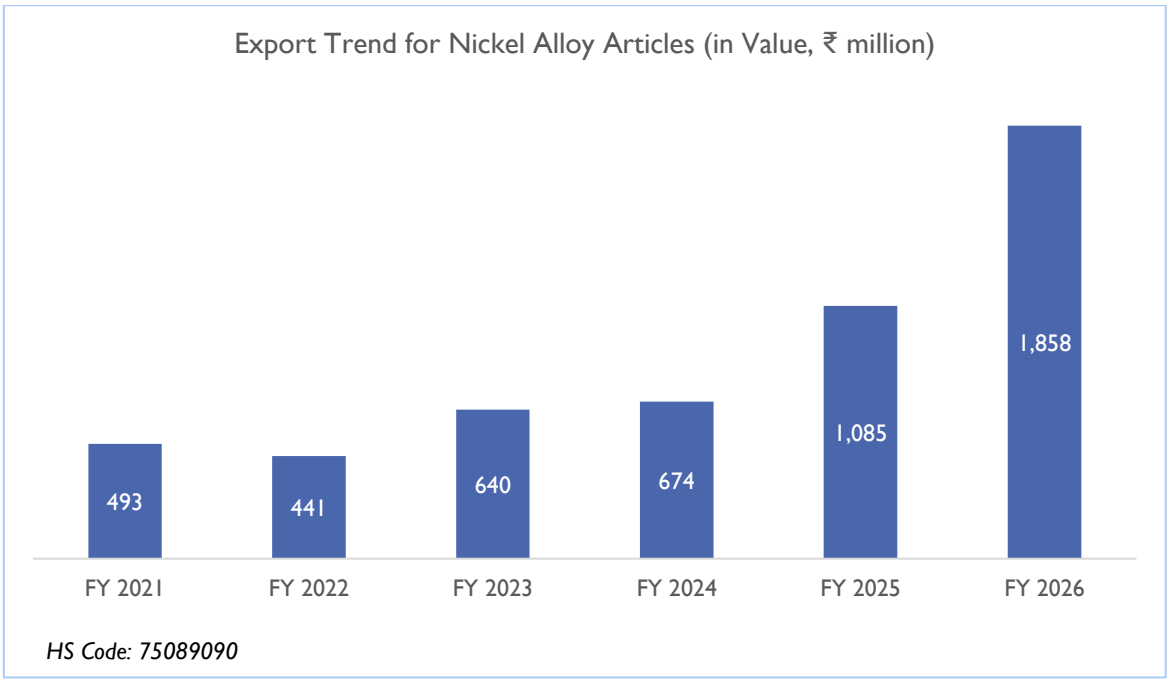



*Source: Directorate General of Foreign Trade*

Exports of steel structures increased significantly from 4.35 thousand units in FY2021 to 78.67 thousand units in FY2026, despite some volatility during the period. The sharp increase in recent years reflects growing demand for fabricated structural products across infrastructure, industrial, engineering, energy, and transportation applications.

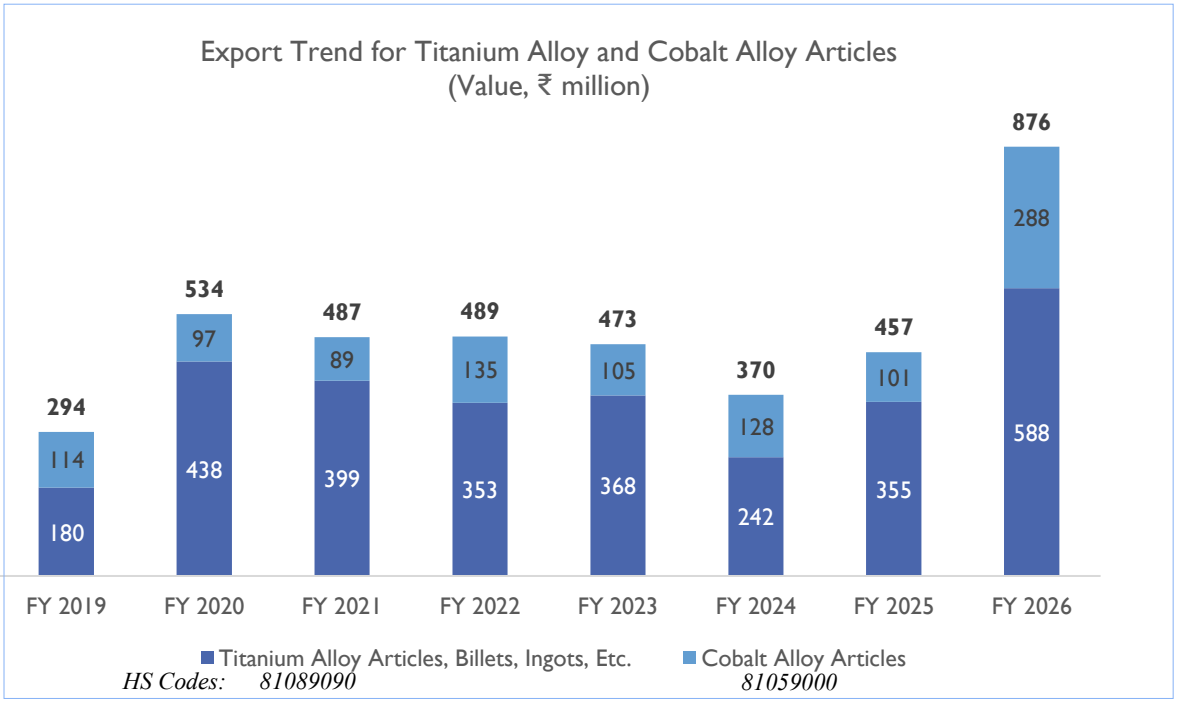


*Source: Directorate General of Foreign Trade ("**DGFT**")*
*Note: The export data post Fiscal 2021 Fiscal 2022 for the above HS Code has not been reported by DGFT*




*Source: Directorate General of Foreign Trade*

Exports of Nickel Alloy Articles have demonstrated strong growth over the last two years, increasing from ₹ 674 million in FY2024 to ₹ 1,858 million in FY2026, representing growth of nearly 176% during the period. The sharp increase in FY2025 and FY2026 indicates rising demand for nickel-based alloy products across aerospace, defence, energy, power generation, industrial equipment, and other high-performance engineering applications where superior corrosion resistance, strength, and heat tolerance are critical.



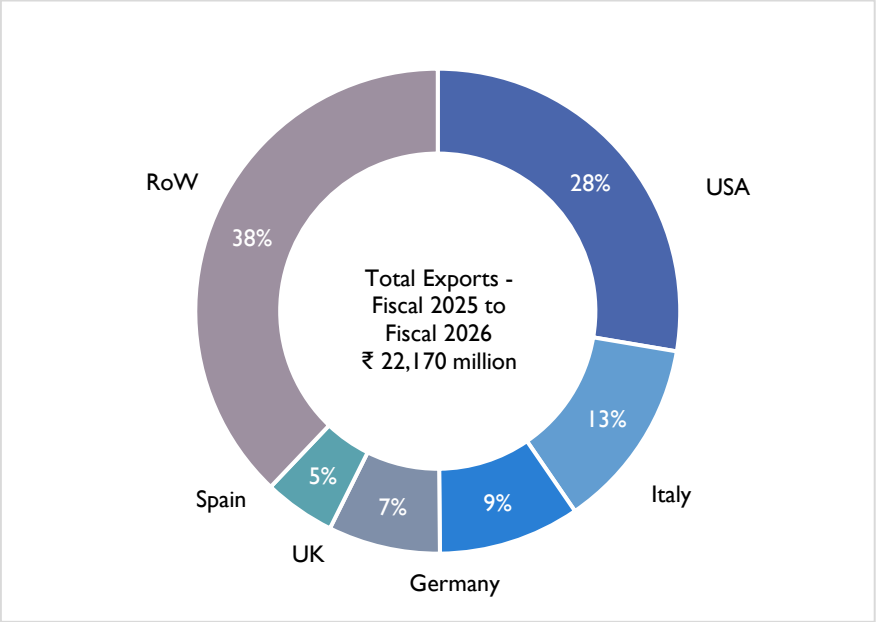

*Source: Directorate General of Foreign Trade*

Exports of titanium alloy and cobalt alloy articles demonstrated strong growth in FY2026, increasing from ₹ 457 million in FY2025 to ₹ 876 million in FY2026. The sharp improvement reflects growing demand from aerospace, defence, medical, energy, and other high-performance engineering sectors where lightweight, corrosion-resistant, and temperature-resistant materials are critical.

***Top Five Export Markets***[31]

**Commodity: Non-alloy Steel Articles** (Other Cast Articles of Iron or Steel, N.E.S)

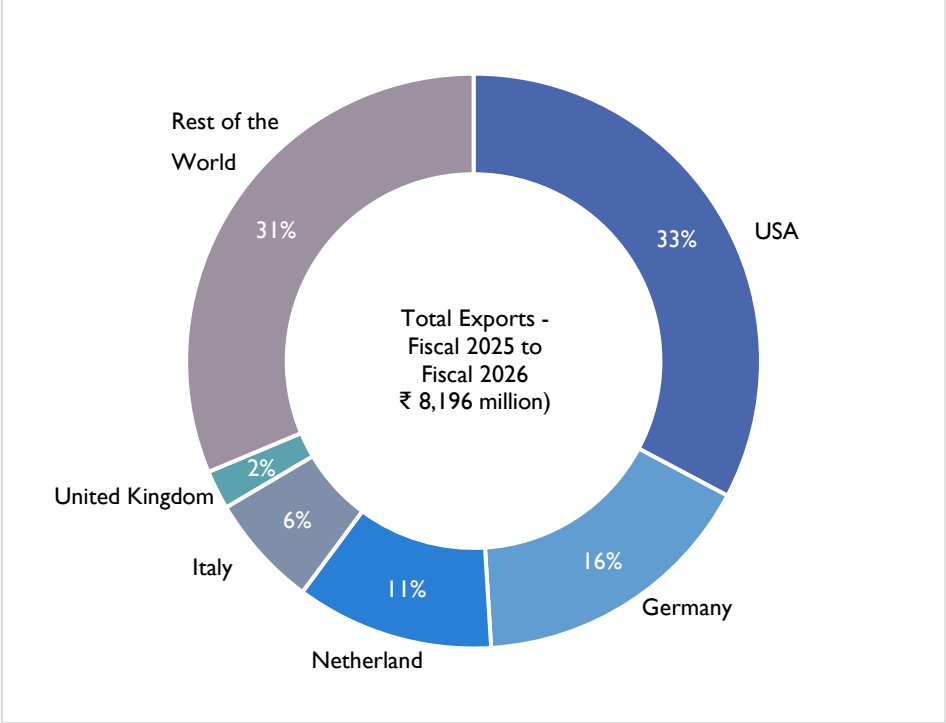
**HS Code: 73259999**




**Commodity: Alloy Steel Articles** (Other Cast Articles of Alloy Steel Malleable)

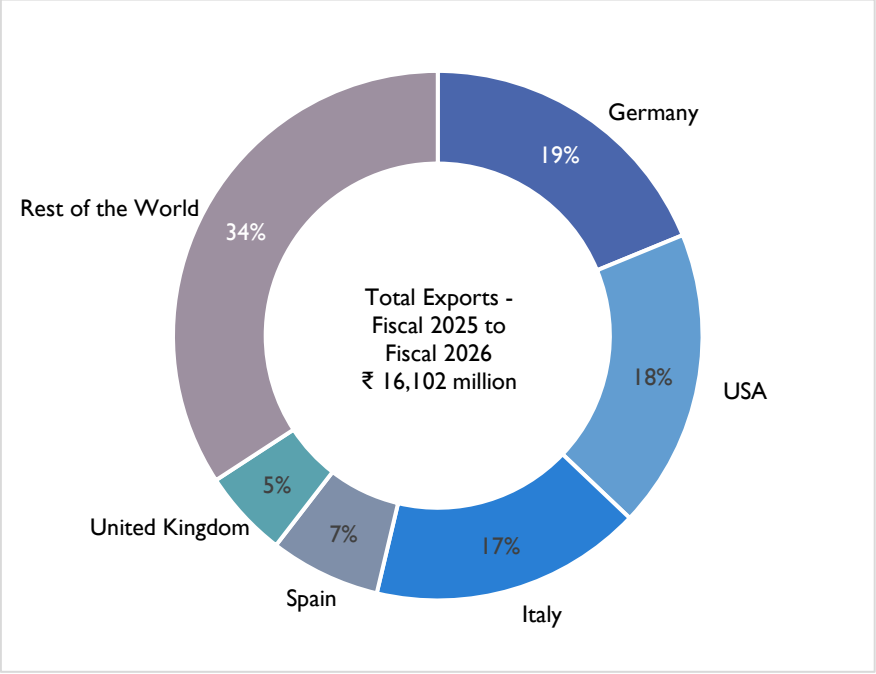
**HS Code: 73259920**

[31] Source: Directorate General of Foreign Trade



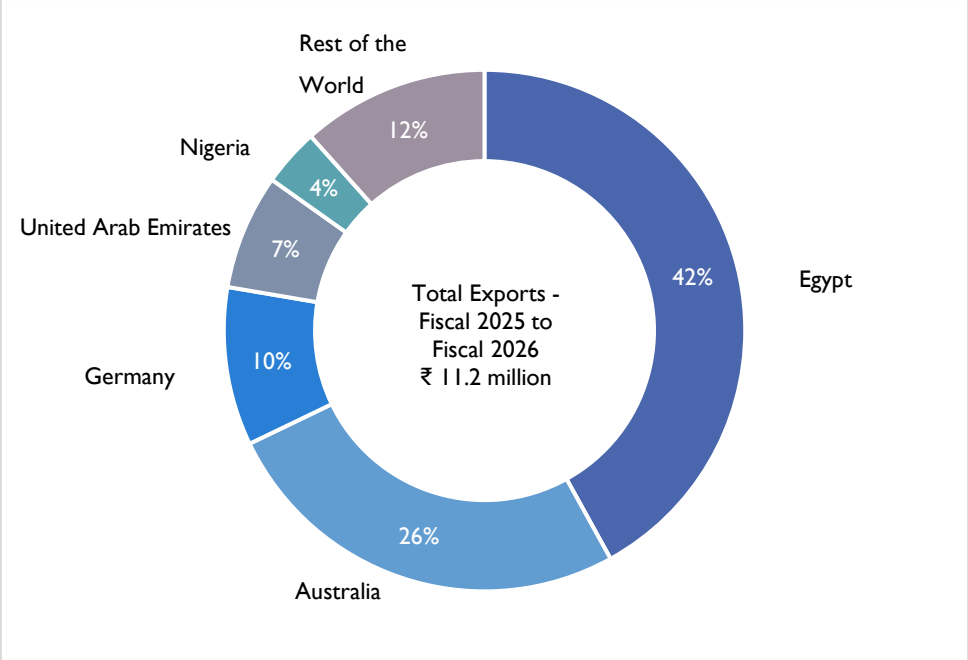

**Commodity: Stainless Steel Articles** (Other Cast Articles Stainless Steel Malleable)

**HS Code: 73259930**



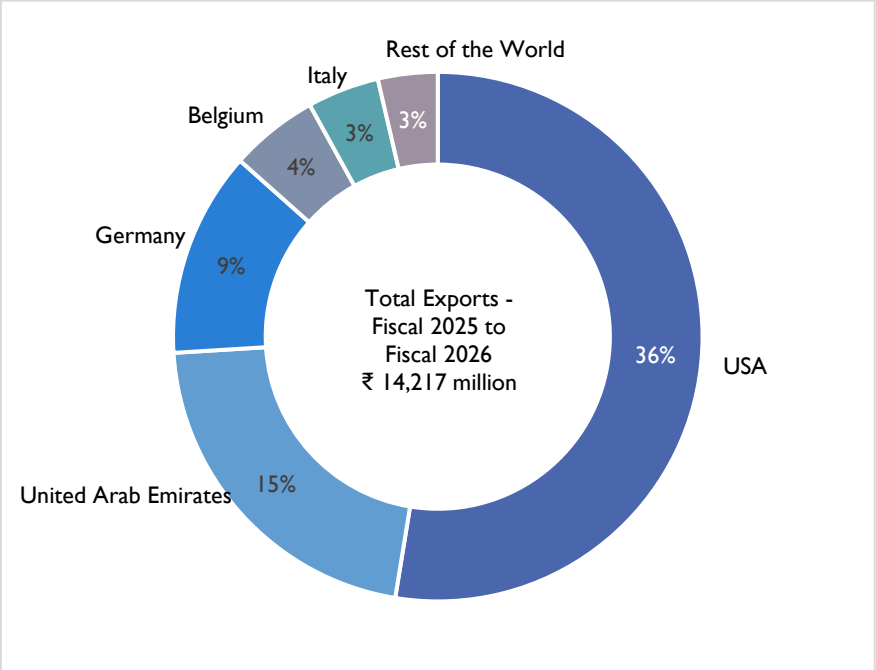

**Commodity: Steel Structures** (Hatchway, Rails and Bulkheads for Ships or Boats and Parts of Hull)

**HS Code: 73089030**




**Commodity: Steel Forging** (Others of Other Articles of Forged or Stamped but not further worked)

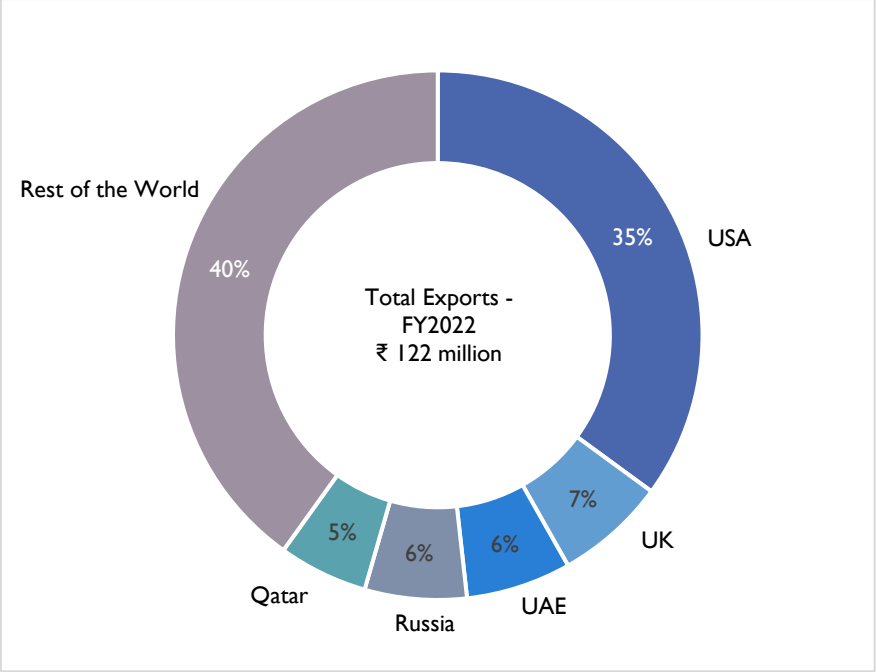
**HS Code: 73261990**




**Commodity: Copper Alloy Articles** (Articles Of Copper, Cast, Moulded Stamped or Gorged, But Not Further Worked**)**

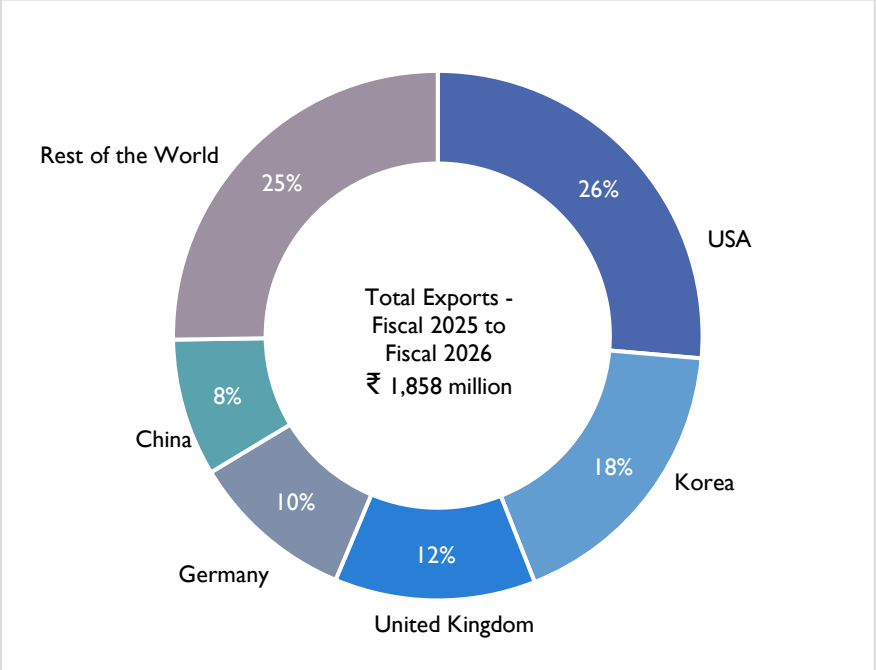
**HS Code: 74199100**

**Note:** As per Directorate General of Foreign Trade, the export data post Fiscal 2021 Fiscal 2022 for the above HS Code has not been reported.



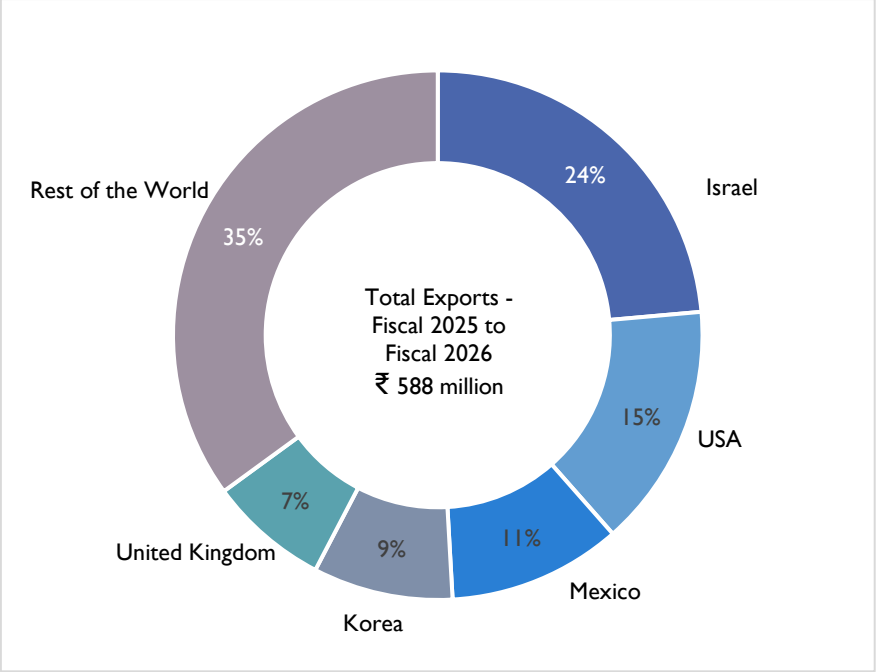

**Commodity: Nickel Alloy Articles** (Articles Of Nickel And Nickel Alloys, N.E.S.)

**HS Code: 75089090**




**Commodity: Titanium Alloy Articles, Billets, Ingots, Etc.**

**HS Code: 81089090**




***Growth Forecast***

***Emerging Trends / Developments: India Scenario***

The Indian Aerospace and Defence (A&D) industry continues to evolve under the government's focus on Aatmanirbhar Bharat, indigenisation, technology development, and manufacturing expansion. Increasing defence expenditure, growing domestic production capabilities, rising exports, and deeper integration with global aerospace supply chains are supporting industry development. Reforms in procurement, private-sector participation, foreign investment, and innovation are helping strengthen India's position as an emerging aerospace and defence manufacturing hub.

**Indigenous Defence Manufacturing**

Indigenous defence manufacturing remains a key focus area for the Government of India. Policy measures such as DAP 2020, Positive Indigenisation Lists, SRIJAN, iDEX and Technology Development Fund ("**TDF**") continue to encourage domestic production, technology development, and localisation. The emphasis on reducing import dependence and expanding domestic manufacturing capability continues to create opportunities for both Indian and international companies participating in India's defence ecosystem.

**India as an Export Hub**

India's growing defence manufacturing capabilities are increasingly reflected in its export performance. Defence exports reached a record ₹38,424 crore in Fiscal 2025 to Fiscal 2026, with products exported to more than 80 countries. Growth in exports has been supported by indigenisation initiatives, increasing manufacturing capability, expanding global partnerships, and a broader range of export-ready defence products. India continues to strengthen its position as an emerging defence manufacturing and export hub.

**Digitalisation and Advanced Defence Technologies**

The Indian Armed Forces are increasingly adopting digital technologies, network-centric capabilities, artificial intelligence, autonomous systems, advanced communications, and data-driven decision-making tools to enhance operational effectiveness. Increasing collaboration between government agencies, defence manufacturers, startups, and technology providers is expected to support the development of next-generation defence technologies and digital capabilities across the defence ecosystem.

**Supply Chain Localisation and Resilience**

Strengthening domestic supply chains has become increasingly important for India's aerospace and defence industry. Positive Indigenisation Lists, domestic sourcing initiatives, and localisation programmes are encouraging the development of indigenous suppliers for components, materials, systems, and subsystems. These efforts are intended to reduce import dependence, improve supply-chain resilience, and support long-term growth of India's aerospace and defence manufacturing ecosystem.

**Defence Startups and MSME Participation**

Encouraging startups and MSMEs remains a key government priority. Programmes such as iDEX, TDF, and simplified procurement procedures continue to support innovation and technology development by startups, MSMEs, academia, and research organisations. Increasing participation from these entities is helping accelerate indigenous product development and expand domestic defence manufacturing capabilities.

***Smart Border Management***

India's extensive borders pose significant security challenges. Recent initiatives include Operation Chakravyuh and the Comprehensive Integrated Border Management System ("**CIBMS**"), which utilize advanced technologies like satellite imagery, automated guns, and radars. The goal is to enhance border security and facilitate trade, addressing issues such as infiltration and smuggling. The Indian government's efforts aim to create a defensible border with robust surveillance and deterrence capabilities.

***Startups and MSMEs Push***

Encouraging startups and MSMEs in defence manufacturing is a priority. The revised "Make II" procedure, launched by the Defence Acquisition Council, includes special provisions for MSMEs. Platforms like the Society for Indian Defence Start-ups ("**SIDS**") and measures in the Union Budget 2018 to 2019, such as linking MSMEs with the Trade Receivable Discounting System (TReDS), aim to support and accelerate the growth of Indian defence startups and MSMEs.

***Balancing the Global Supply Chain***

China's dominance in manufacturing and counterfeiting poses risks to global defence supply chains. Reports highlight China as a major source of counterfeit electronic parts, threatening military hardware reliability. India's reliance on Chinese electronics raises concerns about security and quality. Strengthening local electronics manufacturing through initiatives like 'Make in India' is essential for mitigating these risks and ensuring reliable defence and critical infrastructure.

***Technology Trends***

Leading aerospace and defence OEMs continue to adopt advanced technologies to improve product performance, manufacturing efficiency, and operational effectiveness. Technologies such as Artificial Intelligence (AI), additive manufacturing, digital engineering, autonomous systems, advanced materials, robotics, and digital twins are increasingly influencing aerospace and defence development programmes.

**Artificial intelligence and machine learning** are increasingly being deployed across aerospace and defence applications, supporting predictive maintenance, manufacturing optimisation, surveillance, decision support systems, autonomous operations, and data analytics. Advances in AI-enabled drones, autonomous systems, and sensor technologies are expected to improve operational efficiency and enhance future defence capabilities
**Robotics, drones**, unmanned aerial vehicles ("**UAVs**"), unmanned ground vehicles ("**UGVs**"), and unmanned underwater vehicles ("**UUVs**") continue to gain importance across both defence and civil applications. These systems can undertake repetitive, hazardous, and mission-critical tasks while improving operational efficiency and reducing risk to personnel. Continued investments in autonomous platforms are expected to support future growth across the defence and aerospace ecosystemThese trends highlight a transformative shift in the Indian Aerospace and Defence industry, driven by technological innovation and strategic investment.

***Threats & Challenges to the Industry: India Scenario***

The Aerospace and Defence (A&D) market faces numerous challenges and constraints that can impact its growth and development. It is crucial for industry stakeholders to thoroughly understand these factors to effectively navigate potential obstacles. Below is a list of significant challenges that the aerospace and defence market encounters:

***Defence Components Industry in India***

Procedural Requirements and Regulatory Complexity: Despite improvements in ease of doing business, defence manufacturing projects continue to involve multiple approvals, compliance requirements, certifications, and procurement procedures, which can affect project timelines.

Technology Gaps and Dependence on Imports: While localisation is improving, critical technologies, specialised materials, propulsion systems, sensors, and advanced electronics continue to present areas where import dependence remains relatively high.

Quality and Certification Requirements: Companies supplying defence and aerospace components are required to meet stringent quality standards, certifications, testing requirements, and reliability benchmarks to compete globally.

Qualification requirements in aerospace and defence may typically extend for 2 to 5 years32 and involve extensive testing, certification, documentation and traceability processes. As a result, approved suppliers often benefit from long-standing customer relationships, while onboarding new suppliers can require significant time and validation efforts.

Execution and Procurement Delays: Delays in procurement processes, programme execution, testing, certification, and industrialisation can affect manufacturing timelines and investment decisions.

***Aerospace Components Industry in India***

Aero-Engine Capabilities: The development of indigenous aero-engine technologies remains a strategic priority for India, particularly across military aviation, advanced aircraft programmes, and unmanned systems.

Testing and Validation Infrastructure: Additional testing, qualification, certification, and validation infrastructure will be important for supporting advanced aerospace technologies and increasing private-sector participation.

Testing Sites for Private Sector: Dedicated testing sites are required to boost private sector involvement in the design, development, and manufacturing of manned and unmanned aircraft.

Domestic Electronics and Systems Manufacturing: Expanding domestic capabilities in sensors, avionics, electronics, communication systems, and advanced materials remains important for strengthening aerospace supply chains.

Commercial Aerospace Manufacturing: India's aerospace manufacturing ecosystem continues to expand; however, increasing participation in aircraft structures, advanced assemblies, engines, avionics, and systems manufacturing remains a long-term objective.

Space Ecosystem Development: The continued growth of India's space ecosystem will require sustained investment in launch systems, satellite technologies, advanced materials, additive manufacturing, AI-enabled systems, and private-sector innovation.

Space Startup Ecosystem: The Indian space startup ecosystem is evolving and will need substantial financial investments and technological support in areas such as new materials, AI, additive manufacturing, and quantum technologies.

[32] Directional estimate

The availability of experienced metallurgists, foundry specialists, machining experts and certified aerospace manufacturing personnel continues to influence the pace of capacity expansion across several high-precision manufacturing segments. The development of specialised technical talent remains important for supporting future growth in advanced manufacturing, propulsion systems, materials engineering and aerospace-component production.

**Competitive Landscape**

Competition in advanced aerospace and defence castings is based on material and process capabilities, manufacturing complexity, customer qualifications, product quality, delivery reliability and the ability to manufacture components for critical applications

***Profiling of Key players***

Profile of Precision Castparts Corporation:

| Section | Details |
|---|---|
| Overview | |
| Name | Precision Castparts Corporation |
| Industry | Aerospace, Power, and General Industrial |
| Headquarters | Lake Oswego, Oregon, USA |
| Manufacturing Locations & Production | • Portland, Oregon: Aerospace Component Manufacturing (High capacity for aerospace components)<br>• Cleveland, Ohio: Forging and Casting (Significant capacity for large-scale forgings and castings)<br>• Los Angeles, California: Fastener Manufacturing (High-volume production for aerospace fasteners)<br>• Ravenswood, West Virginia: Titanium Melt Facility (Facility for titanium melting, developed in partnership with BHE Renewables) |
| Products (Industry-wise) | • Aerospace: Airfoil castings, structural castings, fasteners, aerostructures, seamless pipe, and tube<br>• Power Generation: Large castings and forgings for turbines, structural castings, fasteners, seamless pipe, and tube<br>• Industrial: Industrial gas turbine components, seamless pipe and tube, fasteners, general industrial castings and forgings |
| Market Position | |
| Competitive Advantage | Advanced manufacturing capabilities, strategic acquisitions, strong customer relationships, and growing benefit from AI-driven demand for gas-turbine components |
| Key Competitors | |
| Alcoa | A leading producer of primary aluminum, fabricated aluminum, and alumina |
| TimkenSteel | Produces carbon and alloy steel |
| Allegheny Technologies | Specializes in advanced specialty materials and complex components |
| Competitive Analysis | |
| Strengths | Advanced manufacturing processes, broad product portfolio, strong industry reputation |

| | |
|---|---|
| Weaknesses | Dependence on the aerospace sector, exposure to raw material price volatility |
| Opportunities | Growing demand in aerospace and power sectors, potential for expansion in emerging markets, and rising demand from AI-driven gas-turbine/data-center power projects |
| Threats | Supply chain disruptions, increased competition, regulatory challenges, and evolving international trade-policy/tariff risks |
| Product Comparison | |
| Precision Castparts' Products | High-quality castings and forgings, fasteners, and aerostructures |
| Competitors' Products | Similar products with variations in material, design, and application focus |
| Analysis | PCC excels in precision and advanced material applications, competitive pricing, and innovation |
| Technological Advancement | |
| Innovations | Advanced casting and forging technologies, additive manufacturing, and new titanium melt technology at the Ravenswood, WV facility |
| R&D Investment | Significant, with continuous focus on enhancing manufacturing efficiency and material science |
| Financial Performance | |
| Revenue | 2025: U.S.$10.8 billion;<br>2024: U.S.$ 10.4 billion;<br>2023: U.S.$ 9.28 billion |
| Key Financial Metrics | Strong profitability, ROI improvements, robust cash flow |
| Customer Base and Market Segments | |
| Key Customers (Industry-wise) | • Aerospace: Boeing, Airbus, GE Aerospace, Rolls-Royce, Pratt & Whitney<br>• Power Generation: General Electric, Siemens<br>• Industrial: Caterpillar, John Deere |
| Market Segments | Aerospace, power generation, industrial applications |
| Strategic Initiatives | |
| Recent Investments | Expansion of manufacturing capabilities, acquisition of specialized companies, including a new titanium melt facility in Ravenswood, WV |
| Partnerships and Collaborations | Collaborations with aerospace giants and power sector leaders, including a joint development with BHE Renewables for the Ravenswood facility's renewable-energy microgrid |
| Geographical Presence | |
| Global Footprint | Manufacturing and operational presence across North America, Europe, and Asia |
| Market Penetration | Strong in North America and Europe, expanding in Asia |
| Regulatory and Compliance | |
| Compliance | Adherence to industry standards, rigorous quality control |
| Challenges | Navigating complex global regulations, maintaining compliance amidst expansion |

**Profile of Howmet Aerospace Inc.:**

| Section | Details |
|---|---|
| Overview | |
| Name | Howmet Aerospace Inc. |
| Industry | Aerospace, Defence, Automotive and Industrial |
| Headquarters | Pittsburgh, Pennsylvania, USA |
| Manufacturing Locations & Production | • Pittsburgh, Pennsylvania: Aerospace Components (High capacity for aerospace components)<br>• Whitehall, Michigan: Forging and Casting (Significant capacity for aerospace and industrial forgings)<br>• Hamtramck, Michigan: Automotive Parts (High-volume production for automotive components<br>• Cleveland, Ohio: Forged Wheels (forged aluminum wheels for heavy-duty trucks and trailers) |
| Products (Industry-wise) | • Aerospace - Commercial: Aerospace fasteners, high-temperature castings, structural components, turbine blades<br>• Defence - Defence: Fasteners, castings, and structural components for military aircraft and engines<br>• Gas Turbines: Investment-cast turbine airfoils and engine components for industrial and power-generation gas turbines<br>• Commercial Transportation: Forged aluminum wheels for heavy-duty trucks and trailers |
| Market Position | |
| Competitive Advantage | Advanced aerospace technology, strong focus on innovation, diversified product portfolio |
| Key Competitors | |
| Precision Castparts Corporation | Specializes in aerospace, power, and industrial castings and forgings |
| Rolls-Royce | Leading manufacturer of aircraft engines and power systems |
| Safran | Aerospace and defence company with a strong presence in propulsion and equipment |
| Competitive Analysis | |
| Strengths | Cutting-edge technology, robust R&D capabilities, strong global presence |
| Weaknesses | High dependence on the aerospace sector, potential for supply chain disruptions |
| Opportunities | Expansion into new aerospace technologies, growth in emerging markets, and accelerating demand in the Gas Turbines market driven by AI/data-center electricity needs |
| Threats | Intense competition, fluctuations in raw material costs, regulatory challenges |
| Product Comparison | |
| Howmet's Products | Aerospace fasteners, castings, and forgings, gas turbine components, forged wheels |
| Competitors' Products | Similar products with different technological approaches and applications |
| Analysis | Howmet excels in technological innovation, high-performance materials, and customer-specific solutions |

| | |
|---|---|
| Technological Advancements | |
| Innovations | Advanced casting and forging techniques, high-temperature materials, and additive manufacturing |
| R&D Investment | Significant investment in developing next-generation aerospace and gas turbine technologies |
| Financial Performance | |
| Revenue | 2025: U.S.$ 8.25 billion;<br>2024: U.S.$ 7.43 billion;<br>2023: U.S.$ 7.64 billion |
| Key Financial Metrics | Strong revenue growth, improving profit margins, solid financial stability |
| Customer Base and Market Segments | |
| Key Customers (Industry-wise) | • Aerospace: Boeing, Airbus, GE Aerospace, Pratt & Whitney, Rolls-Royce, RTX<br>• Gas Turbines: GE Vernova, Siemens Energy, Mitsubishi Heavy Industries, Baker Hughes<br>• Commercial Transportation: Leading heavy-duty truck and trailer OEMs |
| Market Segments | Commercial aerospace, defence aerospace, commercial transportation, gas turbines |
| Strategic Initiatives | |
| Recent Investments | Expansion of gas turbine and aerospace engine production capacity, acquisition of complementary technology firms, including Consolidated Aerospace Manufacturing and Brunner Manufacturing |
| Partnerships and Collaborations | Partnerships with leading aerospace and gas-turbine OEMs, including recently completed long-term supply contracts with four of its seven largest gas-turbine customers |
| Geographical Presence | |
| Global Footprint | Operations across North America, Europe, and Asia |
| Market Penetration | Strong presence in North America and Europe, expanding footprint in Asia |
| Regulatory and Compliance | |
| Compliance | Strict adherence to industry standards, robust quality control measures |
| Challenges | Managing regulatory compliance across different regions, adapting to evolving industry standards, and navigating tariff-related cost pressure on aluminum inputs |

**Profile of Consolidated Precision Products:**

| Section | Details |
|---|---|
| Overview | |
| Name | Consolidated Precision Products (“CPP”) |
| Industry | Aerospace, Defence, Industrial |
| Headquarters | Cleveland, Ohio, USA |
| Manufacturing Locations & Production | Cleveland/Euclid/Eastlake, Ohio: Airfoil and Structural Castings<br>Albany, Oregon: Titanium Castings (Selmet facility - titanium alloy castings for next-generation engines)<br>Cudahy/Azusa/Pomona/Rancho Cucamonga, California: Aerospace and Defence Castings |

| | |
|---|---|
| | International: Additional facilities in Guaymas & Tijuana (Mexico), Rzeszow (Poland), Herstal (Belgium), and Povazska Bystrica (Slovakia) - 20+ locations globally |
| Products (Industry-wise) | • Aerospace: Precision castings, turbine blades, structural components, aerospace forgings<br>• Defence: Military aircraft components, missile parts, defence-related castings, and forgings<br>• Industrial: Industrial gas turbine parts, heavy machinery components, precision industrial castings |
| Market Position | |
| Competitive Advantage | Expertise in precision castings, diverse industrial applications, strong quality control |
| Key Competitors | |
| Precision Castparts Corporation | Specializes in aerospace, power, and industrial castings and forgings |
| Howmet Aerospace Inc. | Focuses on aerospace fasteners, high-performance materials, and gas turbine and commercial transportation components |
| Competitive Analysis | |
| Strengths | High-quality precision castings, robust engineering capabilities, extensive industry experience |
| Weaknesses | Limited diversification beyond aerospace and defence, potential exposure to sector-specific downturns |
| Opportunities | Growth in defence contracts, expansion into new industrial applications |
| Threats | Volatility in defence budgets, competitive pressures, and raw material cost fluctuations |
| Product Comparison | |
| CPP's Products | Precision castings and forgings, aerospace components, defence parts |
| Competitors' Products | High-precision products with varying technological features and applications |
| Analysis | CPP stands out for its precision and quality control in casting, with a strong focus on defence applications |
| Technological Advancements | |
| Innovations | Advanced casting techniques, precision engineering, and material science |
| R&D Investment | Targeted investments in improving casting precision and expanding defence-related technologies |
| Financial Performance | |
| Revenue | Not disclosed publicly |
| Key Financial Metrics | Elevated leverage with negative free operating cash flow; credit metrics improving slowly as of the last published rating action (“S&P”) |
| Customer Base and Market Segments | |
| Key Customers (Industry-wise) | • Aerospace: Boeing, Airbus, Lockheed Martin, Northrop Grumman<br>• Defence: Raytheon Technologies, BAE Systems, Raytheon Technologies/RTX, Lockheed Martin (F-35)<br>• Industrial: Caterpillar, General Electric |
| Market Segments | Aerospace, defence, industrial |
| Strategic Initiatives | |
| Recent Investments | Expansion into advanced casting technologies, new defence contracts |

| | |
|---|---|
| Partnerships and Collaborations | Collaborations with defence contractors and aerospace manufacturers |
| Geographical Presence | |
| Global Footprint | Operations primarily in North America, with some international presence |
| Market Penetration | Strong in North America, with emerging opportunities in international defence sectors |
| Regulatory and Compliance | |
| Compliance | Adherence to aerospace and defence industry standards, rigorous quality control |
| Challenges | Navigating defence contract regulations, managing global supply chain complexities |

**Titanium & Super Alloy Components**

Titanium and nickel-based superalloys are strategically important materials for aerospace and defence applications due to their strength, temperature resistance, corrosion resistance and performance under demanding operating conditions. Their production requires specialised melting, alloying, casting and downstream-processing capabilities

***High Concentration of Manufacturing in Russia & China***

Super alloys are indispensable in aerospace due to their ability to withstand extreme temperatures and stress. They are used in turbine engines, where materials must endure high heat and mechanical loads, ensuring reliability and performance.

In the defence industry, super alloys are used in rocket engines, missile components, and other high-temperature applications, offering exceptional durability and performance under extreme conditions. Apart from aerospace and defence, super alloys are crucial in the energy sector, particularly in nuclear reactors and power generation turbines, where they must resist heat and corrosion. Titanium and nickel-based superalloy melting remain capital-intensive and technically demanding manufacturing activities.

***Super Alloys Manufacturers***

***United States:***

**General Electric ("GE")**: GE Aviation is a major producer of super alloys used in jet engines and other high-performance aerospace applications. GE produces around 10,000 tons of super alloys annually. Its portfolio includes the LEAP, GEnx, GE90 and GE9X engine programmes.

**Honeywell**: Honeywell Aerospace manufactures super alloys for various aerospace and defence applications, including turbines and engine components. Company's annual production capacity is approximately 5,000 tons. In March 2026, Honeywell announced a U.S.$ 500 million multi-year investment to expand production capacity for critical defence technologies.

**Raytheon Technologies (formerly United Technologies)**: This conglomerate produces super alloys through its Pratt & Whitney division, focusing on advanced aerospace propulsion systems. Raytheon manufactures super alloys primarily for jet engines, producing around 8,000 tons per year.

***Europe:***

**Safran**: Safran manufactures commercial and military aircraft engines and critical propulsion components requiring titanium alloys and nickel-based superalloys and has an annual output of about 6,000 tons.

**Rolls-Royce**: The UK-based Rolls-Royce is renowned for its advanced super alloys used in high-performance aircraft engines and industrial gas turbines, with a production capacity of 7,500 tons annually.

***Asia:***

***China:***

**AVIC** (Aviation Industry Corporation of China): Produces super alloys for aerospace and defence applications, with an annual capacity of 9,000 tons.

**China Baowu Steel Group**: Engaged in the production of super alloys for various high-tech applications, including aerospace, with an annual output of 6,500 tons.

***Japan***

**Hitachi Metals**: A leading producer of super alloys, focusing on turbine blades and aerospace components, with an annual production of 4,500 tons.

**Mitsubishi Heavy Industries**: Produces super alloys for jet engines and other high-stress applications, with an annual output of 3,500 tons.

***Russia***

**VSMPO-AVISMA**: VSMPO-AVISMA is a major vertically integrated producer of titanium sponge, melted products and mill products for aerospace and industrial applications. It produces a variety of super alloys for aerospace and defence, with an annual capacity of around 7,000 tons.

**Uralvagonzavod**: Engaged in the production of super alloys for military applications, producing approximately 4,000 tons annually.

Titanium metal finds extensive application in the aerospace industry due to its excellent strength-to-weight ratio, resistance to corrosion, and thermal stability. It also plays a crucial role in defence applications and critical infrastructure sectors like chemicals and power generation. Titanium is traded in various stages of processing, with wrought titanium, such as mill products, being the primary form in which it is commercially available.

***Dependence of the Aerospace Industry on Russia***

The aerospace industry heavily relies on Russia, particularly on the Russian company VSMPO-Avisma, which is certified to produce a wide range of titanium-based aerospace products. Reports indicate that VSMPO-Avisma previously supplied about one-third of the global titanium used in the aviation sector and over 45% of the world's aerospace titanium parts. The aerospace sector represents around 75% of the company's sales.

Before 2022, Airbus sourced approximately 50% of its titanium requirements either directly or indirectly from VSMPO-AVISMA, while Boeing relied on Russian titanium for roughly one-third of its commercial aircraft requirements. The company also supplied major aerospace engine manufacturers and tier suppliers, including Safran and Rolls-Royce, which historically sourced a meaningful share of their aerospace titanium requirements from Russian producers. The concentration of aerospace-grade titanium production among a limited number of qualified suppliers reinforced Russia's strategic position within global aerospace supply chains.

The integration of Russian titanium into aerospace manufacturing extended beyond material supply. Boeing's long-standing joint venture with VSMPO-AVISMA, Ural Boeing Manufacturing ("**UBM**"), produced titanium forgings and machined components for commercial aircraft programmes. VSMPO-AVISMA also maintained long-term supply agreements with several aerospace suppliers and manufacturers globally, reflecting the industry's reliance on certified titanium products and specialised metallurgical capabilities.

Following geopolitical disruptions and sanctions-related uncertainty, major aerospace companies accelerated efforts to diversify titanium sourcing. Airbus increased procurement from alternative suppliers and expanded inventory holdings, while Boeing suspended purchases of Russian titanium and relied on existing inventories and alternative sourcing arrangements. Engine manufacturers and aerospace suppliers also strengthened inventory

positions and pursued supply-chain diversification initiatives to reduce concentration risk and improve long-term resilience.

This shift has increased the strategic importance of alternative titanium-producing countries such as Japan, Kazakhstan and the United States, which together accounted for more than half of global exports of unwrought titanium and titanium powders in 2024. Nevertheless, aerospace-grade titanium production and downstream processing capabilities remain concentrated among a relatively small number of qualified producers, making supply-chain resilience a continuing priority for aircraft manufacturers, engine OEMs and aerospace suppliers.

According to SIPRI, Russia remained the world's third-largest exporter of major arms during 2021 to 2025, behind the United States and France. However, Russia's arms exports declined by 64% between 2016 to 2020 and 2021 to 2025, reflecting the combined impact of sanctions, supply-chain constraints, prioritisation of domestic military requirements, and increasing competition from alternative suppliers. As a result, Russia's share of global arms exports declined significantly, while the United States increased its global share to 42%

The decline in Russian exports has also altered its customer base. During 2021 to 2025, the largest recipients of Russian defence equipment continued to be concentrated in Asia, with India accounting for approximately 40% of Russian arms exports, followed by China (17%) and Kazakhstan (11%). Nevertheless, Russia's export volumes to several traditional customers continued to decline, reflecting procurement diversification efforts and the increasing availability of indigenous and alternative defence suppliers. SIPRI notes that the reduction in deliveries, combined with a smaller order pipeline, suggests that Russian arms exports are likely to remain below historical levels in the near term. This trend has increased the strategic importance of alternative suppliers in countries such as Japan, the United States, and Kazakhstan, particularly across titanium and aerospace-material supply chains

**India's Military Materials Dependency**

The dependency on foreign sources constrains the ability of Indian organizations to export defence equipment and platforms, thereby limiting the growth and development of the country’s defence industrial ecosystem.

Import Substitution The Government of India has highlighted that the country is 100% import dependent for certain critical minerals such as lithium, cobalt and nickel, underscoring strategic supply-chain vulnerabilities. Developing domestic production capabilities for these materials can reduce the import bill and decrease dependence on geopolitically sensitive sources.

Securing the Supply Chain: Recent geopolitical tensions, export restrictions on critical minerals, and continuing supply chain realignments have reinforced the importance of resilient and domestically controlled supply chains for strategic and defence-related materials. Consequently, India, is strengthening domestic manufacturing, critical mineral value chains and strategic sourcing initiatives to enhance national security, industrial resilience and defence preparedness.

Self-Sufficiency in Defence: Achieving self-reliance in strategic materials, specialty alloys, electronics, propulsion technologies, and defence manufacturing remains a key objective of the Government of India. Initiatives such as DAP 2020, Positive Indigenisation Lists, SRIJAN, iDEX, and the Technology Development Fund continue to support indigenous development and reduce dependence on imported materials and technologies.

**Deleveraging effort: Insight on ongoing efforts to diversify out of China & Russia**

In 2020, the COVID-19 pandemic had a severe impact on the titanium supply chain. The situation was exacerbated by weak aerospace demand following the Boeing 737 MAX crisis, which resulted in insufficient price support for marginal producers. The U.S. titanium industry was already under pressure from growing Chinese competition, and the closure of ATI's Rowley plant, Iluka Resources' Virginia operations and TIMET's Henderson facility led to the loss of large-scale domestic primary titanium sponge production in the United States. Consequently, the United States remains heavily dependent on imports of titanium sponge feedstock and recycled titanium material to meet domestic demand. According to the USGS, the United States continues to be more than 95% net import reliant for titanium sponge metal.

The Russian-Ukrainian conflict, which began in 2022, has further complicated the titanium industry's situation. Both Russia and Ukraine produce titanium sponge, but production has been reduced due to the ongoing conflict. Historically, large heavy mineral sand deposits in Ukraine have been a crucial raw material source for Russia's titanium industry. Although trade data indicates that these feedstock imports to Russia have halted, reports suggest that material is still reaching Russia through intermediaries, albeit in reduced volumes. This has led to concerns that Russia's aerospace titanium supply will deplete its available stocks as demand increases. Additionally, geopolitical pressures are mounting to reduce dependency on Russian titanium and seek alternative sources, partly due to the association of Russian titanium with the Russian defence conglomerate Rostec. Despite these pressures and sanctions, Russian titanium sponge and metal continue to flow into Western markets, and there has been a recent increase in Chinese titanium metal supplies to meet the demand.

The sourcing of aerospace-grade titanium sponge and metal is further complicated by the lengthy process of certifying and integrating alternative sources into aerospace supply chains, leaving the industry heavily dependent on titanium imports from Russia.

**Middle East, North America and China**

The aerospace industry is expected to remain a key growth driver for titanium consumption over the long term, supported by aircraft production backlogs, fleet modernization programmes and rising air travel demand. In response to supply-chain constraints and efforts to diversify away from traditional sourcing regions, Saudi Arabia has emerged as an increasingly important participant in the titanium market. The titanium sponge plant in Yanbu, operated through a partnership involving Advanced Metal Industries Cluster ("**AMIC**") and Toho Titanium, continues to support the development of the Kingdom's titanium value chain. Saudi Arabia has further strengthened its position through strategic aerospace partnerships and supply agreements aimed at expanding its role in global titanium supply chains. In 2025, Airbus signed an agreement to source titanium from Saudi Arabia as part of a broader industrial cooperation package, reflecting the growing importance of the Kingdom as an alternative titanium supplier.

In the U.S., the government has continued to support domestic titanium production as part of broader efforts to strengthen critical mineral and defence supply chains. Programs undertaken by the Department of Defence, including the Industrial Base Analysis and Sustainment ("**IBAS**") program and Manufacturing Technology ("**ManTech**") initiatives, are intended to enhance supply-chain resilience and reduce reliance on foreign sources. Funding has been provided to projects such as IperionX and other domestic titanium initiatives to support the development of an integrated U.S. titanium supply chain. In 2025, IperionX secured a U.S. Department of Defence award of up to U.S.$47.1 million to accelerate the development of a domestic mineral-to-metal titanium supply chain, with additional funding subsequently obligated during the year. The United States has also continued efforts to coordinate with allied nations to improve access to critical defence materials, while Japanese producers such as Toho Titanium and Osaka Titanium remain important suppliers of aerospace-grade titanium sponge to international markets.

Despite these strategic investments, the majority of U.S. titanium manufacturing activities remain dependent on imported titanium sponge feedstock. As a result, Japan and the Middle East continue to represent important regions where expanded titanium sponge capacity could support long-term growth in aerospace and defence applications. The concentration of certified aerospace-grade titanium sponge production within a limited number of countries remains a key supply-chain consideration for the global aerospace industry.

Looking ahead, any normalization of geopolitical tensions could improve the availability of aerospace-grade titanium across global markets. At the same time, China continues to pursue the development of a more self-reliant aerospace ecosystem centred around the COMAC C919 aircraft programme and associated domestic supply chains. While China remains a major titanium producer, the qualification and certification requirements associated with aerospace-grade titanium continue to present barriers to wider adoption within Western aerospace supply chains. Nevertheless, ongoing investments in domestic aerospace capabilities, aircraft manufacturing and upstream materials production are expected to strengthen China's position in the global titanium market. The long-term evolution of aerospace titanium supply chains will depend on geopolitical developments, certification requirements and the ability of emerging suppliers to meet stringent aerospace quality standard.

**Emerging opportunities in manufacturing of critical components for defence & aerospace (other markets)**

Apart from Russia and China, other countries are investing heavily in advanced manufacturing technologies, forming strategic partnerships, and receiving government support to enhance their aerospace and defence manufacturing capabilities, positioning themselves as emerging hubs in the global supply chain.

**North America**

***Investment:***

United States: The U.S. continues to see increased investments in the production of titanium and super alloys, driven by the need to strengthen domestic capabilities and reduce reliance on foreign sources. Companies such as ATI and IperionX are expanding their facilities and investing in advanced manufacturing technologies, including additive manufacturing, powder metallurgy and advanced machining.

ATI is expanding its capabilities in titanium and nickel-based superalloys to meet the high-performance requirements of the defence and aerospace sectors.

IperionX is developing an integrated mineral-to-metal titanium supply chain, supported by a U.S. Department of Defence award of up to U.S.$47.1 million and subsequent funding obligations for expanding production at its Virginia Titanium Manufacturing Campus.

Canada: Canadian firms are also ramping up investments in critical component manufacturing. Magellan Aerospace, for instance, is establishing an advanced machining centre in Winnipeg to enhance the production of aircraft components, supported by C$8 million in federal funding under the Regional Defence Investment Initiative

***Government Support:***

U.S. Department of Defence Initiatives: The U.S. DoD is actively promoting initiatives to secure and strengthen domestic supply chains. Industrial-base programmes, including Industrial Base Analysis and Sustainment, are supporting the expansion of manufacturing technologies and domestic capabilities for critical materials and components.

Defence Production Act (DPA): Under the DPA and other industrial-base programmes, the U.S. government is funding projects to increase domestic production of strategic materials essential for national security. The National Defence Industrial Strategy also identifies resilient supply chains and flexible acquisition as priorities for strengthening the defence industrial base.

***Europe***

***Innovation:***

**Germany**: Germany is investing heavily in advanced manufacturing techniques, including precision machining and additive manufacturing. Companies like MTU Aero Engines are leading R&D efforts to develop high-performance aerospace components.

**France**: French aerospace firms such as Safran and Dassault Aviation are at the forefront of innovation, focusing on developing next-generation materials and manufacturing processes.

**United Kingdom:** The UK is fostering innovation through initiatives like the Aerospace Technology Institute ("**ATI**"), which supports the development of advanced materials and manufacturing technologies.

***Collaborations:***

European Union: he EU is encouraging collaboration between member states to enhance self-reliance and reduce dependence on non-EU suppliers. Horizon Europe, the European Defence Fund and the Critical Raw Materials

Act support collaborative R&D, advanced manufacturing and more secure supply chains for aerospace and defence technologies.

Franco-German Cooperation: Notable collaborations, such as those between Airbus and MTU Aero Engines, aim to develop cutting-edge aerospace technologies and streamline manufacturing processes.

***India***

***Emerging Market:***

Increased Investments: India is rapidly emerging as a significant player in the aerospace and defence sectors, with growing investments in manufacturing facilities for critical components. Companies like Bharat Forge and Hindustan Aeronautics Limited (HAL) are expanding their capabilities to produce high-strength alloys and precision components. India recorded defence production of approximately ₹1.50 lakh crore in Fiscal 2024 to Fiscal 2025, supported by growing public- and private-sector participation

***Government Initiatives:***

Make in India: The Indian government's "Make in India" initiative is a major driver of growth, encouraging both domestic and foreign companies to set up manufacturing units in India. These initiatives aim to position India as a global hub for aerospace and defence manufacturing, with the government targeting defence production of ₹3 lakh crore by 2029.

Defence Procurement Policies: Policies such as the Defence Acquisition Procedure 2020 are designed to boost local manufacturing by prioritising the Buy (Indian-IDDM) category.

***Southeast Asia***

***Growing Capabilities:***

**South Korea** is developing its capabilities in advanced materials and manufacturing processes. Companies like Hanwha Aerospace are investing in R&D to produce high-performance aerospace components.

South Korea is also focusing on developing indigenous technologies and transferring production capabilities through international partnerships, including defence-industrial cooperation with Poland for the local production of precision rockets

Singapore is establishing itself as a key player in the aerospace sector, with investments in advanced manufacturing technologies and infrastructure. ST Engineering is at the forefront, enhancing its capabilities to produce critical aerospace components.

The Singapore government supports the industry through Industry Transformation Maps and advanced manufacturing initiatives, which promote digital manufacturing, automation, R&D collaboration and workforce development.

***Other Emerging Hubs***

***Brazil:***

Aerospace Growth: Brazil's aerospace industry, led by Embraer, is expanding its focus on critical component manufacturing. The Brazilian government is supporting this through investments and strategic partnerships.

Defence Manufacturing: Brazil is modernizing its defence manufacturing capabilities, creating opportunities for local production of advanced materials and components.

***Turkey:***

Defence Industry Expansion: Turkey's defence sector is rapidly growing, with Turkish Aerospace Industries, Roketsan, ASELSAN and TEI leading efforts in locally producing aircraft, engines, missiles and critical subsystems. In 2025, Türkiye's defence and aerospace exports, including services, reached U.S.$10.05 billion, while the sector comprised more than 3,500 firms and over 1,400 projects.

Government Support: The Turkish government's policies emphasise indigenous development and production, supported by programmes covering the KAAN fighter aircraft, HÜRKUŞ trainer, ATAK helicopter, engines, missiles and unmanned systems.

***Israel:***

High-Tech Innovations: Israel's aerospace and defence sectors are renowned for high-tech innovations. Companies like Israel Aerospace Industries (IAI) and Rafael Advanced Defence Systems are developing advanced components for both domestic and international markets.

Government and Industry Collaboration: The Israeli government supports the sector through funding and fostering global partnerships to integrate advanced technologies.

***United Arab Emirates (UAE):***

Strategic Investments: The UAE is investing heavily in its aerospace sector, aiming to become a regional hub for manufacturing critical components. Companies such as Strata Manufacturing and EDGE Group reflect the country's ambition to develop domestic aerospace and defence capabilities.

Advanced Manufacturing: Investments in technologies like 3D printing and automation are enhancing the UAE's manufacturing capabilities.

***Poland:***

Aerospace and Defence Growth: Poland is emerging as a significant player, with companies such as PZL-Świdnik, WB Group and PGZ supporting growth in aerospace, unmanned systems and defence manufacturing. Poland's Aviation Valley cluster comprises 193 entities and employs more than 35,000 people.

Government Initiatives: Recent Polish-Korean cooperation provides for precision rockets to be produced in Poland under the Homar-K programme.

***Mexico:***

Emerging Aerospace Hub: Mexico is becoming a key supplier for major aerospace companies, focusing on manufacturing and assembling critical components.

Government Support: Federal and state governments support investment and local capability development, particularly in aerospace clusters such as Querétaro and Baja California. Querétaro is strengthening its aerospace ecosystem through advanced engineering, specialised training and the expansion of GE Aerospace's research and development operations

Aerospace and defence companies should brace for continued fragility and disruptions in the global supply chain, which may lead to production and delivery delays, as well as higher costs for raw materials and components. Challenges span the entire supply chain, from raw material and tier-three suppliers to original equipment manufacturers and maintenance, repair and overhaul providers. Issues include skilled labour shortages, material and part unavailability, production bottlenecks and limited visibility across lower-tier suppliers. These factors continue to extend lead times and weaken supplier commitments, contributing to volatility in operational, programme and financial performance.

The sourcing of critical minerals, crucial for defence applications, poses a particular challenge for aerospace and defence supply chains. The U.S. remains entirely or almost entirely reliant on imports for several critical minerals, while China maintains a dominant position across the mining or processing of materials such as gallium,

germanium and rare earth elements. This dependence could be a complicating factor for aerospace and defence companies, especially since replacing these materials in the short term is impractical. China's export restrictions on gallium and germanium have reinforced concerns regarding supply reliability, with USGS estimating that a complete simultaneous restriction of Chinese net exports could reduce U.S. GDP by approximately U.S.$3.4 billion. Companies involved in advanced technologies, including space systems and electronics, should therefore closely monitor geopolitical developments and consider strategic reserves and diversified supplies of critical minerals.

The issue of limited or sole sourcing for parts remains prevalent in the industry. The aerospace and defence sector has been slow to develop alternative sources due to the rigorous qualification and certification processes required to meet industry standards. As a result, companies often rely on existing suppliers for both new and aftermarket parts. To address this, companies are likely to increase strategic inventories of critical items, develop alternative suppliers and build more flexible supply chains, although the U.S. DoD continues to have limited visibility into large parts of its network of more than 200,000 suppliers

In the U.S., alternatives such as cross-border manufacturing and "friendshoring" are being explored, with the government working to enhance defence production capabilities through international partnerships. Aerospace and defence companies may also invest in innovative manufacturing technologies to establish alternative supply sources and mitigate issues related to sole-source manufacturing, long lead times and obsolescence. Similar diversification efforts are evident in the EU, where the Critical Raw Materials Act seeks to limit dependence on any single third country to no more than 65% of annual consumption for each strategic material at any relevant processing stage by 2030.

Looking ahead, aerospace and defence companies are expected to continue adopting digitalisation and automation within their supply chains. Digital supply-chain platforms, supplier mapping, advanced analytics and digital models can improve visibility into procurement, production and delivery processes. However, the U.S. GAO found in July 2025 that DoD supply-chain visibility initiatives remained uncoordinated and provided limited insight into most lower-tier suppliers, highlighting the need for integrated data and stronger supplier reporting.

The aerospace and defence supply chain, characterised by its complexity and global scope, requires careful management to achieve diversification and transparency. By maintaining strategic raw-material reserves, committing to bulk purchases of long-lead-time items, qualifying alternative supply sources and investing in digital solutions, aerospace and defence companies can better navigate ongoing supply-chain challenges.

**Titanium Consumption Scenario**

Titanium is widely used in aerospace & defence applications due to its high strength-to-weight ratio and exceptional corrosion resistance. This metal enables manufacturers to produce lightweight, durable equipment that performs well even under harsh conditions.

***Global Consumption Pattern***

Titanium ore is mainly consumed in China, the US, Russia, Europe, Japan, and emerging markets. Titanium is utilized in alloy form for high-performance applications in aeronautics and defence, while its pure or low-alloy forms are applied in industrial processes and consumer products.

Sponge titanium is used to produce titanium metals and alloys. These are applied in aerospace, shipbuilding, chemical processing, transportation, defence, marine engineering, power generation, construction, metallurgy, medicine, sports equipment, daily goods, and light industry. Major consumers of sponge titanium are Russia, the US, Japan, and China. The US and Russia use most of their titanium for aerospace, while Japan and China use it mainly for the chemical industry and consumer-related applications.

The demand for titanium is closely tied to industrial activity. From 2009 to 2019, the titanium market experienced robust growth, with a compound annual growth rate ("**CAGR**") of approximately 8%, largely driven by the aerospace sector. Before the onset of the COVID-19 pandemic, global titanium demand reached a record high in 2019, with more than 160,000 tonnes consumed worldwide.

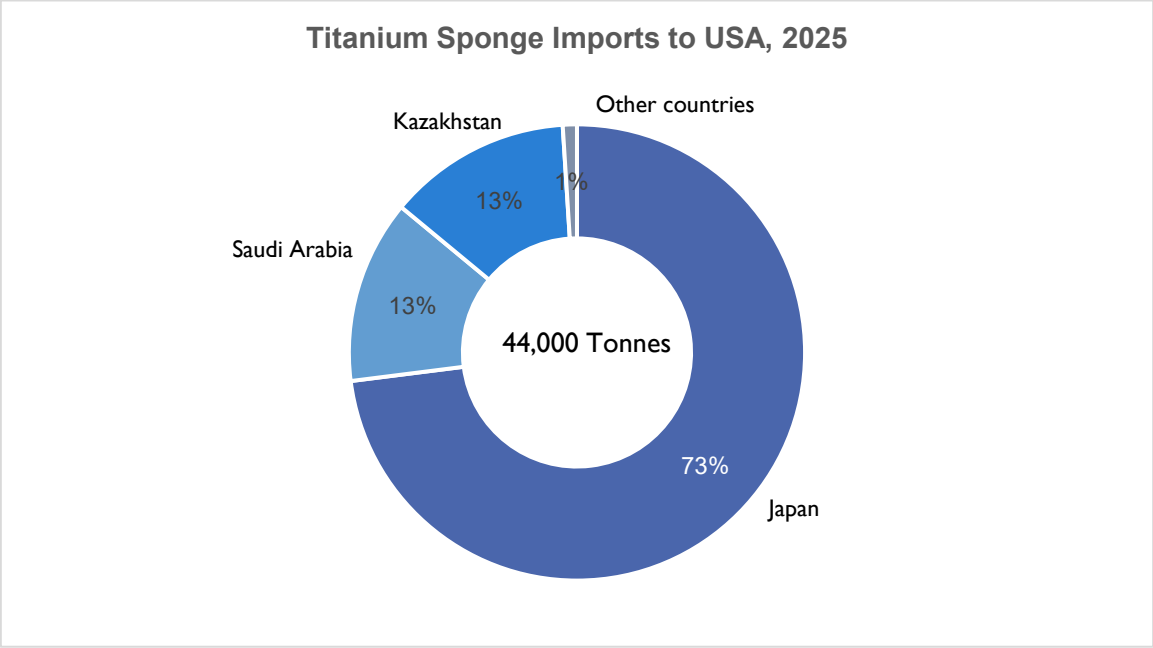
In 2019, primary segments within the global titanium metal consumption were commercial aircraft production—encompassing engine parts, airframe structures, and specific components—and industrial applications, such as the chemical industry, oil and gas, and nuclear plants. Together, these segments accounted for 85% of total titanium demand. In contrast, the defence and consumer goods segments contribute less to global titanium consumption, at 9% and 6%, respectively.

***Consumption Pattern by Key Regions***

**USA**

U.S. titanium ingot and downstream product manufacturers continued to rely on imported titanium sponge and scrap, as the United States no longer has commercial-scale domestic titanium sponge production. Increased demand from the aerospace and other industries led titanium sponge imports to rise to approximately 44,000 tonnes in 2025, compared with 42,000 tonnes in 2023. Japan remained the dominant supplier, accounting for approximately 73% of U.S. titanium sponge imports, followed by Saudi Arabia and Kazakhstan with around 13% each.[33].

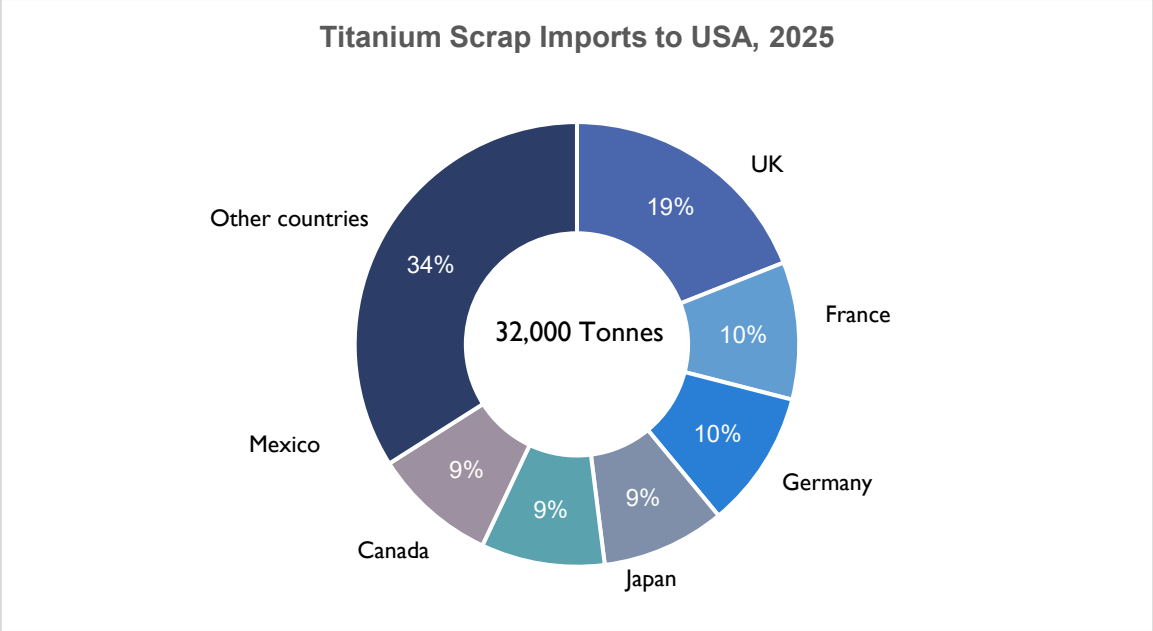
Additionally, the U.S. imported approximately 32,000 tonnes of titanium scrap in 2025. Major suppliers included the United Kingdom (19%), France (10%), Germany (10%), Japan (9%), Canada (9%) and Mexico (9%)




*Source: USGS*[34]

[33] https://pubs.usgs.gov/periodicals/mcs2024/mcs2024-titanium.pdf

[34] https://pubs.usgs.gov/periodicals/mcs2026/mcs2026.pdf




*Source: USGS*[35]

Although data for 2025 indicate a reduced dependence on Russian material, titanium supply chains continue to be influenced by geopolitical developments, with aerospace manufacturers increasingly diversifying sourcing strategies following disruptions associated with the Russia-Ukraine conflict. The United States remains heavily import-dependent for titanium sponge feedstock

Titanium consumption in the EU manufacturing sectors

| Application | Industry | Industrial Ecosystem | Titanium metal consumption |
|---|---|---|---|
| Civil Aerospace | C3030 – Manufacture of air and spacecraft and related machinery | Aerospace & Defence | 67% |
| Industrial Equipment | C2530 – Manufacture of steam generators, except central heating hot water boilers<br>C281 – Manufacture of general-purpose machinery<br>C2829 – Manufacture of other general purpose machinery n.e.c | Renewable energy, Energy-intensive Industries | 29% |
| Defence | C3040 – Manufacture of military fighting vehicles<br>C3030 – Manufacture of air and spacecraft and related machinery<br>C3011 – Building of ships and floating structures | Aerospace & Defence | 3% |
| Consumer Goods | C3250 – Manufacture of medical and dental instruments<br>C3230 – Manufacture of sports goods<br>C2932 – Manufacture of motor vehicle parts & accessories<br>C3213 – Manufacture of imitation jewellery & other products<br>C3011 – Building of ships and floating structures<br>F4120 – Construction of residential and non-residential buildings | Health, Mobility, Transport, Automotive | 2% |

***Global Trade in Titanium***

[35] https://pubs.usgs.gov/periodicals/mcs2026/mcs2026.pdf

**Titanium Sponge**

Japan remains the dominant global exporter of titanium sponge and continues to be the principal supplier to both the United States and Europe. According to the latest USGS data, Japan accounted for approximately 73% of U.S. sponge imports in 2025, highlighting its strategic importance within the global titanium supply chain. China remains a major producer of titanium sponge; however, most of its output is consumed domestically, while high-quality aerospace-grade sponge continues to be produced primarily in Japan, Russia and Kazakhstan.

**Unwrought titanium & powders**

Japan continues to be one of the most significant exporters of unwrought titanium and titanium powders globally. The United States remains the largest importer of unwrought titanium products, reflecting the country's dependence on imported titanium feedstock following the closure of domestic sponge production facilities. Global trade patterns continue to be influenced by aerospace demand recovery and efforts to diversify supply chains away from Russia.

***Titanium in Military Applications***

Over the past two decades, titanium has become increasingly used in military land and combat vehicles. Its low weight-to-strength ratio, exceptional mechanical and ballistic properties, and ease of fabrication make it ideal for armour plating and non-structural components. This helps reduce vehicle weight, enhances performance, and allows for additional upgrades. Common titanium grades used include 6Al-4V Grade 5 and 6Al-4V ELI Grade 23, with 6Al-6V-2Sn used for ordinance components and frames.

Titanium's high strength-to-weight ratio supports the development of strong, lightweight armour, which improves manoeuvrability without compromising safety. It is also utilized in aircraft parts, missiles, armour plating, naval ships, and spacecraft due to its versatility.

Manufacturers often use titanium alloys, combining it with aluminium and vanadium for parts like landing gears and hydraulic systems. Recent innovations include alloying titanium with tungsten for tank armour, providing battlefield protection. While alpha alloys are not used in the military due to their inability to be heat-treated, alpha-beta alloys are favoured for their strength and ductility.

Titanium is also used in armour suits for enhanced ballistic protection and in various military applications such as tanks, missiles, and weaponry. Titanium's reduced weight and exceptional strength make it suitable for personal carriers, ordnance equipment, and armour plating.

**Titanium Grades for Military Use:** For armour, Ti-6Al-4V is preferred due to its superior ballistic performance. Ti-6Al-4V ELI is used for aircraft turbines and high-temperature applications, while 6Al-6V-2Sn-Ti is chosen for ordnance components and frames, and Grade 5 titanium is used for various military applications, offering high strength when heat-treated.

**Titanium Composites:** Recent research has focused on titanium composites, which include titanium and fiberglass. These composites are used in rotor blades for Black Hawk helicopters due to their superior conductivity compared to carbon composites and effective galvanic and thermal expansion properties.

**Titanium in Naval Applications:** For naval use, titanium is the metal of choice due to its exceptional resistance to seawater corrosion, ensuring that the metal remains unaffected even in harsh marine environments. It is employed in the construction of various components exposed to seawater, such as propeller shafts, underwater manipulators, rigging equipment, shipboard cooling systems, and piping. Titanium is particularly preferred for submarine ball valves, heat exchangers, fire pumps, and exhaust stack liners. Previously, seawater piping suffered from frequent damage, particularly in heat exchangers, leading to high maintenance costs due to constant replacements and repairs. Titanium has since replaced copper-nickel pipes, offering a longer lifespan and reduced service costs.

**Titanium in the Air Force:** Titanium has been a staple in military aircraft construction for decades, notably for frames and bodies. Today, it is also used in other aircraft components, such as wind access panels, landing gears,

and brackets. It is estimated that up to 25% of a military aircraft is made from titanium, a higher proportion compared to commercial aircraft. Titanium's popularity in military aerospace stems from its excellent performance at high temperatures (over 600ºC). It is used in the manufacturing of jet engine castings and compressor discs due to its ability to withstand extreme temperatures without cracking or suffering from fatigue, unlike other metals.

***Titanium in Aerospace Applications***

**Airframe** - Titanium is a key material for lightweight structural components in aerospace, offering superior performance compared to steel and aluminium alloys. Its use in aircraft manufacturing, including rotary-wing aircraft, rockets, satellites, and missiles, contributes to the development of fuel-efficient designs. Boeing, for instance, has leveraged titanium's benefits extensively for many years. Titanium alloys are vital for aircraft fuselages and engines, providing significant weight reduction and expected to see continued use in both commercial and military aircraft.

**Aircraft Engines** - High-temperature titanium alloys are essential for manufacturing aircraft engine components such as compressor blades, discs, and casings. These parts endure higher temperatures and require materials with exceptional strength, resistance to temperature creep, and durability under high-temperature conditions (typically between 572°F to 1112°F). Titanium's high-temperature properties make it ideal for these demanding applications.

**Titanium Tubing** - Titanium tubing is a prominent product in aerospace, valued for its high strength-to-weight ratio and corrosion resistance. It is increasingly used in various applications where stainless steel and aluminium may fall short, such as in heat exchangers and other aerospace components.

**Laser Welding of Titanium Alloys** - The aerospace industry places significant emphasis on advanced welding techniques for titanium alloys. Laser welding is a critical method used to join titanium alloy structures, offering precision and efficiency in the manufacturing process.

**Electron Beam Welding of Titanium Alloys** - Since the 1960s, electron beam welding has been employed for welding titanium alloys and other important metals in aerospace and atomic energy sectors. This high-energy beam process has enabled the welding of thick titanium alloy plates, enhancing the quality and efficiency of production. Titanium, including its alloys and composites, remains a valuable material in both military and commercial aerospace industries due to its exceptional properties and performance.

**Aerospace Titanium Grades Used in the Aviation Sector**

| | |
|---|---|
| Ti-6Al-4V | Ti-6Al-4V, also known as Grade 5 titanium alloy, is the most widely used aerospace titanium, making up 50% of global usage. This alloy, composed of aluminium and vanadium with minimal iron and oxygen content, is known for its robust mechanical properties. It offers high tensile strength, yield strength, and ductility, with typical values of 135 ksi tensile strength, 120 ksi yield strength, and 9% elongation. Despite its performance, there is potential for enhancement, particularly in elongation. |

***Titanium used in Missiles and Space Exploration***

Titanium's capacity to endure extreme temperatures and stress makes it essential for missile casings and spacecraft. Its superior fatigue resistance guarantees dependable performance in the demanding conditions of space and high-speed travel[36].

***Key Advanced Alloys Used in Aerospace and Defence Applications***

Aerospace and defence platforms use different advanced alloys depending on strength, weight, temperature resistance, corrosion resistance and fatigue-performance requirements.

**Aluminium Alloys**

[36] https://www.e-fab.com/how-military-grade-titanium-enhances-defence-capabilities/

Applications

- Airframes: Aluminium alloys are essential for constructing major aircraft and spacecraft components, including fuselages, wing skins, and structural ribs.
- Control Surfaces: They are used in vital control elements such as elevators, ailerons, and rudders, which manage aircraft pitch, roll, and yaw.
- Non-Load-Bearing Structures: Aluminium alloys are also used in less critical components like interior panels and access doors, where reducing weight is crucial.

Types

- 2XXX Series (Al-Cu): Known for high strength due to copper, this alloy is often used in fuselage and wing skin applications.
- 6XXX Series (Al-Mg-Si): Valued for its formability and weldability, suitable for non-load-bearing components.
- 7XXX Series (Al-Zn): Provides high strength for upper wing skins and other high-stress parts.

### Titanium Alloys

Applications

- Landing Gear: Titanium alloys are preferred for landing gear due to their exceptional strength-to-weight ratio, which ensures durability and safe landings.
- High-Stress Airframe Parts: They are used in critical airframe components like wing spars and fuselage bulkheads, offering strength without adding significant weight.
- Engine Components: Titanium alloys are used in jet engine parts, such as compressor blades, due to their ability to withstand high temperatures and thermal stress.

Types

- Alpha (α) Alloys: Excellent for applications requiring complex shapes, such as landing gear components, due to their formability.
- Alpha-Beta (α-β) Alloys: Offer a good balance of strength and flexibility, ideal for high-stress airframe parts.
- Beta (β) Alloys: Known for their high strength, suitable for engine mounts and other high-load applications.

### Steel Alloys

Applications

- Landing Gear: Steel alloys are used in landing gear for their strength and reliability under heavy loads.
- Missile Bodies: High-strength steel alloys are used to withstand the internal pressure and forces during missile launches.
- Pressure Vessels: Steel alloys are employed in pressure vessels for their ability to handle high internal pressures.

Types

- High-Strength Low-Alloy (“HSLA”) Steels: Used for components like fuselage frames, offering a good balance of strength and weight.
- Maraging Steels: Known for their high strength and toughness, ideal for landing gear and missile bodies.
- Stainless Steels: Provide strength and corrosion resistance for specific airframe components and external hardware.

### Superalloy Usage in Jet Engine Construction

Applications

- Turbine Blades: Superalloys are crucial for turbine blades due to their high-temperature performance and creep resistance.
- Combustor Liners: They line the combustor chamber, protecting against intense heat and ensuring reliable operation.
- Turbine Disks: Superalloys used in turbine disks provide the necessary strength and temperature resistance.

Types

- Nickel-Chromium (“Ni-Cr”) Superalloys: Offer a blend of high-temperature performance and oxidation resistance for various engine components.
- Nickel-Cobalt (“Ni-Co”) Superalloys: Provide superior strength and creep resistance, ideal for turbine blades.
- Directionally-Solidified (DS) Superalloys: Have a grain structure aligned for enhanced high-temperature strength, suitable for demanding applications.

**Magnesium Alloys**

Applications

- Non-Critical Components: Magnesium alloys are used in interior components like seat frames, where weight reduction is important but structural loads are minimal.

Types

- Magnesium-Aluminium ("Mg-Al") Alloys: Offer a balance of strength and weight, used in non-critical components.
- Magnesium-Rare Earth ("Mg-RE") Alloys: Enhanced with rare earth elements for improved strength and creep resistance, explored for components requiring higher strength-to-weight ratios.

**Titanium Recycling Scenario**

Titanium recycling is a sustainable practice that involves salvaging and reusing titanium scrap from sources like manufacturing plants, aerospace and medical suppliers, and machining shops. By diverting this scrap from landfills, recycling helps reduce waste and the environmental impact of titanium production.

The recycling process starts with collecting and sorting titanium scrap, followed by melting, refining, and purifying. Advanced technologies remove impurities, turning the scrap into high-quality raw material for new titanium products.

The global titanium recycling industry remains relatively small compared to primary titanium production, but its significance is growing. Key points about worldwide titanium recycling include **Ti**Globally, the annual recycling rate of titanium scrap, compared to the current consumption level, is estimated to be only around 400 tonnes. This is concerning given titanium's strategic importance: it's a crucial material for advanced aerospace applications, has no immediate substitutes, and relies heavily on imports[37].

Approximately 30,000 tonnes of titanium are recycled each year using Electron Beam Cold Hearth Recasting ("**EBCHR**") or Plasma Arc Melting ("**PAM**") methods[38].

The United States remains a major consumer of titanium scrap and recycled titanium feedstock. In 2025, the country imported approximately 31,100[39] tonnes of titanium scrap to support domestic titanium melting and manufacturing activities. Japan, Kazakhstan, and Saudi Arabia are significant exporters of titanium sponge and scrap, supplying the U.S. and other nations.

Titanium recycling is appealing due to its energy efficiency compared to primary production, although the process remains challenging because of the need to separate titanium from other alloying elements.

***Key Drivers***

The advantages of titanium recycling go beyond just environmental sustainability. By adopting a circular economy model, titanium recycling enhances resource efficiency and conserves valuable natural resources. It decreases the need for new titanium extraction, which is often energy-intensive and harmful to ecosystems. Moreover, recycling titanium lowers the demand for virgin titanium, helping to stabilize market prices and support a more sustainable supply chain.

Below are the key reasons that showcase the need for titanium recycling:

**Environmental Sustainability and Conservation**: Recycling titanium is crucial in minimizing environmental damage caused by titanium extraction, which can lead to water and air pollution. By reducing the reliance on new

[37] Industry sources

[38] https://www.ptcil.com/PDF/Investors/press-releases/ptc-industries-announces-the-acquisition.pdf

[39] https://d9-wret.s3.us-west-2.amazonaws.com/assets/palladium/production/s3fs-public/media/files/mis-2025q4-titan.pdf

extraction, recycling plays a significant role in conserving natural resources. The process benefits from advanced filtration and air pollution control technologies, helping to lessen the ecological impact. Moreover, the abundance of titanium scrap allows for repeated recycling without degrading quality, making it a sustainable option that preserves resources for future generations.

**Cost-effectiveness**: Titanium recycling offers significant cost savings by eliminating the need for new raw materials, thereby reducing expenses associated with mining, transportation, and processing. Given the relatively high cost of titanium, recycling presents an attractive alternative that helps businesses maintain product quality while lowering costs. Additionally, a consistent supply of recycled titanium contributes to market stability, providing long-term economic advantages for industries.

**Energy Efficiency**: Recycling titanium requires considerably less energy than producing new titanium from raw materials. This energy efficiency translates into reduced carbon emissions and a smaller carbon footprint. Utilizing advanced recycling techniques helps conserve energy resources, promoting a more sustainable future and contributing to environmental protection.

**Innovation in Product Development**: Recycled titanium is ideal for creating new products that retain the same quality as those made from virgin material. This capability supports innovation, enabling a diverse range of applications across various industries. By using recycled titanium, businesses can develop new products, expand their market presence, and meet the changing demands of consumers.

**Industry Collaboration and Technological Advancement**: The process of recycling titanium encourages collaboration between industries, leading to technological innovations and improvements in recycling methods. By sharing expertise and resources, companies can refine recycling techniques, enhance the sustainability of titanium production, and discover new applications for recycled titanium. This collaboration fosters a more sustainable approach to titanium production and drives progress in the industry.

**Regulatory Compliance and Corporate Responsibility**: As governments enforce stricter regulations on resource extraction and waste management, recycling titanium helps businesses meet these requirements and avoid potential penalties. Adhering to regulatory standards not only supports sustainable development but also enhances a company's reputation as a responsible and environmentally conscious leader, building trust with stakeholders.

**Consumer Education and Awareness**: Promoting the use of recycled titanium products allows companies to educate consumers about the environmental benefits of recycling. By encouraging responsible consumption, businesses can influence customers to make eco-friendly choices, fostering a culture of sustainability. This education extends beyond titanium, raising awareness about the broader importance of recycling and empowering individuals to contribute to a more sustainable future.

**Growth Overview: Specific End User industries**

***Oil and Gas Industry***

**Casting Components in the Oil and Gas Industry**

Castings have been integral to the oil and gas industry since large-scale extraction began, necessitating the highest standards of quality, durability, and corrosion resistance. These components, crafted from high-specification materials, undergo rigorous verification and testing to meet demanding machining tolerances and surface finish requirements. They must endure extreme conditions, whether onshore or offshore, handling a range of temperatures and environmental stresses. Investment casting, a process over 5,000 years old, is crucial for producing complex parts with intricate internal features, such as valves, impellers, compressors, and safety equipment. This method, using metals like stainless steel, aluminium, brass, bronze, cobalt, and nickel, enables the creation of advanced solutions tailored to the specific needs of each project. Thus, selecting a reliable foundry capable of delivering custom-designed castings is essential for meeting the unique requirements of the oil and gas sector.

**Types of Casting Components:**

**Valves and Pumps**: Castings are used to produce valves and pumps that manage the flow of oil and gas, requiring high precision to handle high pressures and corrosive environments.

**Pipeline Components**: Essential parts like flanges, fittings, and connectors are manufactured through casting to ensure secure and reliable transport of oil and gas.

**Drilling Equipment**: Components such as drill bits, collars, and stabilizers are cast to endure the intense conditions of drilling operations.

**Compressors and Turbines**: Castings are used in the production of compressors and turbines critical for various stages of the oil and gas process.

**Pressure Vessels**: Cast components in pressure vessels must handle high pressures and corrosive materials safely.

**Heat Exchangers**: Used to transfer heat between fluids in refining processes, these components benefit from casting's ability to deliver complex shapes and durability.

**Offshore Platforms**: Structural components for offshore platforms, including support structures and deck components, are cast to withstand marine environments.

**Subsea Equipment**: Manifolds and wellhead components used in subsea operations are manufactured through casting to endure extreme pressures and temperatures.

**Use cases in the Oil & Gas Industry**

**Production and Transportation**: Castings are vital in the production and transportation of oil and natural gas. They are used in pipelines, compressors, and drilling rigs, where durability and resistance to corrosion are paramount.

Pumping Systems: Pump impellers, crucial for fluid movement, are cast to ensure high strength and wear resistance against abrasive fluids.

Compressor Components: Used in the transportation of natural gas, these components must be robust to handle varying pressures and temperatures.

Marine Equipment: Cast components are integral to offshore drilling rigs and platforms, designed to withstand saltwater corrosion and extreme weather conditions.

**Refining Processes**: In refineries, cast components are used in various equipment such as valves and pumps, which require high strength and resistance to chemical exposure.

Safety Equipment and Components: Investment castings are employed in safety valves and other critical components to ensure reliable performance in the refining process, which often involves corrosive chemicals.

Filter Screens: Essential for preventing contaminants from entering pipelines and processing systems, these cast components are designed for durability and effective filtration.

**Exploration and Drilling**: Specialized casting components are used in drilling operations, where they must withstand high pressures and temperatures. Investment casting allows for the creation of intricate designs that facilitate the efficient operation of drilling tools.

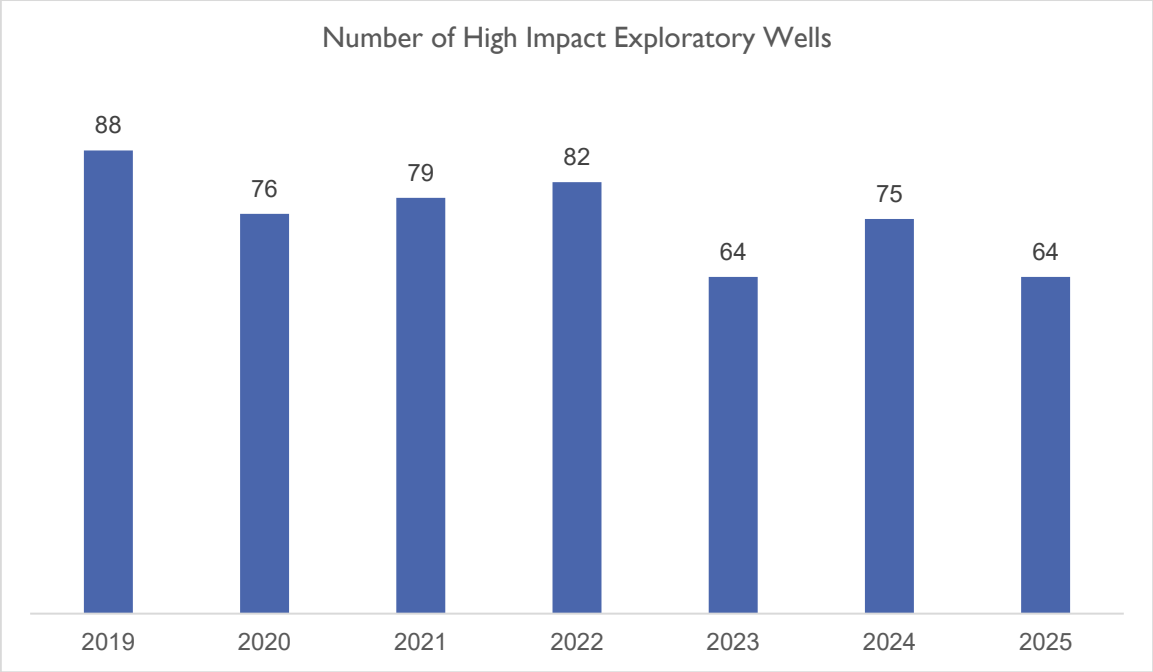
Downhole Drilling Components: Investment castings are used for parts such as drill bits and stabilizers that endure high pressures and harsh environments during drilling operations.

Valve Components: Various types of valves, made from castings, control the flow of oil and gas, ensuring safe and efficient operation under high-pressure conditions.

***Oil & Gas Exploration and Production: Global and India Scenario***

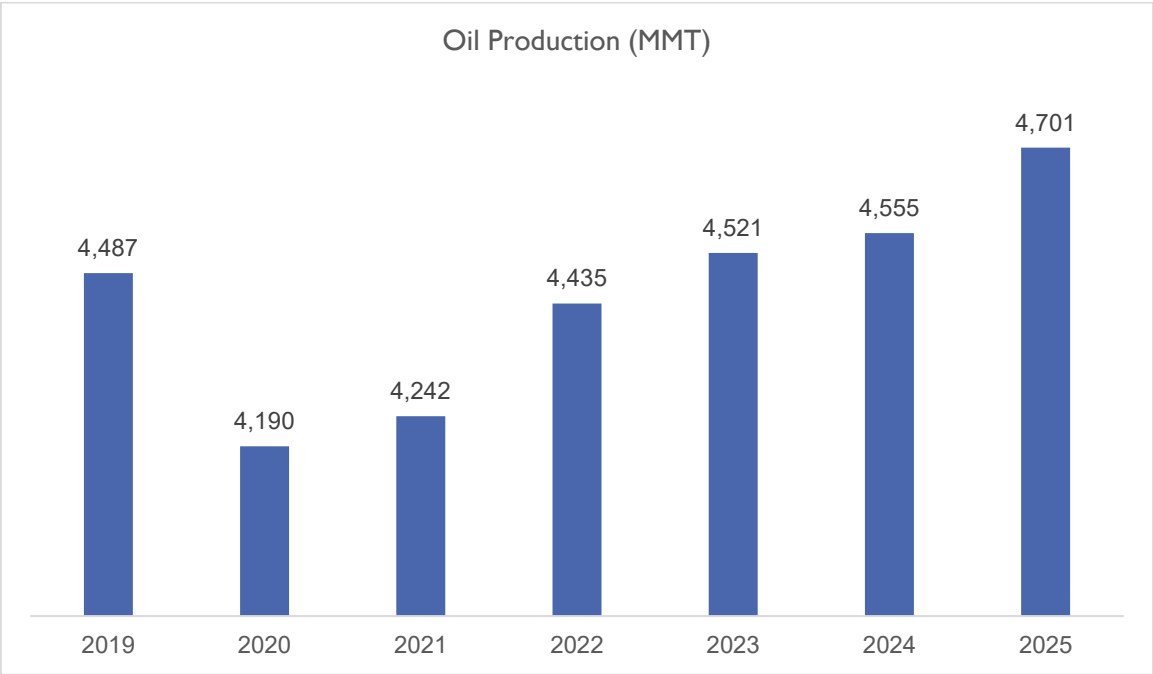
***Global Scenario***

The number of high impact exploration wells drilled around the world in 2025 dropped by nearly 17% compared to last year, reaching a total of 64 wells. During the year the exploration activity in this domain was highest in Africa, followed by Asia and South America.




*Source: Secondary Research, As per news release by agencies like Westwood Global Energy Group, Rystad Energy*

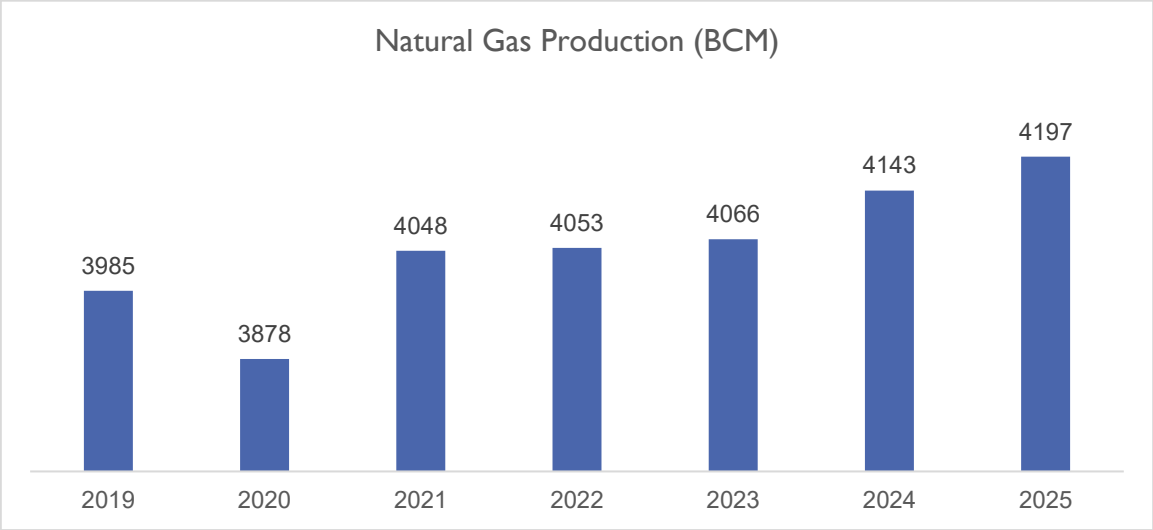
Oil production has exhibited an increasing trend over the years, rising from 4,487 MMT in 2019 to 4,701 MMT in 2025. Following a decline to 4,188 MMT in 2020 due to the impact of the COVID-19 pandemic on global energy demand, production recovered steadily over the next few years. The continued increase reflects resilient global demand and sustained investment in upstream oil production across major producing regions.



*Source: Statistical Review of World Energy 2026*

Global natural gas production reached 4,197 billion cubic meters ("**BCM**") in 2025, increasing by nearly 1.3% over previous year. Of this nearly 40% of production was accounted by OECD bloc.

Overall, global exploration and production activities continue to demonstrate resilience following the disruptions caused by COVID-19. Rising oil and natural gas production levels, coupled with renewed exploration activity in several frontier regions, indicate continued investment in upstream energy development to support long-term global energy demand.

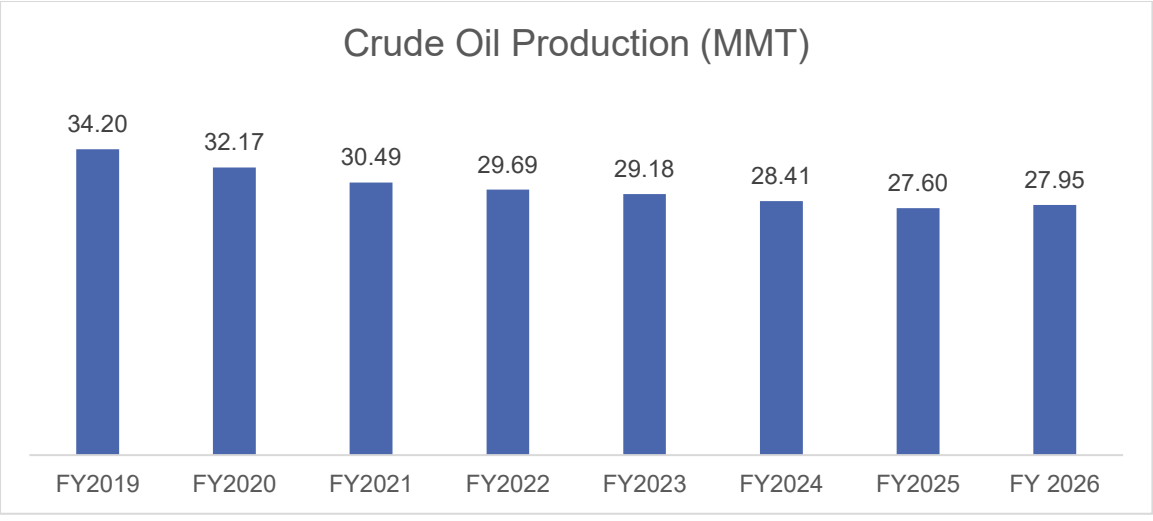



*Source: Statistical Review of World Energy 2026*

***Indian Scenario***

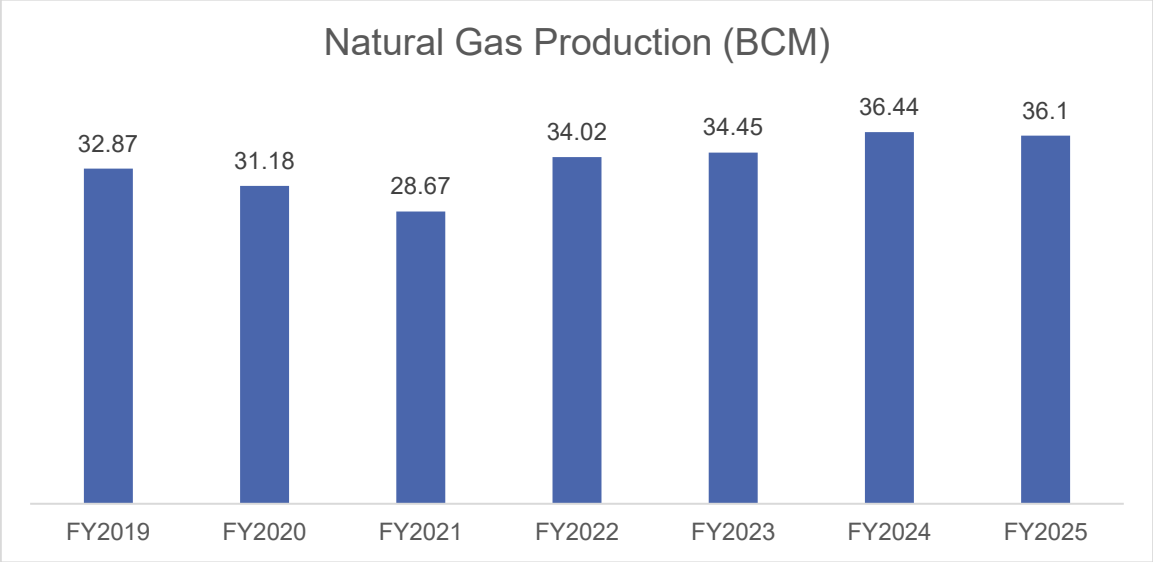
India's oil and gas sector plays a crucial role in meeting the country's energy requirements. Recent trends indicate a gradual decline in crude oil production, while natural gas production has improved, supported by increased development activity and continued investments in exploration and production. The sector continues to play an important role in India's energy security, although dependence on imports remains significant.

In the crude oil segment, production declined from 29.18 MMT in Fiscal 2023 to 27.95 MMT in Fiscal 2026. Over the longer term, crude oil production has exhibited a declining trend, falling from 34.2 MMT in Fiscal 2019 to the current production of 27.95 MMT in Fiscal 2026. The decline reflects the natural maturation of producing fields and highlights the need for enhanced exploration and production activities to support domestic output.

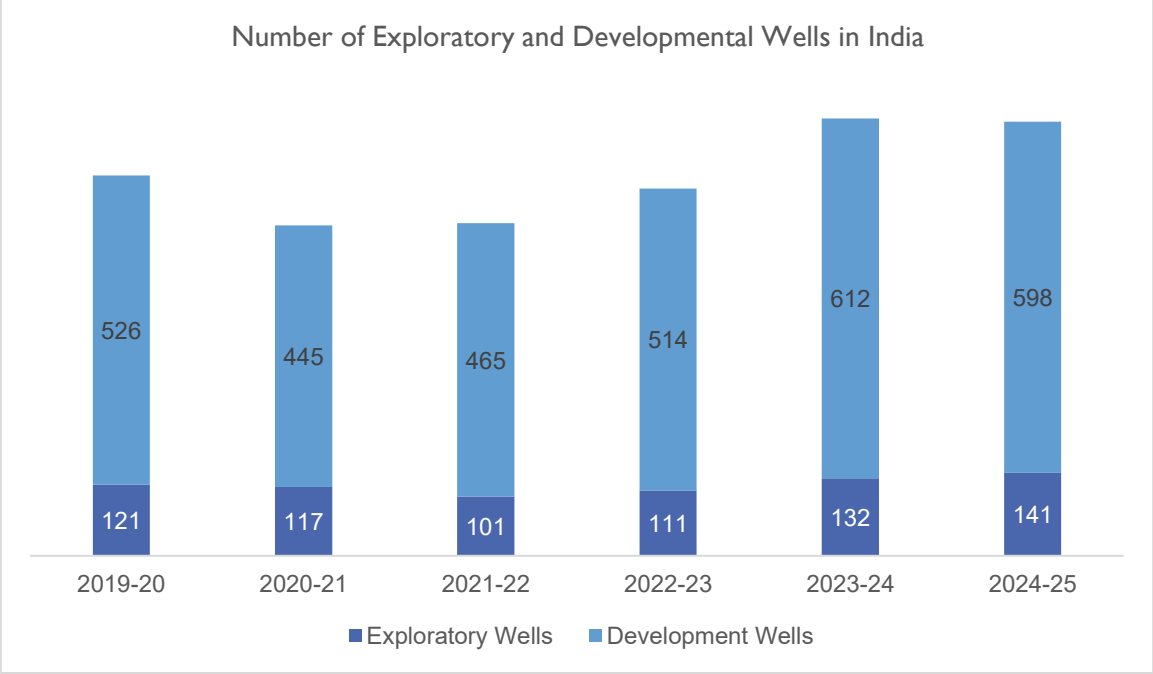


*Source: Ministry of Petroleum & Natural Gas*

In the natural gas segment, production increased from 34.45 BCM in FY2023 to 36.44 BCM in FY2024 before moderating marginally to 36.1 BCM in FY2025. Despite the slight decline during FY2025, production remained above historical levels and significantly higher than the 28.67 BCM recorded in FY2021. The improvement in domestic gas production has been supported by output from offshore developments and new field development projects.




*Source: Ministry of Petroleum & Natural Gas*




*Source: Ministry of Petroleum & Natural Gas*

The number of exploratory and development wells drilled in India remained robust during Fiscal 2024 to Fiscal 2025 at 739 wells, compared with 744 wells in Fiscal 2023 to Fiscal 2024 and 625 wells in Fiscal 2022 to Fiscal 2023. The sustained level of drilling activity indicates ongoing investments in exploration and field development across India's upstream oil and gas sector. As of 1 April 2025, India had 20,309 wells across various operating categories under the upstream sector.

Overall, the Indian oil and gas sector continues to witness active exploration and development efforts aimed at enhancing domestic production. While crude oil output has continued to decline, growth in natural gas production and the increasing number of operational wells highlight ongoing investments in the upstream segment. Given India's rising energy requirements, expanding exploration activity and production infrastructure will remain critical to reducing import dependence and strengthening long-term energy security.

***Medical***

**Current Global Scenario on the usage of Titanium and Superalloys in Medical Sector**

The global medical implant market is poised for sustained growth, driven by increasing healthcare expenditure, rising prevalence of chronic diseases, an ageing population, growing adoption of implantable medical devices and continued advancements in medical technology. Elderly individuals, susceptible to conditions such as cardiovascular diseases, orthopaedic disorders, endovascular diseases, and dental issues, are major consumers of medical implants. For instance, as the elderly population grows, the demand for dental implants is expected to rise steadily.

**Market Dynamics**

Technological advancements play a pivotal role in driving market expansion, enhancing patient outcomes through innovative materials, manufacturing processes, and device functionalities. Smart implants, 3D printing, and nanotechnology are revolutionizing the industry, offering improved performance and durability.

The aging global population is a significant demographic trend propelling market demand. Elderly individuals require implants for joint replacements, cardiovascular interventions, and dental restorations, fostering continuous market growth.

The prevalence of chronic diseases, such as cardiovascular ailments and orthopaedic conditions, is escalating, amplifying the need for advanced medical implants. These devices are critical in managing chronic illnesses, sustaining market growth momentum.

**Market Opportunities**

The medical implant market presents promising opportunities driven by several factors:

Technological Advancements: Continuous innovation in materials and manufacturing processes enhances device efficacy and durability, expanding application areas.

Aging Population: Increasing global geriatric demographics necessitate more implants for age-related health conditions, fostering market expansion.

Prevalence of Chronic Diseases: Rising incidences of chronic illnesses drive demand for implants that support disease management and treatment.

Growing Awareness: Heightened awareness among healthcare providers and patients about implant benefits accelerates adoption across medical specialties.

Telemedicine Integration: Implants integrated with telemedicine technologies facilitate remote monitoring and patient management, enhancing healthcare delivery.

Personalized Medicine: Advancements in 3D printing enable customized implant solutions tailored to individual patient needs, driving market growth.

***Types of Superalloys use in Medical Sector***

***Titanium and Its Alloys***

Titanium and its alloys, particularly the Ti-6Al-4V alloy, are widely used in medical implants due to their outstanding biocompatibility, strength, and resistance to corrosion. These materials are favoured for orthopaedic and dental implants, including joint replacements, bone plates, screws, and dental implants. Titanium's lower elastic modulus, which is closer to that of human bone, reduces the risk of stress shielding, where the implant absorbs too much load, leading to bone resorption. Additionally, the spontaneous formation of a protective oxide layer on titanium surfaces enhances its corrosion resistance, further contributing to its longevity as an implant material.

However, titanium is not without challenges. The difference in composition between titanium alloys and human bone can hinder the formation of a strong bond during osseointegration, potentially weakening the implant's stability. Furthermore, if the protective oxide layer is compromised, titanium implants may release ions into the body, leading to inflammation, hypersensitivity, and even toxicity. Despite these issues, titanium remains a top choice for implants due to its overall performance and compatibility with human tissues.

***Cobalt-Chrome ("Co-Cr") Alloys***

Cobalt-chrome alloys are another group of materials used in medical implants, particularly in applications requiring high fatigue strength and wear resistance, such as spinal implants and dental prosthetics. Co-Cr alloys are known for their excellent corrosion resistance and mechanical properties, making them suitable for long-term implantation. Variants such as F75 (Co–Cr–Mo) and F562 (Co–35Ni–20Cr–10Mo) are commonly used due to their enhanced biocompatibility and strength.

However, the high nickel content in some Co-Cr alloys can lead to allergic reactions and lower biocompatibility in certain patients. Despite this, Co-Cr alloys are still favoured in situations where their superior mechanical properties outweigh potential biocompatibility concerns.

***Nickel-Titanium ("NiTi") Shape Memory Alloys***

Nickel-titanium (NiTi) shape memory alloys, also known as Nitinol, are gaining attention for their unique properties, including superelasticity and shape memory. These characteristics allow NiTi implants to return to their original shape after deformation, providing better comfort and fit, especially in orthodontics and vascular stents. Nitinol's low elastic modulus, closer to that of human bone, reduces the risk of stress shielding, making it a promising material for various biomedical applications.

**Future Trends**

While titanium and superalloys have proven to be effective in medical implants, challenges such as ion release, inflammation, and the need for improved osseointegration remain. Future research is focusing on developing new alloys and surface treatments to enhance biocompatibility and mechanical performance. Innovations such as porous metal structures and biodegradable alloys are being explored to create implants that better mimic the properties of natural bone and reduce the need for revision surgeries.

**Application of precision casting components in medical space**

**Surgical *Instruments***: Precision casting is used to manufacture high-quality surgical instruments such as scalpels, forceps, and scissors. These tools require exceptional precision and reliability to ensure safe and effective surgical procedures. Precision casting ensures the fine details and sharpness needed for these instruments.

***Implants and Prosthetics:*** Precision casting is essential in producing orthopaedic implants (e.g., hip and knee replacements), dental implants, and prosthetic limbs. These components must be biocompatible and structurally sound to integrate seamlessly with the human body and provide long-term durability. Precision casting allows for complex geometries and high-strength materials, crucial for patient safety and functionality.

***Diagnostic Equipment:*** Precision casting is applied in creating components for diagnostic machines such as MRI scanners, CT scanners, and ultrasound devices. These machines require precise and reliable parts to function accurately and consistently. Precision casting ensures that components meet strict tolerances and performance standards, critical for accurate diagnosis and patient care.

***Medical Devices:*** Components for various medical devices, including heart valves, pacemakers, infusion pumps, and more, are produced using precision casting. These devices play vital roles in patient treatment and care. Precision casting ensures the components are of high quality, meet stringent regulatory standards, and perform reliably over time.

***Laboratory Equipment:*** Precision casting is used in manufacturing parts for laboratory equipment such as centrifuges, spectrometers, and automated analysers. High accuracy and reliability are crucial for laboratory equipment used in medical testing and research. Precision casting provides the necessary precision and material quality to ensure consistent and accurate results.

| Metallic implant biomaterial[40] | Merits | Demerits | Applications |
|---|---|---|---|
| SS | Excellent resistance to wear | The modulus of bone is lesser compared to Co-Cr alloy. Allergy is caused due to the presence of Ni | Hip and knee joint replacements, fixing the tooth with the help of dental implant, spinal instruments, heart valves, stents, pacemaker, surgical devices |
| Ti-based alloys | Outstanding resistance to corrosion, highly biocompatible, low Young's Modulus, less dense | For long term usage, Al and V can be referred to as toxic material and poor tribological properties | Cochlear replacement, pacemakers, heart valves, dental implants, hip and knee joint replacements, surgical devices |
| Co-based alloys | Excellent resistance to wear | The modulus of bone is much less in contradistinction to Co and Cr; allergy is caused due to the presence of Ni | Dental implants, pacemakers, sutures, hip and knee joint replacements, heart valves, orthopaedic prostheses |
| Shape memory alloy | High biocompatibility, strength, stiffness, and elastic deformation, enlarged surface area, highly permeable | Challenging to melt as well as elaborate, very expensive | Catheters, stents, sutures, orthodontic wires |
| Mg-based alloys | Low density, high damping capacity, machinability, dimensional stability, biocompatibility, and non-toxic | Resorption problems, high corrosion rate, the evolution of hydrogen | Bone repair and vascular stents |

**India’s usage of Titanium and Superalloys in the Medical Sector**

India's healthcare and medical device sectors have experienced substantial growth over the past decade. The country produces a diverse range of medical devices, from consumables to implantable devices. Most domestically manufactured devices include disposables like catheters, perfusion sets, extension lines, cannulas, feeding tubes, needles, and syringes, along with implants such as cardiac stents, drug-eluting stents, intraocular lenses, and orthopaedic implants. The medical devices industry is highly capital-intensive and requires ongoing training for healthcare providers to keep pace with technological advancements.[41]

Despite this progress, there remains a significant gap between the demand for and supply of medical devices in India, with the country relying on imports for 70% to 80% of its medical device needs. This under penetration represents a substantial growth opportunity for both domestic and international manufacturers.

[40] National Center for Biotechnology Information

[41] IBEF

To reduce import dependence and strengthen domestic manufacturing capabilities, the Government of India has implemented several initiatives for the medical devices sector, including the Production Linked Incentive (PLI) Scheme for Medical Devices, promotion of Medical Device Parks, and dedicated policy support under the Make in India programme.

**Government Investments and Initiatives**

The Indian government has introduced several financial incentives and initiatives to drive the growth and innovation of the medical device industry. These include tax breaks, subsidies, grants, and specific strategies to promote research and development ("**R&D**") and technological advancements.

The manufacturing landscape in India is expanding both in size and geographical reach. Dedicated clusters and parks for medical device manufacturing are being established across the country, as outlined in the 'Data on Map' section below.

These clusters are accompanied by the development of "Medical Device Parks," where states are creating dedicated industrial zones aimed at fostering efficient domestic manufacturing at reduced costs. Four such Medical Device Parks are currently under development in Himachal Pradesh, Tamil Nadu, Madhya Pradesh, and Uttar Pradesh. These parks are designed to offer convenient access to standardized testing facilities and essential infrastructure necessary for medical device manufacturing.

Foreign Direct Investment (FDI) of up to 100% is allowed under the automatic route for medical device manufacturing. The strong inflow of FDI demonstrates the confidence that global investors have in the Indian market.

**Usage of Titanium and Superalloys**

The titanium and superalloy medical implant market in India has been experiencing robust growth, driven by several factors including advancements in healthcare technology, increasing healthcare expenditure, and a rising elderly population. Here are some specifics:

The Indian orthopaedic implants market, which includes titanium and superalloy implants, has been growing at a compound annual growth rate ("**CAGR**") of around 10% to 12% over recent years. This growth is expected to continue as the demand for advanced medical implants rises.

**Drivers of Growth:**

Technological Advancements: Innovations in implant materials and manufacturing processes are driving demand.

Aging Population: The increasing number of elderly individuals, who are more likely to need implants, contributes to market growth.

Healthcare Infrastructure: Expansion of healthcare facilities and improved access to advanced treatments are boosting the market.

Increased Awareness: Growing awareness about advanced medical implants and their benefits is also contributing to the market growth.

Regional Insights: Urban centres with advanced healthcare facilities, such as Mumbai, Delhi, and Bengaluru, are leading the demand for high-quality implants, including those made from titanium and superalloys.

**Key Developments**

Domestic Production and Innovation: India has been investing in the development of titanium and superalloy manufacturing capabilities, particularly in the context of medical applications. Several Indian companies and research institutions are now producing these materials to meet the needs of the domestic healthcare market.

Strategic Partnerships and Collaborations: Indian companies are forming strategic partnerships with global firms to enhance the production and application of titanium and superalloys in the medical sector. These collaborations help in acquiring advanced technologies and improving the quality of medical implants and devices manufactured in India.

Government Initiatives: The Indian government has recognized the importance of these materials in the medical sector and is supporting initiatives to increase domestic production. This includes investments in R&D and the establishment of dedicated manufacturing zones for high-performance materials like titanium and superalloys.

Increased Adoption in Healthcare: The adoption of titanium and superalloys in medical applications is increasing, particularly in high-demand areas like orthopaedic and dental implants. The use of these materials is expected to rise further as India continues to develop its healthcare infrastructure and capabilities.

**Profile: PTC Industries Limited[42]**

PTC Industries Limited was established in 1963 and set up India's first investment casting foundry. Initially founded as Precision Tools & Castings Private Limited, the company was established to manufacture high-technology metal components for critical industrial applications. Headquartered in Lucknow, Uttar Pradesh, PTC has over six decades of experience in precision engineering and metallurgy. Over the years, the company has evolved into a manufacturer of precision-engineered metal components, castings, materials and sub-systems catering to critical applications across aerospace, defence, oil and gas, marine, energy and other engineering sectors in both domestic and international markets. During its early years, the company established advanced metallurgical capabilities, including plasma arc melting technology, supporting the development of specialised metal components that were not previously manufactured in India. The company has more than 3,500 suppliers and serves customers across multiple geographies, supporting its expanding global footprint.

The products that the company manufactures and the industries they serve have high barriers to entry, including multi-year qualification cycles, and stringent certification requirements. Further, thin-wall, large-format and controlled-microstructure castings such as equiaxed, directionally solidified and single-crystal components have high scrap risk and multi-year qualification cycles, while engine-grade machining, coatings and finishing require certified processes, repeatability and reliability that create high entry barriers and limited supplier pools

PTC Industries Limited, together with its subsidiary Aerolloy Technologies Limited, supplies castings, strategic materials and precision-machined components to aerospace and defence original equipment manufacturers, defence public sector undertakings and government research establishments, in India and internationally. The group holds approved supplier status with Safran Aircraft Engines, BAE Systems, Dassault Aviation, Israel Aerospace Industries and Honeywell Aerospace, and holds NADCAP accreditations for critical aerospace manufacturing processes. Overall, growth in the aerospace industry, defence modernisation and higher defence allocation across major economies, indigenisation programs in India, rising demand for industrial gas turbines associated with data-centre and artificial-intelligence power requirements, and expansion in the space sector, together with the strategic importance of titanium and superalloys are supporting demand for specialised materials and precision-engineered components. Suppliers with qualified manufacturing processes, advanced metallurgical capabilities and integrated production infrastructure are positioned to address these requirements.

**Key Business Vertical**

PTC Industries Limited operates through five key business verticals, which include the Aerospace Castings Group, the Primary Metals Group, the Forgings Group, the Metal Products Group and the Machining and Coating Group. Together these verticals span the manufacturing value chain from primary metal production through casting, forging and rolling to precision machining.

**Aerospace Castings Group:** Produces air-melt castings, super alloy castings, titanium castings and airfoil castings. Air-melt castings serve critical applications across oil and gas, marine, energy, pulp and paper, and

[42] Based on information provided by the company & compiled from public domain (Company website and other official disclosures)

defence. Titanium and Super alloy castings are produced using vacuum arc remelting and vacuum induction melting for a wide range of aerospace and defence applications.

**Primary Metals Group:** Manufactures titanium alloy and super alloys as primary metal products. Titanium alloys are produced using vacuum arc remelting and plasma arc melting; super alloys using vacuum induction melting. These have applications across aerospace and defence industries.

**Forgings Group:** Undertakes open-die forging on a forge press for titanium and super alloy components. A further forging capability is under evaluation.

**Metal Products Group:** This capability is under commissioning, and will produce bars and rods, and sheets and plates, in titanium and super alloys, on rolling mills. This vertical converts primary metal into mill products for aerospace, defence and industrial customers.

**Machining and Coating Group:** Provides casting machining across small, medium and large components on five-axis machines; airfoil machining, including five-axis grinding, milling, electrical discharge machining and fast hole drilling, partially undertaken through Trac Precision Solutions Limited

Each of these verticals reflects PTC's focus on advanced metallurgy, precision engineering and high-performance materials, enabling it to participate across multiple stages of the manufacturing value chain and to provide integrated solutions across aerospace, defence and industrial applications. For manufacturing its products, PTC operates four manufacturing facilities as at 30 June 2026 - the Advanced Manufacturing and Technology Centre at Lucknow, Uttar Pradesh; a manufacturing facility at Mehsana, Gujarat; the Strategic Materials Technology Complex in the Uttar Pradesh Defence Industrial Corridor at Lucknow under its wholly owned subsidiary Aerolloy Technologies; and a manufacturing facility at Crewe, United Kingdom, held through Trac Holdings Limited - comprising foundries, melting and forging capabilities, CNC machine shops and a DSIR-accredited R&D centre. The company has continuously invested in advanced process technologies, including the development and installation of India's first robotic shell-coating system for investment castings. Through its subsidiary, Aerolloy Technologies Limited, PTC operates aerospace-grade titanium casting facilities within the Uttar Pradesh Defence Industrial Corridor and continues to expand its titanium, superalloy and aerospace-material capabilities. The integration of alloy melting, casting, machining and inspection capabilities is relevant to customers requiring material traceability, process control and qualified manufacturing for critical applications.

The company's manufacturing capabilities support multiple end-use sectors, including global commercial aviation, industrial gas turbines, global defence programmes, Indian defence applications and the growing Space sector. These sectors typically require advanced materials, precision castings, machining and stringent qualification standards. The company has developed capabilities spanning alloy melting, casting, precision machining and inspection activities supporting aerospace, defence and industrial applications

***Key Customer Segments***

PTC Industries Limited serves customers across India, the European Union, Norway, the United States, the United Kingdom, Switzerland, Israel, UAE, China and other geographies. The company caters to a broad range of industries including aerospace, defence, marine, oil & gas, energy, LNG, pulp & paper and petrochemicals.

PTC's customer base includes leading global industrial and engineering companies such as Siemens, GE, Alstom, Metso and Emerson, among others. In aerospace and defence, the company has established relationships with organisations including Safran Aircraft Engines, Israel Aerospace Industries, BAE Systems, Honeywell Aerospace and a number of Indian defence programs. In 2025, the company received a purchase order from the Gas Turbine Research Establishment ("**GTRE**"), marking the first instance of an Indian company being entrusted with post-cast operations on single-crystal ready-to-fit turbine blades.

Competition in precision castings, strategic materials, forgings and machined components for aerospace and defence is based on material and process capability, manufacturing complexity, customer qualifications and approvals, product quality, delivery reliability and the ability to manufacture components for critical applications.

The company competes principally with a limited number of large integrated manufacturers of investment castings, forgings and specialty materials. These manufacturers hold long-established customer relationships across engine and platform programmes, substantial installed capacity and significant research and development budgets.

In India, requirements for aerospace-grade titanium and superalloy primary metals and for controlled-microstructure castings have historically been met through imports, and a domestic supply base in these categories is only now being established. Competition in the domestic market therefore takes the form of import substitution rather than competition against a comparable domestic supplier set.

The company faces competition from manufacturers of precision castings, strategic materials, forgings and machined components in India and internationally. Global aerospace and defence supply chains are dominated by large global incumbents with entrenched customer relationships and significant research and development budgets, and competing effectively requires sustained investment in innovation, uncompromising quality and consistent execution.

***Key Achievements***

PTC Industries Limited has achieved significant milestones in its journey, highlighting its innovation and industry leadership.

Established India's first investment casting foundry in 1963.

Developed advanced plasma arc melting capabilities for specialised metallurgical applications during its formative years.

Received the National Award for R&D Efforts in Industry from the Government of India in 2006.

Developed and installed India's first robotic shell-coating system for investment castings in 2007.

Recognized by Forbes in 2014 as one of India's "16 Hidden Gems".

Commenced titanium casting operations in 2015, becoming the first company in India to manufacture titanium investment castings.

Inaugurated the Advanced Manufacturing & Technology Centre in Lucknow in 2017.

Received the Special Jury Award for MSMEs at the TIME India Awards and the Rolls Royce Marine Total Cost Leadership Award.

Recognized as the Most Innovative Manufacturing Company (Medium Category) at the CII Industrial Innovation Awards in 2018.

Incorporated Aerolloy Technologies Limited in 2020, with its first manufacturing facility inaugurated by Shri Rajnath Singh in 2021.

Received the Raksha Mantri Excellence Award for Excellence in Indigenisation in the Aerospace and Defence sector in 2022. Expanded into aerospace-grade titanium and superalloy materials through Strategic Materials Technology Complex, including commissioning of Vacuum Arc Remelting capabilities for aerospace-grade titanium alloy production.

Developed capabilities to manufacture one of the largest precision superalloy investment castings and the advanced casting technology for manufacture of single-crystal and directionally solidified turbine components.

Inaugurated the Titanium & Superalloy Materials Plant at the Strategic Materials Technology Complex in the Uttar Pradesh Defence Industrial Corridor on 11 May 2025, by the Honourable Raksha Mantri, Shri Rajnath Singh, and the Honourable Chief Minister of Uttar Pradesh, Shri Yogi Adityanath.

The Titanium & Superalloy Materials Plant was dedicated to the nation in October 2025 in the presence of the Honourable Raksha Mantri, Shri Rajnath Singh, and the Honourable Chief Minister of Uttar Pradesh, Shri Yogi Adityanath.

Recognised among India's 500 Most Valuable Companies in the Burgundy Private Hurun India 500 in 2025.

Aerolloy Technologies received the Indo-French Cooperation of the Year Award at the Indo-French Business Awards in 2025.

Recognised among India's Top 100 Fastest-Growing Companies by TIME in collaboration with Statista, and among Asia-Pacific's Fastest-Growing Companies by the Financial Times in collaboration with Statista, in 2026.

Its Green Titanium™ platform is expected to reduce approximately 27 tonnes of $CO_2$ emissions per tonne of titanium produced through recycled feedstock compared with conventional production routes, with further reductions expected through deployment of EBCHR-based titanium ingot manufacturing capabilities.

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Industry Overview", "Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Risk Factors" on pages 124, 327, 108 and 49, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. The Audited Consolidated Financial Statements and Condensed Interim Financial Information of our Company have been prepared in accordance with Ind AS. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2026, 2025 and 2024 included herein is derived from our Audited Consolidated Financial Statements, and the financial information for the three months ended June 30, 2026 and June 30, 2025, included herein is derived from our Condensed Interim Financial Information. For further information, see "Financial Information" on page 327.*

*In this section, unless otherwise indicated or the context requires, a reference to "our Company" is a reference to our Company on a standalone basis, while any reference to "we", "us" or "our" is a reference to our Company and its subsidiaries on a consolidated basis.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the report "Industry Report on Aerospace & Defence (Global & Indian Scenario)" dated September 28, 2026 (the "**D&B Report**") prepared and released by Dun and Bradstreet and commissioned and paid by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year/Fiscal, as applicable. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. Also see, "Risk Factors – Certain sections of this Placement Document contain information from a third-party report that was commissioned and paid for by us, and reliance on such information for making an investment decision in the Issue is subject to inherent risks.".*

### OVERVIEW

We are an advanced manufacturing company engaged in the manufacture of strategic materials, high-precision metal components and engineered products for critical applications across various industries including aerospace and defence. We established India's first investment casting foundry in 1963 (*Source: D&B Report*) and have more than six decades of experience in manufacturing high-precision cast and machined components, strategic materials, and precision-engineered products. Over the years, we have evolved from an investment casting foundry and have expanded our capabilities through investments in advanced manufacturing technologies and process development. This has enabled us to serve customers in the domestic and international markets operating in sectors that require high-performance, mission-critical components.

We operate across multiple technology-focused verticals, including aerospace castings, titanium and superalloy materials and metal products, forgings, machining and finishing processes. Collectively, these verticals enable us to participate across multiple stages of the manufacturing value chain, from strategic materials and castings to precision-machined components. Our products include titanium and superalloy castings for aerospace, defence and space applications, air-melt castings for industrial and defence applications, single-crystal, directionally solidified and equiaxed airfoil castings for aero-engines and industrial gas turbines, titanium and superalloy ingots, billets, bars, rods, plates and sheets, precision-machined turbine blades, nozzle guide vanes, heat shields and seal segments, and industrial castings including pumps, valves, impellers and flow-control components. These products serve applications across civil aviation, air defence, aero-engines, space, land defence, naval defence, strategic systems, industrial gas turbines, oil and gas, liquefied natural gas, marine, energy, petrochemical, pulp and paper, and power generation industries.

We established our Subsidiary, Aerolloy Technologies Limited ("**Aerolloy**") on February 17, 2020 with a primary focus on manufacturing metal components for aerospace and defence applications and cater to domestic and international customers. In December 2024, we acquired 100% shareholding in Trac Holdings Limited, which,

through its subsidiaries, owns Trac Precision Solutions Limited ("**Trac**"), a UK-based manufacturer of precision-machined components for the aerospace, defence and power generation sectors. Trac's capabilities include the machining of complex components such as turbine blades, nozzle guide vanes and heat shields and seal segments. This acquisition has enhanced our precision machining capabilities, complementing our existing capabilities in titanium and superalloy materials and precision castings, and has enabled us to participate across a wider range of the manufacturing value chain for critical components.

We operate four manufacturing facilities – the Advanced Manufacturing and Technology Centre ("**AMTC**") in Lucknow, Uttar Pradesh; a manufacturing facility in Mehsana, Gujarat ("**Mehsana Facility**"); the Strategic Materials Technology Complex ("**SMTC**") in the Uttar Pradesh Defence Industrial Corridor in Lucknow; and a manufacturing facility in Crewe, United Kingdom ("**Trac Facility**"), as of June 30, 2026. We commenced titanium casting operations in 2015, and became the first company in India to manufacture titanium investment castings. (*Source: D&B Report*) Our facilities employ advanced manufacturing technologies including vacuum arc remelting ("**VAR**"), vacuum induction melting ("**VIM**"), plasma arc melting ("**PAM**") furnaces, hot isostatic pressing and vacuum heat treatment. We also utilize artificial intelligence, and business monitoring algorithms to enhance productivity and amplify core business capabilities. We are in the process of commissioning electron beam cold hearth remelting ("**EBCHR**") furnace and the installation of rolling mills at certain of our facilities. We maintain quality systems, certifications and accreditations that support our participation in highly regulated industries, including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 27001:2022, AS/EN 9100 aerospace quality management certification, ISO 17025:2017 laboratory accreditation from National Accreditation Board for Testing and Calibration Laboratories ("**NABL**"). Aerolloy has received National Aerospace and Defense Contractors Accreditation Program ("**NADCAP**") accreditations for non-destructive testing, chemical processing, welding and heat treatment / hot isostatic pressing.

Our research and development ("**R&D**") capabilities are focused on developing advanced manufacturing technologies for strategic materials, precision castings and critical components. Our in-house R&D facilities are recognised by the Department of Scientific and Industrial Research ("**DSIR**"), and our technology development efforts include proprietary and licensed processes such as RapidCast™, PrintCast™ and ForgeCAST™, as well as controlled microstructure castings, titanium castings using ceramic shelling, hot isostatic pressing, advanced simulation, automation and process-control technologies. Through these initiatives, we have developed capabilities in titanium and superalloy materials, additive manufacturing, and components and sub-systems using titanium and other exotic alloys. We have developed capabilities to manufacture one of the largest precision superalloy investment castings and the advanced casting technology for manufacture of single-crystal and directionally solidified turbine components. (*Source: D&B Report*) We are a part of the Advanced Materials (Defence) Testing Foundation, a special purpose vehicle established under the Ministry of Defence's Defence Testing Infrastructure Scheme for setting up an advanced materials testing facility in the Lucknow node of the Uttar Pradesh Defence Industrial Corridor, together with other government and industry participants.

We serve a diversified customer base across aerospace, defence, space, oil and gas, liquefied natural gas, marine, energy, petrochemical, pulp and paper, power generation and other specialised engineering sectors, including global original equipment manufacturers ("**OEMs**") and Indian defence organizations. We cater to customers across diverse geographic locations including the European Union, United Kingdom, United States of America, Norway, Switzerland, Israel, China and United Arab Emirates.

Our management team is equipped with experience and expertise to drive growth and manage our operations effectively. We are led by Sachin Agarwal, our Chairman and Managing Director, who has over 28 years of industry experience, and is responsible for the vision and strategy of our Company and building its capabilities and capacity for sovereign indigenous manufacturing of strategic materials, metal components and high precision products with applications across aerospace, defence and other industrial sectors. Members of our senior management have been instrumental in leading our production and marketing functions, contributing to our expansion and financial success. We believe that the industry knowledge and experience of our senior management team provide us with significant competitive advantages to capitalise on future growth opportunities as we continue to grow our businesses. For further details regarding our management, see "*Board of Directors and Senior Management*" starting on page 247.

The table below sets forth key financial metrics for the periods indicated:

| Particulars | Three months ended June 30, 2026 | Three months ended June 30, 2025 | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|---|---|
| Total income (₹ lakhs) | 19,711.34 | 10,771.32 | 64,328.55 | 34,222.67 | 27,025.84 |
| Profit before tax (₹ lakhs) | 3,674.65 | 905.42 | 12,694.56 | 7,827.47 | 5,414.79 |
| Profit after tax ("**PAT**") (₹ lakhs) | 2,919.27 | 515.56 | 10,155.87 | 6,101.85 | 4,221.58 |
| PAT margin (%)[(1)] | 14.81% | 4.79% | 15.79% | 17.83% | 15.62% |
| Earnings before interest, tax, depreciation and amortisation ("**EBITDA**") (₹ lakhs) | 5,421.27 | 1,935.21 | 17,227.88 | 10,941.47 | 8,602.51 |
| EBITDA margin (%)[(2)] | 27.50% | 17.97% | 26.78% | 31.97% | 31.83% |
| Return on Equity ("**ROE**")[(3)] (%) | 1.99% | 0.37% | 7.02% | 6.00% | 8.87 % |
| Debt to Equity Ratio[(4)] | 0.18 | 0.07 | 0.17 | 0.04 | 0.28 |
| Interest Coverage Ratio[(5)] | 13.58 | 10.62 | 38.96 | 13.50 | 5.17 |
| Return on Net worth ("**RONW**") (%)[(6)] | 1.90% | 0.37% | 6.74% | 4.40% | 6.54% |
| Return on Capital Employed ("**ROCE**") (%)[(7)] | 2.29% | 0.72% | 7.99% | 6.03% | 9.22% |

*Notes:*

1. *PAT margin (%) is calculated as profit after tax divided by total income multiplied by 100.*
2. *EBITDA margin (%) is calculated as EBITDA divided by total income multiplied by 100.*
3. *Return on Equity (ROE) is calculated as profit after tax divided by average total equity.*
4. *Debt to Equity Ratio is calculated as total debt divided by total equity.*
5. *Interest Coverage Ratio is calculated as EBIT divided by interest on term loan and working capital.*
6. *Return on Net worth (RONW) is calculated as profit after tax divided by net worth.*
7. *Return on Capital Employed (ROCE) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.*

## STRENGTHS

### *Comprehensive product portfolio across highly regulated industries*

We operate across multiple technology-focused verticals, including aerospace castings, titanium and superalloy materials and metal products, forgings, machining and finishing processes. Through these verticals, we serve aerospace, defence, space, oil and gas, liquefied natural gas, marine, energy, petrochemical, pulp and paper, power generation and other specialised engineering sectors. We have developed an integrated manufacturing platform spanning strategic materials, precision castings, forgings, powder metallurgy, machining and other downstream manufacturing processes. These capabilities enable us to participate at multiple stages of the manufacturing chain, beginning with the production and processing of titanium and superalloy materials and extending through the manufacture of cast, forged and precision-machined components for aerospace, defence, space, energy and other specialised engineering applications.

At the materials stage, we manufacture and process titanium alloys and superalloys in forms including ingots, billets, bars, rods, sheets and plates. These materials can be further processed through our downstream manufacturing capabilities, which include investment casting of titanium and superalloys, air-melt castings and advanced airfoil castings, including equiaxed, directionally solidified and single-crystal castings. We commenced titanium casting operations in 2015, and became the first company in India to manufacture titanium investment castings. (*Source: D&B Report*). Our forming capabilities include open-die forging, while our machining capabilities extend to the precision machining of cast and forged components, including complex airfoil components. We also undertake associated processes including hot isostatic pressing, vacuum heat treatment, chemical milling among others.

In July 2026, we received an order for the development, integration and supply of a strategic missile sub-system, marking our first major order in systems and sub-systems integration for advanced defence platforms. We also received a design and development order for a titanium cradle, marking our first order where we are responsible for designing and manufacturing a mission-critical defence component. These orders extend our product portfolio from materials and components into integrated assemblies and design-led development.

The products that we manufacture and the industries we serve have high barriers to entry, including multi-year qualification cycles, and stringent certification requirements. Further, thin-wall, large-format and controlled-microstructure castings such as equiaxed, directionally solidified and single-crystal components have high scrap risk and multi-year qualification cycles, while engine-grade machining, coatings and finishing require certified

processes, repeatability and reliability that create high entry barriers and limited supplier pools. (*Source: D&B Report*)

We believe our comprehensive product portfolio positions us well to address varied customer requirements and build long-term customer relationships in highly regulated industries.

***Entrenched customer base across jurisdictions***

We have a diversified customer base and have established ourselves as a trusted supplier for key defence and aerospace organisations in India including major aeronautical and defence research organisations. We cater to customers across diverse geographic locations including the European Union, United Kingdom, United States of America, Norway, Switzerland, Israel, China and United Arab Emirates. Internationally, we export titanium and superalloy castings and materials to aerospace and defence OEMs. Through Trac, we have also entered into a strategic partnership with a technology company to supply precision machined and cast components for its proprietary heating technology. In 2025, we received a purchase order from a research establishment that marked the first instance of an Indian company being entrusted with post-cast operations on single-crystal ready-to-fit turbine blades. (*Source: D&B Report*) Further, we have recently procured development orders for major artillery gun components, and for alloy ingots from a space centre in India.

***Robust manufacturing capabilities supported by quality certifications and accreditations***

Our operations are supported by robust manufacturing capabilities. We operate four manufacturing facilities, comprising AMTC, our Mehsana Facility, SMTC, and our Trac Facility, as of June 30, 2026. AMTC produces high-integrity investment castings for industrial and defence applications and serves as a development base for titanium and superalloy castings, while our operations at the Mehsana Facility are focussed on investment castings and machined components for sectors such as oil and gas, liquefied natural gas, marine, petrochemicals, energy, pulp and paper and other process industries.

Our operations at SMTC comprise aerospace casting capabilities and the titanium and superalloys materials plant. In September 2025, we commissioned a VIM furnace at SMTC, which provides us the capability to manufacture precision superalloy investment castings. We are expanding our manufacturing capabilities at SMTC by introducing forging and rolling capabilities with the strategic vision of forming an end-to-end titanium and superalloy supply chain. The Trac Facility is equipped for the precision machining of titanium and superalloy castings, including complex airfoils and engine components, along with the production of components for industrial gas turbines. Our manufacturing facilities are equipped with three foundries and two computer numerical control ("**CNC**") machine shops.

We maintain quality systems, certifications and accreditations that support our participation in highly regulated sectors. Our certifications and approvals include ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, ISO 45001:2018 for occupational health and safety, ISO 27001:2022 for information security, AS9100D / AS9100 aerospace quality systems, ISO 17025:2017 accreditation for our testing laboratory, along with accreditations from NABL, Pressure Equipment Directive approvals and various marine classification approvals. Further, Aerolloy has also been accredited by NADCAP for non-destructive testing, chemical processing, welding and heat treatment. We have also received the management system certification as per EN 9100:2018 for Aerolloy for its capability to manufacture as-cast and machined investment casting in air and vacuum melt for steel, titanium and super alloys for aerospace applications as per AS 9100. Our testing laboratory has been certified in accordance with the laboratory quality management system as per ISO 17025: 2017 by NABL.

***Advanced proprietary technologies supported by R&D capabilities***

Our R&D capabilities are focused on developing advanced manufacturing technologies for strategic materials, precision castings and critical components used in aerospace, defence, space and other demanding applications. Our in-house R&D facilities are recognised by the DSIR. We employ modern technologies at our facilities including VAR, VIM, PAM furnaces and hot isostatic pressing. We have continuously invested in advanced process technologies, including the development and installation of India's first robotic shell-coating system for investment castings in 2007. (*Source: D&B Report*)

We have developed and commercialised proprietary casting technologies that support the manufacture of complex near-net-shape components with high dimensional integrity. These include RapidCast™, a process approved by

the DSIR that enables the production of large-size castings up to 6,000 kilograms per piece without traditional manufacturing tooling; PrintCast™, which uses three-dimensional ("**3D**") printed patterns for highly complex, high-integrity part manufacture in smaller weight ranges; and ForgeCAST™, which enhances the mechanical and metallurgical properties of castings to achieve densification and a microstructure comparable to forgings. These processes are complemented by automated pattern-making, robotic shelling and controlled-atmosphere melting technologies. We have developed capabilities to manufacture one of the largest precision superalloy investment castings and the advanced casting technology for manufacture of single-crystal and directionally solidified turbine components. (*Source: D&B Report*) We utilize artificial intelligence to create business monitoring algorithms, and such business monitoring algorithms enhance productivity and amplify core business capabilities. Certain manufacturing processes used in our operations, including Replicast®, are licensed from third parties.

Further, pursuant to the acquisition of Trac, our technological prowess extends into precision machining and finishing of complex hot-section turbine components using five-axis CNC grinding, three-axis CNC grinding, electrical-discharge machining, fast-hole drilling, deep-hole drilling, electrode manufacture, tungsten inert gas welding for dissimilar metals, airflow testing and waterflow testing. These technologies are applied to the machining of high-pressure and low-pressure turbine blades, nozzle guide vanes, heat shields and seal segments.

***Strong and experienced senior management with deep domain expertise***

We are led by qualified and experienced Board of Directors and senior management who have extensive knowledge and experience to scale our business. We work under the aegis of Sachin Agarwal, our Chairman and Managing Director, who has 28 years of industry experience, and is responsible for our Company's strategic vision and capability building. Priya Ranjan Agarwal, Director, Marketing, has 33 years of industry experience, and is responsible for overseeing our Company's business domestic operations and leads institutional relationship with defence public sector undertakings, defence research & development establishments, Indian armed forces and India's strategic missions; Alok Agarwal, Director, Quality and Technical, has over 32 years of industry experience, and is responsible for improving plant quality and obtaining quality certifications; Smita Agarwal, Director and Chief Financial Officer, has 17 years of experience with our Company, and oversees treasury operations, investor relations and statutory compliances; James Michael Collins, Chief Technology Officer, has over nine years of industry experience and helps in defining our Company's technological roadmap, execution of engineering projects and leads digital transformation and capability development in across our Company; Stephane Brans, Head of International Sales, has over three years of experience in our Company and is responsible for developing international sales and to manage developmental projects; and Frederic Oudelet, Senior Vice President of Castings Engineering, has over two years of experience in our Company. For further details regarding our management, see "*Board of Directors and Senior Management*" starting on page 247.

Members of our senior management have been instrumental in leading our production and marketing functions, contributing to our expansion and financial success. We believe that the industry knowledge and experience of our senior management team provide us with significant competitive advantages to capitalise on future growth opportunities as we continue to grow our businesses.

**STRATEGIES**

***Scale and commercialise our established manufacturing capabilities***

Over the last several years, we have invested in building capabilities across strategic materials, precision castings, forging, special processes, machining and finishing. Our near-term strategy is focused on progressing these capabilities through commissioning, process development and customer qualification into serial production, while improving utilisation, productivity, yields and operating leverage. At SMTC, this includes the progressive commissioning, qualification and ramp-up of our titanium and superalloy melting and remelting, forging, rolling, precision casting, machining and powder metallurgy capabilities. We also intend to continue improving capacity utilisation and productivity across our existing manufacturing operations at AMTC, Mehsana Facility and Trac Facility. As these facilities and processes mature, our focus will increasingly be on converting the capital already deployed into qualified manufacturing capacity, recurring production and improved returns on capital.

***Build a fully integrated manufacturing capability across the value chain***

We aim to integrate the capabilities of our Company and our Subsidiaries across the manufacturing route, from strategic materials through cast and forged components, special processes, precision machining and finishing. Our strategy is based on the principle that the value of these capabilities lies not only in each individual manufacturing

process, but also in the continuity between them. We believe, greater integration can enable us to retain manufacturing knowledge and traceability across successive stages, reduce interfaces, improve control over quality and delivery and assume greater responsibility for the components that we manufacture. As our capabilities mature and are qualified by customers, we intend to progressively increase our participation from materials and individual components towards fully machined and ready-to-fit components, assemblies and sub-systems.

***Deepen our participation in aerospace, defence, space and energy programmes***

We intend to deepen our participation in industries where demand for strategic materials and complex components is increasing and where technical, qualification and certification requirements create significant barriers to entry. Our principal areas of focus include commercial aerospace, Indian and global defence, space and power generation. While these markets serve different applications, they draw upon many of the same capabilities in titanium and nickel-based superalloys, complex castings and forgings, precision machining, special processes and high-integrity manufacturing. We are deepening our participation in these sectors by expanding the range and complexity of products we manufacture, increasing our scope of supply on existing programmes and participating in new programmes where our capabilities are relevant. As our manufacturing processes and products are qualified, we aim to move from development and initial production into larger and more sustained production programmes, while building long-term relationships with customers in India and internationally.

***Continue to develop differentiated technologies and capabilities with disciplined capital deployment***

We intend to continue investing selectively in technologies, manufacturing capabilities and strategic relationships that strengthen our integrated manufacturing platform and address identified customer, supply-chain or technological requirements. Our technology-development priorities include advanced titanium and superalloy metallurgy, controlled-microstructure and single-crystal casting, process simulation, additive manufacturing and metal powders, recycling and material efficiency, automation and advanced manufacturing processes. We also intend to strengthen the security and resilience of our critical-material supply chains, including through the development of recycling capabilities and appropriate sourcing and industrial partnerships. We pursue investments, partnerships and acquisitions selectively, where they strengthen our integrated manufacturing capabilities, add differentiated technology or processes, improve supply-chain resilience, deepen access to customers and programmes, or enable us to undertake a greater share of the manufacturing value chain. We intend to maintain a disciplined approach to capital allocation, with new investments assessed against their strategic relevance, execution requirements and potential to generate sustainable returns.

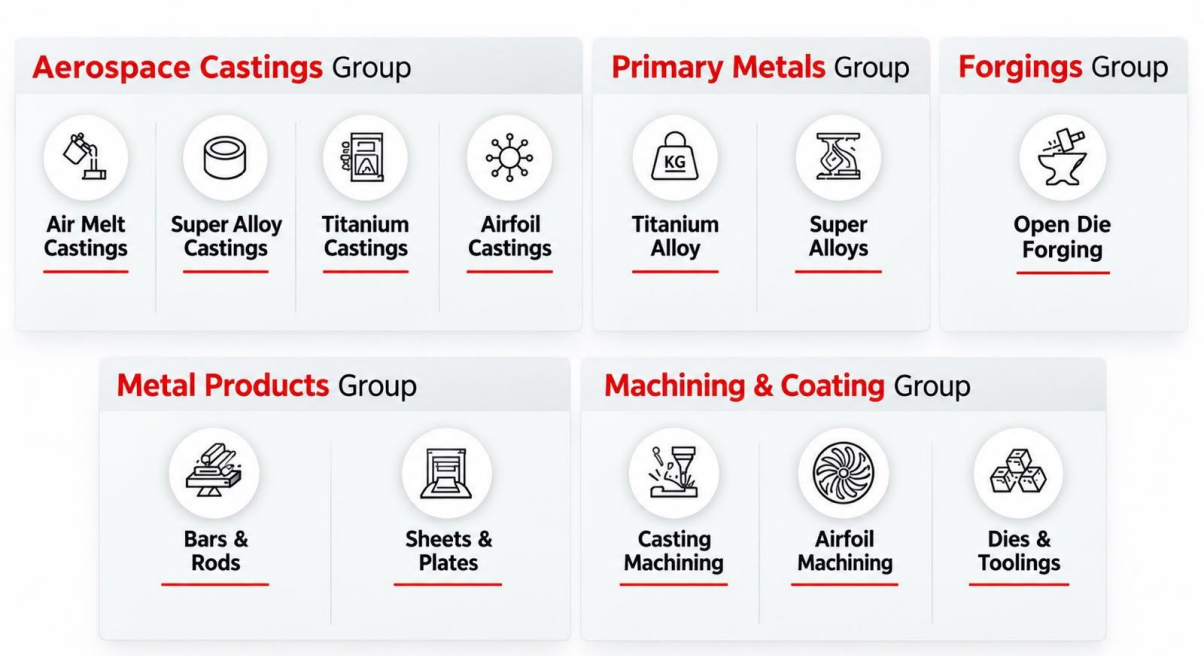
***Pursue strategic investments and inorganic growth opportunities***

We intend to continue evaluating strategic investments and inorganic growth opportunities through acquisitions, that complement our existing operations and support our long-term growth objectives. In particular, we may pursue opportunities that enable us to enhance our manufacturing capacity, scale and market position; expand our presence in geographic markets outside India; broaden our product portfolio, including through entry into adjacent product categories; realise operational and technological synergies; and strengthen our presence in adjacent segments across aerospace, defence, space, precision engineering and energy. For example, we acquired 100% shareholding in Trac Holdings Limited in December 2024, which, through its subsidiaries, owns Trac, a UK-based manufacturer of precision-machined components for the aerospace, defence and power generation sectors. We may also seek to acquire businesses with qualified manufacturing processes, established customer approvals or relationships, complementary technologies and specialised capabilities that can accelerate our participation in customer programmes and enable us to undertake a greater share of the manufacturing value chain. Although we have currently not identified any acquisition targets, we aim to utilize a portion of the Net Proceeds to pursue such inorganic growth initiatives through strategic acquisitions. For further information, see "*Objects of Issue and Use of Proceeds – Funding Strategic Investments And Inorganic Growth Through Unidentified Acquisitions/Investments*" on page 97.

**BUSINESS OPERATIONS**

***Product Portfolio***

The image below sets forth our key products:




In the aerospace and defence sector, our products include airframe and structural components, aero-engine components including turbine frames, blades, buckets and vanes, inlet and outlet structures, bearing housings and engine mounts, space and strategic components including propellant tanks, propulsion nozzles, bulkheads, pressure bottles and lightweight structural elements, and propulsion and defence components including suspension arms, muzzle brakes, lightweight artillery structures and armour protection. We manufacture these components in titanium alloys, nickel-based and cobalt-based superalloys, stainless steels and other advanced alloys. We also supply titanium and superalloy materials, including ingots, billets, bars, rods, plates and sheets, for downstream aerospace and defence applications. Our casting capabilities include air-melt investment castings for industrial and defence applications, titanium and superalloy precision investment castings for aerospace, defence and space applications, and advanced airfoil castings, including equiaxed, single-crystal and directionally solidified blades and vanes for aero-engines and industrial gas turbines. We also provide precision machining and finishing of complex titanium and superalloy castings, including turbine blades, nozzle guide vanes, heat shields and seal segments for aero-engines, industrial gas turbines and defence systems.

Our operations span multiple technology-focused verticals which together cover the manufacturing route from primary metal to precision-machined component and sub-systems. The table below sets out our principal product verticals:

| Vertical | Key Products | Principal Processes | Principal End Uses |
|---|---|---|---|
| Industrial castings | Includes components for pumps and pump casings, valves and valve bodies, impellers, flow-control housings and fittings in stainless steels and other alloys | Air-melt investment casting | Oil and gas, liquified natural gas, marine, petrochemical, pulp and paper, power generation and defence |
| Aerospace castings | Titanium and superalloy precision investment castings; equiaxed, directionally solidified and single-crystal airfoil castings (blades, buckets and vanes) | Vacuum investment casting; titanium casting using ceramic shelling; hot isostatic pressing; vacuum heat treatment | Aerospace, defence, space and industrial gas turbines |
| Strategic materials and metal products | Titanium alloy ingots; nickel- and cobalt-based superalloy ingots; billets, bars, rods, plates and sheets | VAR, PAM and VIM; EBCHR (under commissioning); rolling mills (under commissioning) | Aerospace, defence and space |
| Forgings | Open-die forgings in titanium and superalloys | 4,500/5,100 tonne open-die forging system | Aerospace and defence |

| Vertical | Key Products | Principal Processes | Principal End Uses |
|---|---|---|---|
| Precision machining and finishing | Machined castings; high-pressure and low-pressure turbine blades, nozzle guide vanes, heat shields and seal segments | Five-axis machining; five-axis and three-axis CNC grinding; electrical-discharge machining; fast-hole and deep-hole drilling; tungsten inert gas welding of dissimilar metals; airflow and waterflow testing | Aerospace, industrial gas turbines and defence systems |

The table below sets forth representative components that we manufacture for each end-use industry:

| End-use Industry | Representative Components |
|---|---|
| Civil aviation | Airframe and structural components, engine mounts, turbine frames |
| Aeroengines | Turbine frames, blades, buckets and vanes, bearing housings, inlet and outlet structures, machined turbine blades, nozzle guide vanes, heat shields and seal segments |
| Air defence (combat and trainer aircraft) | Airframe structures, intermediate casings, bearing housings, refuelling nozzles, turbine oil tanks and engine gearboxes |
| Space | Propellant tanks, propulsion nozzles, bulkheads, liquid-fuel pump casings and impellers, lightweight structural components and titanium alloy ingots |
| Land defence | Suspension arms, muzzle brakes, lightweight artillery structures and armour-protection components |
| Naval defence | Pump components, valves, on-line fittings, and propellers and propulsion components |
| Industrial and energy | Pumps and pump casings, valves and valve bodies, impellers and segments, flow-control housings and fittings for oil and gas, liquified natural gas, petrochemical, pulp and paper, marine and power industries; airfoil castings and machined hot-section components for industrial gas turbines |

We participate in customer-led process qualification programmes for advanced material grades, including Grade 5 Ti-6Al-4V, Grade 23 Ti-6Al-4V ELI and various nickel- and cobalt-based superalloys. In July 2026, we received an order for the development, integration and supply of a strategic missile sub-system, marking our first major order in systems and sub-systems integration for advanced defence platforms. We also received a design and development order for a titanium cradle, marking our first order where we are responsible for designing and manufacturing a mission-critical defence component. These orders extend our product portfolio from materials and components into integrated assemblies and design-led development.

***Manufacturing Facilities***

As of June 30, 2026, we operate four manufacturing facilities, with three foundries and two CNC machine shops, and one aerospace machining and finishing facility. Set forth below are details in relation to our manufacturing facilities:

| Manufacturing Facility | Entity | Area (Square Metres) | Principal Activities | Key Equipment |
|---|---|---|---|---|
| AMTC | Our Company | 65,758.10 | Medium to large size high-integrity investment castings for industrial and defence applications; development base for titanium and superalloy castings. | Robotic shell-coating, hot isostatic pressing, air melting furnaces, 3D printing and CNC machining. |
| Mehsana Facility | Our Company | 74,587.89 | Small to medium-size investment castings and machined components for oil and gas, liquified natural gas, marine, petrochemical, energy, pulp and paper and other process industries. | Robotic shell-coating, air melting furnaces and CNC machining. |

| Manufacturing Facility | Entity | Area (Square Metres) | Principal Activities | Key Equipment |
|---|---|---|---|---|
| SMTC | Aerolloy | 200,000.00 | Ingots, billets, rods, bars, sheets and plates in titanium alloys, along with cast sticks and other forms in superalloys. | VAR, VIM and PAM furnaces and 4,500/5,100 tonne open-die forging system. EBCHR furnace is under commissioning and rolling mills and plate mills are under installation. |
| Trac Facility | Trac | 3,716.00 | Precision machining and finishing of titanium and superalloy castings, including complex airfoils and engine components, and components for industrial gas turbines | Grinding, electrical-discharge machining, fast-hole and deep-hole drilling, tungsten inert gas welding equipment, and airflow and waterflow testing equipment. |

***Manufacturing Process***

Investment castings: Our casting process comprises the following principal stages:

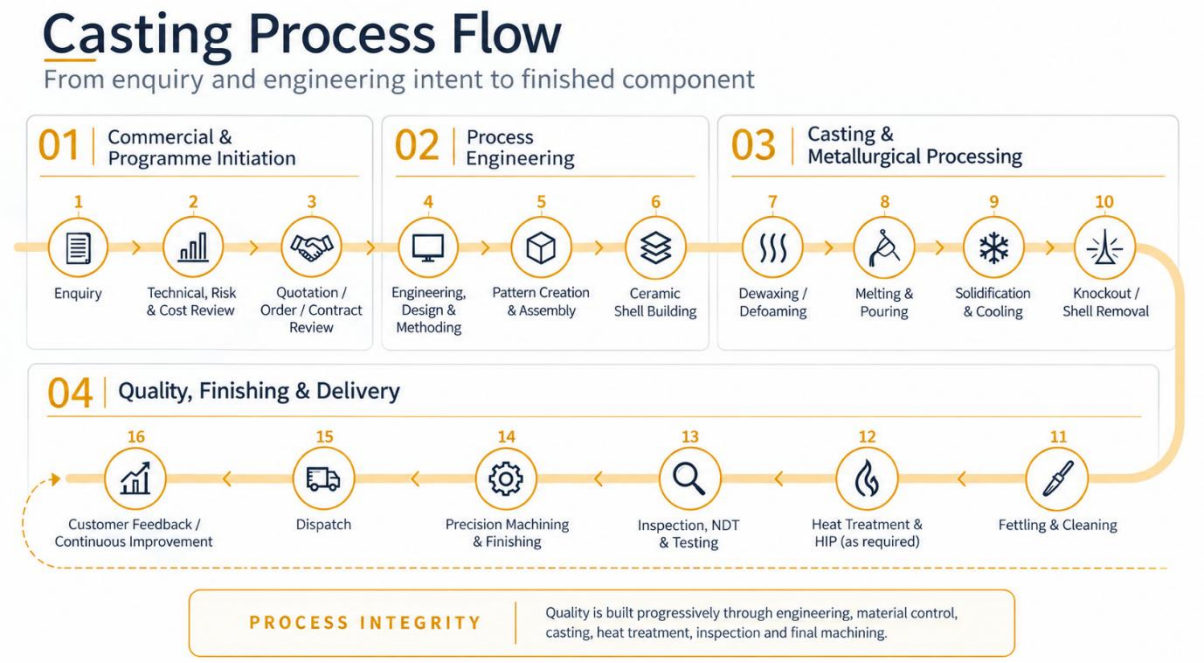
- *Engineering and design*: Each casting begins with engineering analysis, 3D modelling and digital process simulation to design metal-flow and cooling paths.
- *Pattern creation and assembly*: Patterns replicating the final component are produced through wax injection moulding, foam machining or moulding using RepliCast®, or 3D printing, and are subsequently assembled into clusters or prepared as individual units.
- *Ceramic shell building*: The pattern is repeatedly dipped in ceramic slurry and coated with refractory sand, including through robotic shell-coating, to build a shell capable of withstanding high-temperature metal pouring.
- *Pattern removal*: The shell is heated to remove the wax or foam, leaving a precise cavity in the shape of the component.
- *Melting and casting*: Metal is melted under controlled conditions and poured into the shell; reactive alloys such as titanium are processed under vacuum or inert-atmosphere conditions, and airfoils are cast with controlled solidification to produce equiaxed, directionally solidified or single-crystal structures.
- *Solidification, knockout and fettling*: The casting solidifies under controlled cooling, the shell is removed and excess metal from the feed system is removed.
- *Heat treatment and hot isostatic pressing*: Castings are heat treated to relieve stresses and achieve specified properties and, where required, hot isostatically pressed to reduce internal porosity.
- *Inspection and testing*: Dimensional accuracy, surface integrity and internal soundness are verified through non-destructive testing, together with metallurgical and mechanical testing, as required.
- *Machining and finishing*: Castings are machined on multi-axis CNC centers to final tolerances, geometry and surface finish.

Strategic materials and metal products. Titanium sponge, titanium scrap and master alloys are melted in our VAR and PAM furnaces, and superalloys in our VIM furnace, to produce ingots or cast sticks. Once commissioned, our EBCHR furnace is intended to refine titanium scrap into aerospace-grade titanium alloy ingots. Ingots are converted into billets and forgings on our open-die forging system, and our rolling mills, once commissioned, are intended to convert them into plates, sheets, rods and bars.

Precision machining and finishing. Cast and forged components are machined on five-axis machining centres. At the Trac Facility, hot-section airfoils are processed through five-axis and three-axis CNC grinding, electrical-discharge machining, fast-hole and deep-hole drilling, electrode manufacture, tungsten inert gas welding of dissimilar metals, and airflow and waterflow testing.

Operating practices. Our operations use robotic shelling and automated finishing, multi-axis CNC machining, standardised work practices and statistical process control. We also undertake preventive and predictive maintenance of critical equipment and employ lean manufacturing practices.

Set forth below is the process flow chart:




***Research and Development***

Our R&D initiatives are focused on developing manufacturing technologies for strategic materials, precision castings and critical components used in aerospace, defence, space and other demanding applications. Our in-house R&D facilities are recognised by the DSIR, Ministry of Science and Technology, Government of India, and our R&D centre is located at AMTC. Our R&D activities are directed towards improving the materials, processes and products that we manufacture for aerospace, defence, space and industrial applications. During Fiscal 2026, these activities principally comprised process and product development for high-integrity castings; the development and industrialisation of titanium and nickel- and cobalt-based superalloy materials, including their recycling; the development of forging and rolling processes; single-crystal and directionally solidified casting; testing and special-process capabilities, including customer-specific process qualifications; and the use of simulation and automation in our manufacturing operations. Benefits derived from these activities include the development of efficient manufacturing processes for titanium and superalloy grades and qualification of new product variants, process yield improvements from melt-cycle and pour-cycle optimisation and improved metallurgical control, and the substitution of imported strategic materials and components.

We have developed and commercialised proprietary casting technologies that support the manufacture of complex near-net-shape components with high dimensional integrity. These include RapidCast™, a process approved by the DSIR that enables the production of large-size castings of up to 6,000 kilograms per piece without traditional manufacturing tooling; PrintCast™, which uses 3D printed patterns for highly complex, high-integrity parts in smaller weight ranges; and ForgeCAST™, which enhances the mechanical and metallurgical properties of castings to achieve densification and a microstructure comparable to forgings. RapidCast™ was developed and commercialised under the Technology Development and Demonstration Programme, Department of Science and Technology. Under the Technology Acquisition Fund Programme supported by the Ministry of Heavy Industry, Government of India, we executed a project for the development and commercialisation of titanium castings using ceramic shelling. We have received the National Award for R&D Efforts in Industry from the Department of Science and Technology, Government of India in 2006.

Our R&D infrastructure includes a testing laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories in accordance with ISO/IEC 17025:2017, with metallurgical, mechanical and non-destructive testing capabilities; casting and forging simulation and solid-modelling tools used for methoding and process design prior to production; and 3D printing capabilities for producing printed patterns and prototypes. We also undertake development activities using our production equipment, including VAR, VIM and PAM furnaces, hot isostatic pressing and vacuum heat treatment. We are a part of the Advanced Materials (Defence) Testing Foundation, a special purpose vehicle established under the Ministry of Defence's Defence Testing Infrastructure Scheme for setting up an advanced materials testing facility in the Lucknow node of the Uttar Pradesh Defence Industrial Corridor, together with other government and industry participants. Our technology-development

priorities include advanced titanium and superalloy metallurgy, controlled-microstructure and single-crystal casting, process simulation, additive manufacturing and metal powders, recycling and material efficiency, and automation. We are also in the process commissioning our EBCHR furnace, which is intended to recycle titanium scrap into aerospace-grade titanium alloy ingots. Our R&D and technology team comprises 45 professionals as of June 30, 2026, and our technology function is led by James Michael Collins, our Chief Technology Officer, together with Frederic Oudelet, our Senior Vice President of Castings Engineering.

***Customers***

Our customers include global aerospace and original equipment manufacturers, Indian defence establishments and public sector undertakings, government research organisations, and companies in oil and gas, liquified natural gas, power generation, petrochemicals, pulp and paper, marine and other specialised engineering sectors. We sell directly to our customers and do not sell through dealers or distributors. The tables below set forth revenues generated by us from our top 10 customer groups for the periods indicated:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 customer groups | 12,149.45 | 63.34% | 6,736.96 | 69.35% |
| Top 10 customer groups | 16,030.00 | 83.57% | 8,648.66 | 89.03% |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 customer groups | 34,751.08 | 57.65% | 18,615.22 | 60.42% | 17,366.52 | 67.60% |
| Top 10 customer groups | 51,366.85 | 85.22% | 25,547.03 | 82.92% | 21,852.85 | 85.07% |

*Business Development and Customer Qualifications*

Sachin Agarwal, our Chairman and Managing Director, sets the strategic direction for our business and leads the development of our capabilities. He is supported by Priya Ranjan Agarwal, our Director, Marketing, who is responsible for business development in key infrastructure projects and domestic marketing, and Stephane Brans, our Head of International Sales, who is responsible for international sales and development projects. Our Trac Facility in the United Kingdom also provides us with proximity to aerospace and industrial customers in Europe. New business opportunities typically commence with a request for quotation or a development order, followed by customer qualification of the relevant part, process or material before progressing to low-rate initial production and serial supply. Qualification timelines vary depending on the product, application, customer and industry, and may range from a few months to several years, with the extent and duration of the qualification process generally increasing with the technical complexity and criticality of the relevant component. Once a capability or process has been qualified by a customer, the qualification requirements for additional parts are generally more incremental.

Set forth below are some of the recent developments pursuant to our business development initiatives:

- Long-term agreement entered into by Aerolloy with a global aerospace systems company for the supply of titanium and superalloy castings;
- Development and supply order received by Aerolloy from a U.S. space launch company for superalloy investment castings for a rocket engine;
- We received an order from a space centre in India for double VAR-melted aerospace-grade titanium ingots;

- We received a purchase order from a defence research establishment for post-cast operations on single-crystal ready-to-fit turbine blades; and
- In August 2026, an agreement was entered into by Aerolloy with a global commercial aircraft manufacturer for the development, production and supply of fully machined, ready-to-fit titanium castings for certain commercial aircraft programmes, with serial production subject to the customer's qualification requirements.

*Contractual Arrangements*

We receive business through purchase orders issued pursuant to requests for quotation, long-term agreements and development contracts. Where feasible, our contractual arrangements provide for phased volumes, price indexation or the pass-through of changes in raw material costs, as well as advance payments and milestone-based billing. We also use export credit insurance, where appropriate.

*Export Operations*

We cater to customers across geographies including the European Union, the United Kingdom, the United States of America, Norway, Switzerland, Israel, China and the United Arab Emirates. The following tables set forth our revenues generated from various geographies for the periods indicated:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Sale of products in India | 6,333.08 | 33.02% | 1,126.72 | 11.60% |
| Sale of products outside India | 12,846.67 | 66.98% | 8,587.91 | 88.40% |
| *European Union* | *3,647.13* | *19.02%* | *3,715.87* | *38.25%* |
| *United Kingdom* | *3,482.35* | *18.16%* | *959.49* | *9.88%* |
| *United States* | *736.57* | *3.84%* | *229.56* | *2.36%* |
| *Norway* | *556.66* | *2.90%* | *1,092.60* | *11.25%* |
| *United Arab Emirates* | *55.66* | *0.29%* | *32.59* | *0.34%* |
| *Rest of the world* | *4,368.30* | *22.78%* | *2,557.80* | *26.33%* |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Sale of products in India | 10,868.80 | 18.15% | 4,369.95 | 14.40% | 4,017.99 | 15.97% |
| Sale of products outside India | 48,485.97 | 81.84% | 25,968.55 | 85.60% | 21,141.44 | 84.03% |
| *European Union* | *18,080.29* | *30.00%* | *9,502.04* | *30.84%* | *9,714.18* | *37.82%* |
| *United Kingdom* | *10,005.75* | *16.60%* | *2,783.76* | *9.04%* | *830.60* | *3.23%* |
| *United States* | *6,712.02* | *11.14%* | *3,444.76* | *11.18%* | *3,268.24* | *12.72%* |
| *Norway* | *4,246.82* | *7.05%* | *7,154.90* | *23.22%* | *4,831.83* | *18.81%* |
| *United Arab Emirates* | *111.04* | *0.18%* | *397.89* | *1.29%* | *238.49* | *0.93%* |
| *Rest of the world* | *9,803.92* | *16.26%* | *2,689.13* | *8.73%* | *2,258.10* | *8.79%* |

***Suppliers and Raw Materials***

Our primary raw materials comprise titanium sponge, scrap materials, nickel and cobalt master alloys and other superalloy feedstock, ferro-alloys, and ceramic and refractory materials. The tables below set forth cost of materials consumed for the periods indicated:

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Cost of materials consumed | 7,591.28 | 39.58% | 4,091.38 | 42.12% |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Cost of materials consumed | 34,264.37 | 56.84% | 8,905.49 | 28.91% | 5,682.02 | 22.12% |

We have multiple suppliers, including large OEMs and micro, small and medium enterprises. We sourced raw materials from approximately 38 suppliers as of June 30, 2026. The tables below set forth expenses incurred by us for procurement of raw materials from our top 10 suppliers in the periods indicated.

| Particulars | Three months ended June 30, 2026 | | Three months ended June 30, 2025 | |
|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 suppliers | 2,274.17 | 11.86% | 1,826.11 | 18.80% |
| Top 10 suppliers | 3,039.77 | 15.85% | 2,232.73 | 22.98% |

| Particulars | Fiscal 2026 | | Fiscal 2025 | | Fiscal 2024 | |
|---|---|---|---|---|---|---|
| | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) | Amount (₹ lakhs) | As a percentage of Revenue from Operations (%) |
| Top 5 suppliers | 7,497.45 | 12.44% | 5,693.82 | 18.48% | 3,240.78 | 12.62% |
| Top 10 suppliers | 9,788.82 | 16.24% | 7,719.47 | 25.06% | 4,402.20 | 17.14% |

We seek to manage the risks accruing from our supplier-base through multi-vendor sourcing with geographic diversification, contingency stock for critical inputs, and backward integration into primary metals through our VAR and PAM furnaces.

***Quality Control and Testing***

*Quality Control*

Our products are used in mission-critical applications and are therefore required to comply with stringent industry, customer and safety standards. Our quality function is overseen by Alok Agarwal, Director, Quality and Technical, who is responsible for maintaining quality standards across our manufacturing facilities and obtaining ISO and other quality certifications. We integrate quality requirements from the product-development stage, with our technology and engineering team working alongside our new product development group to validate designs through simulation, flow analysis and methoding before commencing production. We maintain quality systems, certifications and accreditations, as set forth below:

| Sr. No. | Certification / Approval | Scope | Issuing Body | Entity |
|---|---|---|---|---|
| 1 | ISO 9001:2015 | Quality management systems | TÜV NORD | Company and Aerolloy |
| 2 | EN 9100:2018 (AS9100D) | Aerospace quality management for the manufacture of as-cast and machined investment castings in air and vacuum melt for steel, titanium and superalloys; multi-site certificate covering SMTC | TÜV NORD | Aerolloy |
| 3 | NADCAP | Heat treating, non-destructive testing and welding (all with merit status), and chemical processing | Performance Review Institute | Aerolloy |
| 4 | ISO 14001:2015 | Environmental management systems (Mehsana Facility certified during Fiscal 2026) | TÜV NORD | Company and Aerolloy |
| 5 | ISO 45001:2018 | Occupational health and safety management (Mehsana Facility certified during Fiscal 2026) | TÜV NORD | Company and Aerolloy |
| 6 | ISO/IEC 27001:2022 | Information security management for manufacturing operations and supporting functions in Lucknow, Uttar Pradesh | SGS | Company |
| 7 | ISO/IEC 17025:2017 | Accredited testing laboratory at AMTC | National Accreditation Board for Testing and Calibration Laboratories | Company |
| 8 | Pressure Equipment Directive 2014/68/EU | Material manufacturer approval | TÜV NORD | Company and Aerolloy |
| 9 | AD 2000-Merkblatt W0 | Material manufacturer recognition | TÜV NORD | Company and Aerolloy |
| 10 | NORSOK M-650 | Manufacturer qualification for materials | TÜV NORD | Aerolloy |
| 11 | Foundry and process approval | Stainless steel and steel castings for marine applications | American Bureau of Shipping | Company |
| 12 | Approved manufacturer | Steel castings | Lloyd's Register | Company |
| 13 | Approved manufacturer | Castings for hull structures, machinery and equipment | Bureau Veritas | Company |
| 14 | Approval of materials | Carbon, austenitic and duplex stainless-steel castings | Bureau Veritas Marine and Offshore | Company |
| 15 | In-house R&D unit recognition | Recognition of the in-house R&D unit | DSIR | Company |
| 16 | Letter of Approval dated May 7, 2025 | Military airworthiness approval for the indigenous development and manufacture of Ti-6Al-4V rear fin root fittings for the Advanced Medium Combat Aircraft programme | Centre for Military Airworthiness and Certification (CEMILAC), DRDO | Company |

Our NADCAP accreditations for non-destructive testing and for heat treating (including hot isostatic pressing) were reaccredited with merit during Fiscal 2026. Our certifications and approvals are subject to periodic surveillance audits and renewals, and we are regularly audited by customers and certification bodies to maintain our approved-source status. New products typically undergo multi-year customer qualification cycles before progressing to serial production.

*Quality Systems*

We have deployed a cloud-based quality management system across our operations, which enables process monitoring, statistical process control and traceability throughout the production lifecycle. We follow quality and safety systems focused on standardisation, continual improvement, risk-based controls and compliance with quality management principles. Our systems also provide for defined controls and processes, clear allocation of responsibilities, and ongoing review and improvement across key business operations.

*Testing Capabilities*

Our in-house laboratory capabilities include scanning electron microscopy, spectrometry and mechanical testing for metallurgical validation. Castings are verified using non-destructive testing methods appropriate to the component and customer specification, including radiographic, ultrasonic and penetrant testing, together with dimensional inspection and metrology. Hot isostatic pressing is applied selectively to reduce internal porosity. At the Trac Facility, turbine components undergo airflow and waterflow testing.

***Information Technology***

We rely on information technology systems across production, quality, inventory, procurement, finance and human resources. Our core enterprise applications include an enterprise resource planning ("**ERP**") system, human resources and payroll systems and supporting shop-floor systems. Operational data, including inventory, procurement and financial information, is maintained in the ERP and supporting systems and is used for production planning, quality management, traceability and cost analysis. Systems for our Company and Aerolloy are hosted through contracted cloud and software-as-a-service providers in India, with certain on-premises systems and storage maintained at our facilities in Lucknow, Uttar Pradesh. Systems and information relating to Trac are maintained in the United Kingdom. In engineering and quality, we use solid modelling, casting and forging simulation, and digital quality workflows, including a cloud-based quality management system with statistical process control. We also use artificial intelligence to create business monitoring algorithms that support productivity and core business functions.

Our information security management system is certified to ISO/IEC 27001:2022 by SGS under United Kingdom Accreditation Service accreditation and covers our manufacturing and supporting functions in Lucknow, Uttar Pradesh. Our security control mechanisms apply across our information systems and to relevant internal and external users, including staff, consultants, contractors, partner organisations and vendors. The responsibility for protection of information technology-based information systems and implementation of specific security processes lies with the head of information systems and technology and the implementation and effectiveness of the security systems are reviewed periodically by the internal audit function as part of our regular audit programme. As of the date of this Placement Document, we have not experienced any material cyber-security or data-protection breach or attack. We have also completed a human resources transformation project to streamline and automate our human resources processes.

***Corporate and Social Responsibility***

Our corporate social responsibility ("**CSR**") initiatives are aligned with the requirements under the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. Our Company approved its CSR Policy on May 28, 2024 and established the PTC Foundation to undertake CSR activities. The PTC Foundation works with our Board of Directors and CSR Committee to identify and implement projects focused on skill development, education, healthcare, food security, sanitation, sports, art and culture. In the three months ended June 30, 2026 and June 30, 2025, and Fiscals 2026, 2025 and 2024, we incurred ₹42.63 lakhs, ₹27.19 lakhs, ₹109.26 lakhs, ₹69.89 lakhs and ₹42.62 lakhs, respectively, towards CSR activities.

***Environmental, Social and Governance Initiatives***

We are committed to sustainability as part of our environmental, social and governance ("**ESG**") focus and have undertaken several initiatives toward our ESG goals. The impetus is towards creating sustainable, disruptive and innovative technologies. We have undertaken initiatives across energy, water, waste and materials recycling. All of our facilities operate on a zero liquid discharge basis, with water recycled and reused through advanced treatment systems, and rainwater harvesting and groundwater recharge projects supporting long-term water security. Our renewable energy sources include a 700-kilowatt rooftop solar installation at AMTC and a 0.750 megawatt wind turbine in Kutch, Gujarat. We aim to launch our proprietary GreenTitanium™ process, enabled by the commissioning of our EBCHR furnace, which is intended to recycle titanium scrap into aerospace-grade ingots, reduce reliance on virgin titanium sponge and reduce emissions associated with primary titanium production; and to also install a 20-megawatt solar plant.

***Competition***

Competition in precision castings, strategic materials, forgings and machined components for aerospace and defence is based on material and process capability, manufacturing complexity, customer qualifications and approvals, product quality, delivery reliability and the ability to manufacture components for critical applications.

We compete principally with a limited number of large integrated manufacturers of investment castings, forgings and specialty materials. *(Source: D&B Report)* Also see "*Risk Factors – We operate in highly competitive industries and face competition from domestic and international manufacturers with significant resources, technological capabilities and established customer relationships. Increased competitive pressures could adversely affect our business, financial condition, results of operations and cash flows.* " on page 59.

***Human Resources***

We invest in training programs to empower employees to operate, maintain, and troubleshoot equipment effectively. We also provide an array of health schemes, camps, and voluntary programs for employees and their families. We have also introduced the "*PTC Employees Stock Option Scheme 2019*" to share the rewards of organisational growth with our employees, and have also successfully completed an a human resource transformation project to streamline and automate various human resources processes, in order to align our efficiency, and sustainable growth, while also identifying areas for improvement and providing necessary support for employee growth.

Further, we conduct evaluations to foster talent within our Company. This initiative allows us to align employee skills with organisational goals, offering training and development opportunities. We conduct upskilling and training programs across various disciplines such as management, operations, finance, and technology, empowering our employees to advance professionally. Through competency assessments and performance evaluation enhancements, we aim to bridge skill gaps and foster data-driven decision-making.

***Awards and Accolades***

We have received several awards in recognition of our products and operations. We were recognised among India's Top 100 Fastest-Growing Companies of 2026 by TIME magazine in collaboration with Statista and were ranked among Asia-Pacific's Fastest-Growing Companies in 2026 by the Financial Times in collaboration with Statista. We were also recognised among India's 500 Most Valuable Companies in the 2025 Burgundy Private Hurun India 500. Aerolloy received the Indo-French Cooperation of the Year 2025 Award at the Indo-French Business Awards. Further, we received the Raksha Mantri Excellence Award in 2022 for excellence in indigenisation in the defence and aerospace sectors, the CII Industrial Innovation Award in 2018, the Total Cost Leadership Award from Rolls Royce – Marine, the Special Jury Award at the TIME India Awards, 2017 and a recognition in Forbes India magazine as one of '16 Hidden Gems' in India in 2014. We received the National Award for R&D Efforts in the Industry in 2006 from DSIR.

***Insurance***

We maintain insurance policies that we believe mitigate key risks for companies operating in our industry. As of the date of this Placement Document, our insurance coverage includes, among others, standard fire and special perils, cash-in-transit, standard marine policies and standard burglary policies. Our insurance coverage may not be sufficient to cover all economic losses. Also see "*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses, which may have an adverse effect on our business, financial condition and results of operations.* " on page 63.

***Intellectual Property***

Our success depends in part on our ability to protect our technology and intellectual property. In the course of our business, we use financial, business, scientific and technical information, methods, technologies, processes and procedures. We rely on a combination of proprietary and licensed technologies, trademarks and applicable intellectual property laws to establish and protect our intellectual property rights. Also see "*Risk Factors – Any inability to protect our trademarks, confidential information and specialised technical know-how could adversely affect our competitive position, business, financial condition, results of operations and cash flows.*" on page 62

***Property***

Our Registered Office is located at Advanced Manufacturing & Technology Centre, NH25A, Sarai Sahjadi, Lucknow 226 401 Uttar Pradesh, India. For further details see "*Our Business – Business Operations – Manufacturing Facilities*" on page 238.

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

### Board of Directors

In accordance with our Articles of Association, read with applicable provisions of the Companies Act, our Company is authorised to have a minimum of three Directors and a maximum of fifteen Directors. As on date of this Placement Document, our Board consists of eight Directors including one Managing Director, three Whole-time Directors and four Independent Directors (including one-woman Independent Director).

Our Board composition is in compliance with the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board, as of the date of this Placement Document:

| Name, address, occupation, term, nationality and DIN | Age (years) | Designation |
|---|---|---|
| **Sachin Agarwal**<br><br>**Address**: Sharat Kunj, Plot No 4, 7 Way Lane Jopling Road, Lucknow, 226001, Uttar Pradesh<br><br>**Date of Birth:** April 5, 1972<br><br>**Occupation**: Business<br><br>**Term:** For a period of five years with effect from October 1, 2025<br><br>**Nationality:** Indian<br><br>**DIN**: 00142885 | 54 | Chairman and Managing Director |
| **Alok Agarwal**<br><br>**Address**: B-51 Nirala Nagar, Lucknow 226020, Uttar Pradesh<br><br>**Date of Birth:** August 29, 1962<br><br>**Occupation**: Business<br><br>**Term:** For a period of three years with effect from October 1, 2025<br><br>**Nationality:** Indian<br><br>**DIN:** 00129260 | 64 | Whole-time Director |
| **Priya Ranjan Agarwal**<br><br>**Address**: B-93 Sector-C, Near Wireless Crossing, Mahanagar, Lucknow 226006, Uttar Pradesh<br><br>**Date of Birth:** August 15, 1958<br><br>**Occupation**: Business<br><br>**Term**: For a period of three years with effect from October 1, 2025<br><br>**Nationality**: Indian<br><br>**DIN**: 00129176 | 68 | Whole-time Director |

| Name, address, occupation, term, nationality and DIN | Age (years) | Designation |
|---|---|---|
| **Smita Agarwal**<br><br>**Address**: Sharat Kunj, Plot No. 4, 7 Way Lane Jopling Road, Lucknow 226001, Uttar Pradesh<br><br>**Date of Birth:** April 15, 1976<br><br>**Occupation**: Service<br><br>**Term**: For a period of three years with effect from October 1, 2025<br><br>**Nationality**: Indian<br><br>**DIN**: 00276903 | 50 | Whole-Time Director and Chief Financial Officer |
| **Vishal Mehrotra**<br><br>**Address**:158 Purana Kila, Cantt Road, Lucknow, 226001, Uttar Pradesh.<br><br>**Date of Birth:** April 13, 1972<br><br>**Occupation**: Service<br><br>**Term**: For a period of five years with effect from August 9, 2024<br><br>**Nationality**: Indian<br><br>**DIN**: 08535647 | 54 | Independent Director |
| **Prashuka Jain**<br><br>**Address**: 305/3, Khatrian Mohalla, Jain Gali, Thanesar, Kurukshetra, 136118, Haryana, India<br><br>**Date of Birth:** October 13, 1988<br><br>**Occupation**: Professional<br><br>**Term**: For a period of five years with effect from September 5, 2022<br><br>**Nationality**: Indian<br><br>**DIN**: 06412915 | 38 | Independent Director |
| **Kamesh Gupta**<br><br>**Address**: E-46, Golden Enclave, Airport Road, next to Manipal hospital, Old Airport Road, Bangalore North, 560017, Bangalore, India<br><br>**Date of Birth**: September 1, 1968<br>**Occupation**: Business<br><br>**Term**: For a period of 5 years with effect from October 1, 2024<br><br>**Nationality**: Indian | 58 | Independent Director |

| Name, address, occupation, term, nationality and DIN | Age (years) | Designation |
|---|---|---|
| **DIN**: 09542162 | | |
| **Rakesh Shukla**<br><br>**Address**: House no. 1095, Sector K, Aashiyana LDA Colony, Lucknow, 226012, Uttar Pradesh, India<br><br>**Date of Birth:** July 17, 1958<br><br>**Occupation**: Professional/ Retired Senior Banker<br><br>**Term**: For a period of 5 years with effect from February 20, 2025<br><br>**Nationality**: Indian<br><br>**DIN**: 10955746 | 68 | Independent Director |

**Brief profiles of our Directors**

**Sachin Agarwal** is the Chairman and Managing Director on the Board of Directors. He has been associated with our Company for 28 years.

**Alok Agarwal** is the Whole-time Director on the Board of Directors. He has been associated with our Company for 32 years.

**Priya Ranjan Agarwal** is the Whole-Time Director on the Board of Directors. He has been associated with our Company for 33 years.

**Smita Agarwal** is the Whole-Time Director and Chief Financial Officer on the Board of Directors. She has been associated with our Company for 17 years.

**Vishal Mehrotra** is an Independent Director on the Board of Directors. He has been associated with our Company for 7 years.

**Prashuka Jain** is an Independent Director on the Board of Directors. He has been associated with our Company for 4 years.

**Kamesh Gupta** is an Independent Director on the Board of Directors. He has been associated with our Company for approximately 2 years.

**Rakesh Shukla** is an Independent Director on the Board of Directors. He has been associated with our Company for more than 1 year.

**Relationship with other Directors**

Except as disclosed below, none of our Directors are related to each other.

| Name of the Director | Nature of Relationship |
|---|---|
| Sachin Agarwal and Smita Agarwal | Spouse |

**Shareholding of Directors in our Company**

As per the Articles of Association of our Company, our Directors are not required to hold qualification shares.

The following table sets forth details of shareholding of our Directors in our Company as of the date of this

Placement Document:

| Name of the Director | No. of Equity Shares | Percentage (%) |
|---|---|---|
| Sachin Agarwal | 2,855,491 | 19.05 |
| Alok Agarwal | 545,799 | 3.64 |
| Priya Ranjan Agarwal | 987,914 | 6.59 |
| Smita Agarwal | 335,276 | 2.24 |
| Prashuka Jain | 21 | Negligible |
| **Total** | **4,724,501** | **31.52** |

**Borrowing powers of the Board**

Pursuant to the special resolution dated August 1, 2026, in the Extra-Ordinary General Meeting of our Company passed by our Shareholders, our Board has been authorized to borrow, from time to time, such sum or sums of monies as our Board may deem necessary for the purpose of the business of our Company which together with the monies already 'borrowed by our Company" (apart from the temporary loans obtained or to be obtained from the 'Company's bankers in the ordinary course of business) may exceed the aggregate paid up capital of our Company and its free reserves, provided that the aggregate amount so borrowed at any point of time shall not exceed ₹ 60,000 Lakhs together with the interest, additional interest, compound interest, liquidated damages, all other cost, charges, expenses, including any increase as a result of devaluation/ revaluation/ fluctuation in the rate of foreign exchange and all other monies payable by our Company.

**Interests of our Directors**

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. Further, our Directors may also be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Subsidiaries and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Director, see "*–Terms of appointment and remuneration of Executive Directors*" and "*–Remuneration of Non-executive and Independent Directors*" on pages 247 and 253.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company and their shareholding in our Subsidiaries. The details of shareholding in our Company have been disclosed above under the heading "*–Shareholding of Directors in our Company*" on page 249. Our Directors may also be interested to the extent of equity shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, or trustees or held by their relatives.

Except Sachin Agarwal, Alok Agarwal, Priya Ranjan Agarwal, and Smita Agarwal who are the Directors of our Company and as stated in the section "*Related Party Transactions*" on page 48, our Directors do not have any other interest in the business or promotion of our Company as of the date of this Placement Document.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which our Directors are interested. Further, except as disclosed in "*Related Party Transactions*" on page 48 our Company has neither availed of any loans from, nor extended any loans to the Directors and their relatives.

Our Directors have no interest in any property acquired or proposed to be acquired of or by our Company as on the date of this Placement Document or in any transaction by our Company for acquisition of land, construction of buildings and supply of machinery.

**Terms of appointment and remuneration of Executive Directors**

**Sachin Agarwal**

Sachin Agarwal has been re-appointed as the Chairman and Managing Director of our Company for 5 years with effect from October 1, 2025, pursuant to a resolution passed by our Board on August 8, 2025, and our Shareholders on September 26, 2025. Further, the terms and conditions of his appointment as the Chairman and Managing Director are set forth below:

| Particulars | Details |
|---|---|
| Salary | Basic salary of ₹ 3,40,500 per month and thereafter an increase of not exceeding ₹ 25,000 per month, every year with effect from October 1, 2025, up to a limit of ₹ 4,40,500 per month |
| Other perquisites | 1. House rent allowance equal to 50% of the basic salary or leased accommodation.<br>2. Other allowances of Rs. 1,90,000/- per month such as house maintenance allowance, gas, electricity & water allowance, entertainment allowance, children education<br>3. Allowance, magazine & books allowance and special allowance.<br>4. Contribution to provident fund @ 12% of basic salary, superannuation fund @ 5% of basic salary or annuity fund (subject to superannuation fund rules of our Company), will not be included in the computation of the ceiling on remuneration to the extent these either singly or put together, are not taxable under the income tax act<br>5. Commission calculated at the rate of three percent of the profits as per the consolidated financial statements of our Company.<br>6. Medical expenses and leave travel concession incurred by Sachin Agarwal and his family, subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years, subject to our Company's rules, if any, specified by our Company in this regard. family means spouse, dependent children and dependent parents of Sachin Agarwal.<br>7. Gratuity shall not exceed half a month's basic salary for each completed year of service and will not be included in the computation of the ceiling of the remuneration.<br>8. Encashment of leave as per rules of our Company.<br>9. Our Company will provide one mobile for office use.<br>10. Personal accidental/ medical insurance of an amount, the annual premium of which will not exceed ₹ 5,000.<br>11. Club fees: subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees.<br>12. Use of a car for our Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, use of a car for private purposes shall be billed as specified under Rule 3C of the Income Tax Rules. |
| Minimum remuneration | Notwithstanding anything to the contrary, where in any financial year during the currency of his tenure, our Company has no profits or its profits are inadequate, our Company will pay remuneration by way of basic salary and perquisites as specified above. |

**Alok Agarwal**

Alok Agarwal has been re-appointed as the Whole-Time Director of our Company for 3 years with effect from October 1, 2025, pursuant to a resolution passed by our Board on August 8, 2025, and our Shareholders on September 26, 2025. Further, the terms and conditions of his appointment as a Whole-time Director are set forth below:

| Particulars | Details |
|---|---|
| Salary | Basic salary of ₹2,20,000 per month and thereafter an increase of not exceeding ₹ 15,000 per month, every year with effect from October 1, 2025, up to a limit of ₹ 2,50,000 per month |
| Other perquisites | 1. House rent allowance equal to 50% of the basic salary or leased accommodation.<br>2. Medical expenses and leave travel concession incurred by Alok Agarwal and his family, subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years, subject to our Company's rules, if any, specified by our Company in this regard. *Family means spouse, dependent children and dependent parents of the appointee.*<br>3. Encashment of leave as per rules of our Company.<br>4. Our Company will provide one mobile for office use.<br>5. Personal accidental/ medical insurance of an amount, the annual premium of which will not exceed ₹5,000.<br>6. Club fees: subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees.<br>7. Use of a car for our Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. However, use of a car for private purposes shall be billed as specified under Rule 3C of the Income Tax Rules. |
| Minimum remuneration | Notwithstanding anything to the contrary, where in any financial year during the currency of his tenure, our Company has no profits or its profits are inadequate, our Company will pay remuneration by way of basic salary and perquisites as specified above. |

**Priya Ranjan Agarwal**

Priya Ranjan Agarwal has been re-appointed as the Whole-Time Director of our Company for 3 years with effect

from October 1, 2025, pursuant to a resolution passed by our Board on August 8, 2025, and our Shareholders on September 26, 2025. Further, the terms and conditions of his appointment as a Whole-time Director are set forth below:

| Particulars | Details |
|---|---|
| Salary | Basic salary of ₹2,70,750 per month and thereafter an increase of not exceeding ₹ 15,000 per month, every year with effect from October 1, 2025, up to a limit of ₹ 3,00,750. |
| Other perquisites | 1. House rent allowance equal to 50% of the basic salary or leased accommodation.<br>2. House maintenance/other allowances shall be two months of the basic salary.<br>3. Commission at the rate of 0.6 % of the domestic defence sales, on realisation of funds to our Company.<br>4. Medical expenses and leave travel concession incurred by Priya Ranjan Agarwal and his family, subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years, subject to the Company's rules, if any, specified by our Company in this regard. *Family means spouse, dependent children and dependent parents of the appointee.*<br>5. Encashment of leave as per rules of our Company.<br>6. Our Company will provide one mobile for office use.<br>7. Personal accidental/ medical insurance of an amount, the annual premium of which will not exceed ₹5,000.<br>8. Club fees: subscription or reimbursement of membership fees for clubs in India and/ or abroad, including admission and life membership fees.<br>9. Use of a car for our Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. |
| Minimum remuneration | Notwithstanding anything to the contrary, where in any financial year during the currency of his tenure, our Company has no profits or its profits are inadequate, our Company will pay remuneration by way of basic salary as specified above. |

**Smita Agarwal**

Smita Agarwal has been re-appointed as the Whole-Time Director and CFO of our Company for 3 years with effect from October 1, 2025, pursuant to a resolution passed by our Board on August 8, 2025, and our Shareholders on September 26, 2025. Further, the terms and conditions of her appointment as a Whole-time Director are set forth below

| Particulars | Details |
|---|---|
| Salary | Basic salary of ₹ 2,20,000 per month and thereafter an increase of not exceeding ₹ 15,000 per month, every year with effect from October 1, 2025, up to a limit of ₹ 2,50,000 |
| Other perquisites | 1. House rent allowance equal to 50% of the basic salary.<br>2. Contribution to provident fund @ 12% of basic salary, superannuation fund @ 5% of basic salary or annuity fund (subject to superannuation fund rules of our Company), will not be included in the computation of the ceiling on remuneration to the extent these either singly or put together are not taxable under the income tax act.<br>3. Medical expenses and leave travel concession incurred by Smita Agarwal and her family subject to a ceiling limit of two months' salary in a year or six months' salary over a period of three years subject to Company's rules, if any, specified by our Company in this regard. family means spouse, dependent children and dependent parents of Smita Agarwal.<br>4. Gratuity shall not exceed half a month's basic salary for each completed year of service and will not be included in computation of the ceiling of the remuneration.<br>5. Encashment of leave as per rules of our Company.<br>6. Our Company will provide one mobile for office use.<br>7. Use of car for Company's business and telephone, mobile and internet facility at residence will not be considered as perquisites. |
| Minimum remuneration | Notwithstanding anything to the contrary, where in any financial year during the currency of her tenure, our Company has no profits or its profits are inadequate, our Company will pay remuneration by way of basic salary as specified above. |

Our Company has paid the following remuneration to our Executive Directors for the period from April 1, 2026 to August 31, 2026, and the Fiscals 2026, 2025, and 2024:

*(₹ in lakhs)*

| Name of the Director | For the period from April 1, 2026, to August 31, 2026 | For Fiscal 2026 | For Fiscal 2025 | For Fiscal 2024 |
|---|---|---|---|---|
| Sachin Agarwal | 213.96 | 492.47 | 333.03 | 258.43 |
| Alok Agarwal | 17.82 | 46.38 | 40.43 | 36.95 |
| Priya Ranjan Agarwal | 43.46 | 107.31 | 78.39 | 63.45 |
| Smita Agarwal | 17.82 | 46.28 | 44.05 | 45.27 |

**Remuneration of Non-executive and Independent Directors**

Pursuant to the policy "***Terms and Conditions of Appointment of Independent Director and Non-Executive Directors***" approved vide circular resolution dated September 30, 2024, by our Board of Directors, our Non – executive, Independent Directors are entitled to sitting fees of ₹30,000 for attending each meeting of our Board and sitting fees of ₹ 15, 000 per meeting for attending each meeting of the committees of our Board.

The following table sets forth the sitting fees paid by our Company to our existing Non-Executive Directors during the current Fiscal and Fiscals 2026, 2025, and 2024:

*(₹ in lakhs)*

| Name of the Director | Sitting Fees | | | |
|---|---|---|---|---|
| | For the period from April 1, 2026, to August 31, 2026 | For Fiscal 2026 | For Fiscal 2025 | For Fiscal 2024 |
| Vishal Mehrotra | 1.50 | 3.45 | 2.42 | 0.14 |
| Prashuka Jain | 1.95 | 3.00 | 2.24 | 0.21 |
| Kamesh Gupta | 1.95 | 2.85 | 1.65 | NA |
| Rakesh Shukla | 1.20 | 1.35 | NA | NA |

**Corporate Governance**

As of the date of this Placement Document, we have eight Directors on our Board, which comprises one Managing Director, three Whole-time Directors, and four Independent Directors (including a woman Independent Director). Our Company is in compliance with the corporate governance requirements including in relation to the constitution of the Board and committees thereof, as prescribed under the SEBI Listing Regulations.

**Committees of the Board of Directors**

Our Company has constituted the statutory committees in terms of the SEBI Listing Regulations and the Companies Act, each of which functions in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations.

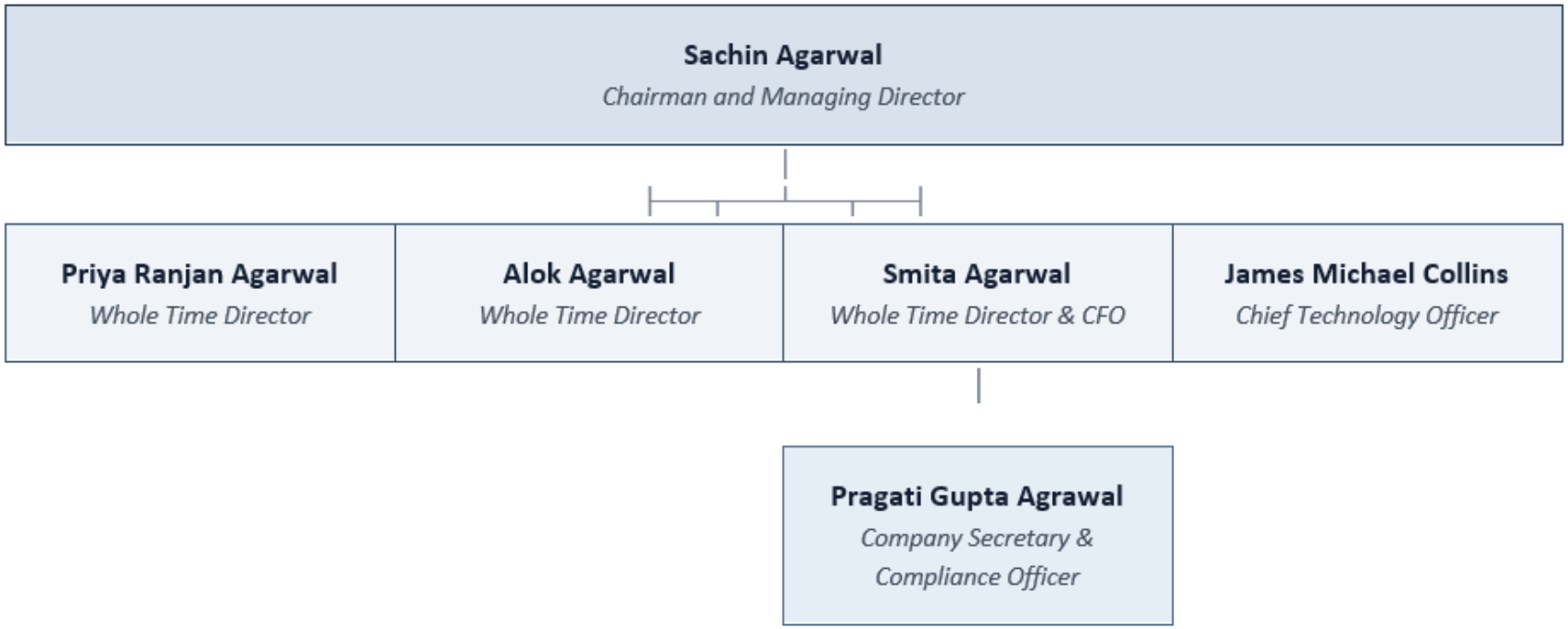
The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

The following table sets forth the members of our statutory committees as of the date of this Placement Document:

| Name of the Committee | Members |
|---|---|
| Audit Committee | 1. Prashuka Jain (Chairperson)<br>2. Vishal Mehrotra (Member)<br>3. Kamesh Gupta (Member) |
| Nomination and Remuneration Committee | 1. Vishal Mehrotra (Chairperson)<br>2. Prashuka Jain (Member)<br>3. Kamesh Gupta (Member) |
| Stakeholders' Relationship Committee | 1. Kamesh Gupta (Chairperson)<br>2. Vishal Mehrotra (Member)<br>3. Smita Agarwal (Member) |
| Corporate Social Responsibility Committee | 1. Prashuka Jain (Chairperson)<br>2. Smita Agarwal (Member) |

| Name of the Committee | Members |
|---|---|
| | 3. Vishal Mehrotra (Member) |
| Risk Management Committee | 1. Vishal Mehrotra (Chairperson)<br>2. Prashuka Jain (Member)<br>3. Alok Agarwal (Member)<br>4. Kamesh Gupta (Member) |

**Management Organization Structure**



**Key Managerial Personnel**

The following table sets forth the details of our Key Managerial Personnel ("**Key Managerial Personnel**"), other than our Managing Director, Sachin Agarwal and our Whole-time Directors Alok Agarwal, Priya Ranjan Agarwal, and our Whole-time Director and CFO, Smita Agarwal:

| Name | Designation |
|---|---|
| Pragati Gupta Agrawal | Company Secretary and Compliance Officer |

**Pragati Gupta Agrawal** is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company for 5 years.

For further details of our Managing Director, Whole-time Directors and Chief Financial Officer, refer "– *Board of Directors*" beginning on page 247.

**Senior Management**

The following table sets forth the details of our members of Senior Management, other than our Chief Financial Officer, Smita Agarwal and our Company Secretary and Compliance Officer, Pragati Gupta Agrawal:

| Name | Designation |
|---|---|
| James Michael Collins | Chief Technology Officer |

**Shareholding of Key Managerial Personnel and Member of Senior Management**

Other than as set forth in "- ***Shareholding of Directors in our Company***", and as disclosed below, none of our Key Managerial Personnel and member of Senior Management hold any Equity Shares in our Company, as on the date of this Placement Document:

| Name of the Key Managerial Personnel and member of Senior Management | Number of Equity Shares | Percentage (%) |
|---|---|---|
| James Michael Collins | 5,153 | 0.03 |

**Relationship between Key Managerial Personnel and Member of Senior Management**

Other than the relationship between Sachin Agarwal and Smita Agarwal and as disclosed above in "– *Relationship with other Directors*", none of the Key Managerial Personnel and members of Senior Management are related to each other or with the Directors of our Company.

**Interest of Key Managerial Personnel and Member of Senior Management**

Except as stated in "*Interest of our Directors*" above and in "*Related Party Transactions*" on pages 250 and 48 respectively, and to the extent of the remuneration or benefits to which they are entitled to as per the terms of their appointment and reimbursement of expenses incurred by them in the ordinary course of business and to the extent of the Equity Shares held by them in our Company, and any dividend payable to them and other distributions in respect of such shareholding, our Key Managerial Personnel and members of Senior Management do not have any other interest in our Company.

Under the ESOP Scheme, the Key Managerial Personnel and members of Senior Management of our Company are also entitled to Equity Shares resulting from the exercise of options. For further details relating to ESOP Scheme, see "*Capital Structure - Employee Stock Option Schemes*" on page 105.

**Policy on disclosures and internal procedure for prevention of insider trading**

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons.

Our Company is in compliance with the same and has implemented a code of conduct to regulate, monitor and report trading by Insiders ("***Insider Trading Code***") in accordance with the SEBI Insider Trading Regulations, in

terms of which the Company Secretary acts as the Compliance Officer of our Company under the aforesaid code of conduct for the Insider Trading Code, to regulate, monitor and report trading by designated persons and their immediate relatives, code of practices and procedures for fair disclosure of unpublished price sensitive information and determination of legitimate purpose and policy and procedure for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information for prevention of insider trading.

The Insider Trading Code is uploaded on the website of our Company at the link https://www.ptcil.com/PDF/Investors/policies/InsiderTradingPolicy.pdf.

**Other confirmations**

Except to the extent of their shareholding in our Company, none of our Promoters or Directors or Key Managerial Personnel or members of Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Neither our Company, nor our Promoters nor our Directors have been identified as Wilful Defaulters or Fraudulent Borrower, as defined under the SEBI ICDR Regulations.

None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither our Company, nor our Directors, or our Promoters or members of our Promoter Group or the companies with which our Promoters are or have been associated as a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

None of the Directors, Promoters, Key Managerial Personnel or members of Senior Management of our Company intend to subscribe to the Issue.

## SHAREHOLDING PATTERN OF OUR COMPANY

*(This page has been left blank intentionally)*

**Summary statement of holding of Equity Shares as at June 30, 2026:**

| Category of Shareholder | No. of Shareholder | No. of fully paid-up equity shares held | Total no. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | No. of Voting Rights | Total as a % of Total Voting right | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | No. of Shares pledged or otherwise encumbered | | Total Number of Shares encumbered | | No. of equity shares held in dematerialized form | Sub-categorization of shares (XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | No.(a) | As a % of total Shares held(b) | No.(a) | As a % of total Shares held(b) | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | | | | | | Sub Category_I | Sub Category_II | Sub Category_III |
| (A) Promoter & Promoter Group | 15 | 89,53,441 | 89,53,441 | 59.72 | 89,53,441 | 60 | - | 89,53,441 | 59.64 | 6,000 | 0 | 6,000 | 0 | 89,53,441 | - | - | - |
| (B) Public | 26,525 | 60,39,108 | 60,39,108 | 40.28 | 60,39,108 | 40 | 20,689 | 60,59,797 | 40.36 | -- | -- | -- | -- | 59,64,798 | - | - | - |
| Grand Total | 26,540 | 1,49,92,549 | 1,49,92,549 | 100.00 | 1,49,92,549 | 100 | 20,689 | 1,50,13,238 | 100 | 6,000 | 0 | 6,000 | 0 | 1,49,18,239 | - | - | - |

**Shareholding pattern of the Promoter and members of the Promoter Group of the Company as on June 30, 2026:**

| Category of shareholder | Entity Type | Nos. of shareholders | No. of fully paid-up equity shares held | Total nos. shares held | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities | | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of Shares pledged or otherwise encumbered | | Total Number of Shares encumbered | | Number of equity shares held in dematerialized form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Class eg: X | Total | | | | No.(a) | As a % of total Shares held(b) | No.(a) | As a % of total Shares held(b) | |
| **A1) Indian** | | - | - | - | 0.00 | - | 0.00 | - | - | 0.00 | - | 0.00 | - | 0.00 | - |
| **Individuals/ Hindu undivided Family** | | 12 | 57,42,313 | 57,42,313 | 38.30 | 57,42,313 | 38.30 | - | 57,42,313 | 38.25 | 6,000 | 0.10 | 6,000.00 | 0.10 | 57,42,313 |
| Sachin Agarwal | Promoter | 1 | 28,55,491 | 28,55,491 | 19.05 | 28,55,491 | 19.05 | - | 28,55,491 | 19.02 | - | 0.00 | - | 0.00 | 28,55,491 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Satish Chandra Agarwal Huf (Karta Sachin Agarwal) | Promoter | 1 | 35,805 | 35,805 | 0.24 | 35,805 | 0.24 | - | 35,805 | 0.24 | - | 0.00 | - | 0.00 | 35,805 |
| Priya Ranjan Agarwal | Promoter Group | 1 | 9,87,914 | 9,87,914 | 6.59 | 9,87,914 | 6.59 | - | 9,87,914 | 6.58 | - | 0.00 | - | 0.00 | 9,87,914 |
| Sachin Agarwal Huf (Karta Sachin Agarwal) | Promoter Group | 1 | 6,70,297 | 6,70,297 | 4.47 | 6,70,297 | 4.47 | - | 6,70,297 | 4.46 | - | 0.00 | - | 0.00 | 6,70,297 |
| Alok Agarwal | Promoter Group | 1 | 5,45,799 | 5,45,799 | 3.64 | 5,45,799 | 3.64 | - | 5,45,799 | 3.64 | - | 0.00 | - | 0.00 | 5,45,799 |
| Smita Agarwal | Promoter Group | 1 | 3,35,276 | 3,35,276 | 2.24 | 3,35,276 | 2.24 | - | 3,35,276 | 2.23 | - | 0.00 | - | 0.00 | 3,35,276 |
| Anshoo Agarwal | Promoter Group | 1 | 1,85,041 | 1,85,041 | 1.23 | 1,85,041 | 1.23 | - | 1,85,041 | 1.23 | - | 0.00 | - | 0.00 | 1,85,041 |
| Kanchan Agarwal | Promoter Group | 1 | 48,860 | 48,860 | 0.33 | 48,860 | 0.33 | - | 48,860 | 0.33 | 6,000 | 12.28 | 6,000.00 | 12.28 | 48,860 |
| Manu Agarwal | Promoter Group | 1 | 25,593 | 25,593 | 0.17 | 25,593 | 0.17 | - | 25,593 | 0.17 | - | 0.00 | - | 0.00 | 25,593 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ritika Agarwal | Promoter Group | - | - | - | 0.00 | - | 0.00 | - | - | 0.00 | - | 0.00 | - | 0.00 | - |
| Reena Agarwal | Promoter Group | 1 | 10,237 | 10,237 | 0.07 | 10,237 | 0.07 | - | 10,237 | 0.07 | - | 0.00 | - | 0.00 | 10,237 |
| Satvik Agarwal | Promoter Group | 1 | 21,000 | 21,000 | 0.14 | 21,000 | 0.14 | - | 21,000 | 0.14 | - | 0.00 | - | 0.00 | 21,000 |
| Soham Agarwal | Promoter Group | 1 | 21,000 | 21,000 | 0.14 | 21,000 | 0.14 | - | 21,000 | 0.14 | - | 0.00 | - | 0.00 | 21,000 |
| **Any Other (specify)** | | 3 | 32,11,128 | 32,11,128 | 21.42 | 32,11,128 | 21.42 | - | 32,11,128 | 21.39 | - | 0.00 | - | 0.00 | 32,11,128 |
| Mapple Commerce Private Limited | Promoter Group | 1 | 15,99,985 | 15,99,985 | 10.67 | 15,99,985 | 10.67 | - | 15,99,985 | 10.66 | - | 0.00 | - | 0.00 | 15,99,985 |
| Nirala Merchants Private Limited | Promoter Group | 1 | 11,77,818 | 11,77,818 | 7.86 | 11,77,818 | 7.86 | - | 11,77,818 | 7.85 | - | 0.00 | - | 0.00 | 11,77,818 |
| Viven Advisory Services Private Limited | Promoter Group | 1 | 4,33,325 | 4,33,325 | 2.89 | 4,33,325 | 2.89 | - | 4,33,325 | 2.89 | - | 0.00 | - | 0.00 | 4,33,325 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Homelike Motels and Resorts Private Limited | Promoter Group | - | - | - | 0.00 | - | 0.00 | - | - | 0.00 | - | 0.00 | - | 0.00 | - |
| Precision overseas private limited | Promoter Group | - | - | - | 0.00 | - | 0.00 | - | - | 0.00 | - | 0.00 | - | 0.00 | - |
| **Sub Total A1** | | 15 | 89,53,441 | 89,53,441 | 59.72 | 89,53,441 | 59.72 | - | 89,53,441 | 59.64 | 6,000 | 0.07 | 6,000.00 | 0.07 | 89,53,441 |
| **A2) Foreign** | | - | - | - | 0.00 | - | 0.00 | - | - | 0.00 | - | 0.00 | - | 0.00 | - |
| **A=A1+A2** | | 15 | 89,53,441 | 89,53,441 | 59.72 | 89,53,441 | 59.72 | - | 89,53,441 | 59.64 | 6,000 | 0.07 | 6,000.00 | 0.07 | 89,53,441 |

**Statement showing shareholding pattern of the public shareholder**

| Category & Name of the Shareholders | No. of shareholder | No. of fully paid-up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. of Voting Rights | Total as a % of Total Voting right | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | No. of equity shares held in dematerialized form (Not Applicable) | Sub-categorization of shares (XV) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Shareholding (No. of shares) under | | |
| | | | | | | | | | | Sub Category_I | Sub Category II | Sub Category III |
| **Institutions** | 0 | 0 | - | 0.00 | - | 0.00 | - | 0.00 | - | - | - | - |
| **B2) Institutions (Domestic)** | 0 | 0 | - | 0.00 | - | 0.00 | - | 0.00 | - | - | - | - |
| **Mutual Funds/** | 21 | 10,33,928 | 10,33,928 | 6.90 | 10,33,928 | 6.90 | 10,33,928 | 6.89 | 10,33,928 | - | - | - |
| Motilal Oswal Large and Midcap Fund | 1 | 5,74,338 | 5,74,338 | 3.83 | 5,74,338 | 3.83 | 5,74,338 | 3.83 | 5,74,338 | - | - | - |
| Hsbc Mutual Fund - Hsbc Small Cap Fund | 1 | 1,62,934 | 1,62,934 | 1.09 | 1,62,934 | 1.09 | 1,62,934 | 1.09 | 1,62,934 | - | - | - |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Alternate Investment Funds** | 14 | 3,19,370 | 3,19,370 | 2.13 | 3,19,370 | 2.13 | 3,19,370 | 2.13 | 3,19,370 | - | - | - |
| **Insurance Companies** | 2 | 5,052 | 5,052 | 0.03 | 5,052 | 0.03 | 5,052 | 0.03 | 5,052 | - | - | - |
| **NBFCs registered with RBI** | 1 | 43,000 | 43,000 | 0.29 | 43,000 | 0.29 | 43,000 | 0.29 | 43,000 | - | - | - |
| **Sub Total B1** | 38 | 14,01,350 | 14,01,350 | 9.35 | 14,01,350 | 9.35 | 14,01,350 | 9.33 | 14,01,350 | - | - | - |
| **B10) Institutions (Foreign)** | 0 | 0 | - | 0.00 | - | 0.00 | - | 0.00 | - | - | - | - |
| **Foreign Portfolio Investors Category I** | 67 | 5,57,521 | 5,57,521 | 3.72 | 5,57,521 | 3.72 | 5,57,521 | 3.71 | 5,57,521 | - | - | - |
| **Foreign Portfolio Investors Category II** | 10 | 34,258 | 34,258 | 0.23 | 34,258 | 0.23 | 34,258 | 0.23 | 34,258 | - | - | - |
| **Sub Total B2** | 77 | 5,91,779 | 5,91,779 | 3.95 | 5,91,779 | 3.95 | 5,91,779 | 3.94 | 5,91,779 | - | - | - |
| **B14) Central Government/ State Government(s) / President of India** | 0 | 0 | - | 0.00 | - | 0.00 | - | 0.00 | - | - | - | - |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **B15) Non-Institutions** | 0 | 0 | - | 0.00 | - | 0.00 | - | 0.00 | - | - | - | - |
| **Resident Individuals holding nominal share capital up to Rs. 2 lakhs** | 23,951 | 13,92,358 | 13,92,358 | 9.29 | 13,92,358 | 9.29 | 14,13,047 | 9.41 | 13,34,748 | - | - | - |
| **Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs** | 27 | 20,66,210 | 20,66,210 | 13.78 | 20,66,210 | 13.78 | 20,66,210 | 13.76 | 20,66,210 | - | - | - |
| Mona Russell Mehta | 1 | 3,48,983 | 3,48,983 | 2.33 | 3,48,983 | 2.33 | 3,48,983 | 2.32 | 3,48,983 | - | - | - |
| Mukul Mahavir Agrawal | 1 | 1,60,000 | 1,60,000 | 1.07 | 1,60,000 | 1.07 | 1,60,000 | 1.07 | 1,60,000 | - | - | - |
| Vikas Vijaykumar Khemani | 1 | 3,85,346 | 3,85,346 | 2.57 | 3,85,346 | 2.57 | 3,85,346 | 2.57 | 3,85,346 | - | - | - |
| **Non-Resident Indians (NRIs)** | 1,164 | 77,055 | 77,055 | 0.51 | 77,055 | 0.51 | 77,055 | 0.51 | 66,855 | - | - | - |
| **Bodies Corporate** | 379 | 1,99,427 | 1,99,427 | 1.33 | 1,99,427 | 1.33 | 1,99,427 | 1.33 | 1,93,327 | - | - | - |
| **Any Other (specify)** | 889 | 3,10,929 | 3,10,929 | 2.07 | 3,10,929 | 2.07 | 3,10,929 | 2.07 | 3,10,529 | - | - | - |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Any Other (specify)** | 1 | 400 | 400 | 0.00 | 400 | 0.00 | 400 | 0.00 | 300 | - | - | - |
| **Any Other (specify)** | 36 | 38,123 | 38,123 | 0.25 | 38,123 | 0.25 | 38,123 | 0.25 | 38,123 | - | - | - |
| **Any Other (specify)** | 833 | 2,51,083 | 2,51,083 | 1.67 | 2,51,083 | 1.67 | 2,51,083 | 1.67 | 2,51,083 | - | - | - |
| Pankaj Prasoon And (HUF) | 1 | 1,62,000 | 1,62,000 | 1.08 | 1,62,000 | 1.08 | 1,62,000 | 1.08 | 1,62,000 | - | - | - |
| **Any Other (specify)** | 18 | 21,023 | 21,023 | 0.14 | 21,023 | 0.14 | 21,023 | 0.14 | 21,023 | - | - | - |
| **Any Other (specify)** | 1 | 300 | 300 | 0.00 | 300 | 0.00 | 300 | 0.00 | - | - | - | - |
| **Sub Total B4** | 26,410 | 40,45,979 | 40,45,979 | 26.99 | 40,45,979 | 26.99 | 40,66,668 | 27.09 | 39,71,669 | - | - | - |
| **B=B1+B2+B3+B4** | 26,525 | 60,39,108 | 60,39,108 | 40.28 | 60,39,108 | 40.28 | 60,59,797 | 40.36 | 59,64,798 | - | - | - |

**Shareholding pattern of the non-Promoter – non-public shareholder of the Company as June 30, 2026:**

| Category & Name of the Shareholders | No. of shareholder | No. of fully paid-up equity shares held | Total no. shares held | Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) | No. Of Outstanding ESOP Granted | Total No. Of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of equity shares held in dematerialized form (Not Applicable) |
|---|---|---|---|---|---|---|---|---|
| **C1) Custodian/DR Holder** | - | 0 | - | 0.00 | - | - | 0.00 | - |
| **C2) Employee Benefit Trust** | - | 0 | - | 0.00 | - | - | 0.00 | - |

## ORGANISATIONAL STRUCTURE

### Corporate History

Our Company was originally incorporated as "*Precision Tools & Castings Private Limited* on March 20, 1963 as a private limited company, under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Uttar Pradesh at Kanpur. Thereafter, our Company was converted into a public limited company and subsequently the name of our Company was changed to "*Precision Tools & Castings Limited*" and a fresh certificate of incorporation was issued by the Registrar of Companies, Uttar Pradesh at Kanpur consequent upon change of name of our Company on October 25, 1994. Further, the name of our Company was changed to '*PTC Industries Limited'* and a fresh certificate of incorporation dated January 22, 1999, consequent to such name change was issued to our Company by the Registrar of Companies, Uttar Pradesh at Kanpur.

The Corporate Identification Number of our Company is L27109UP1963PLC002931. Our Registered and Corporate Office is located at Advanced Manufacturing & Technology Centre, NH25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh, India.

### Organisational Structure

As on the date of this Placement Document, our Company has two (2) Wholly Owned Subsidiaries and three (3) step-down Subsidiaries, details of which are provided below:

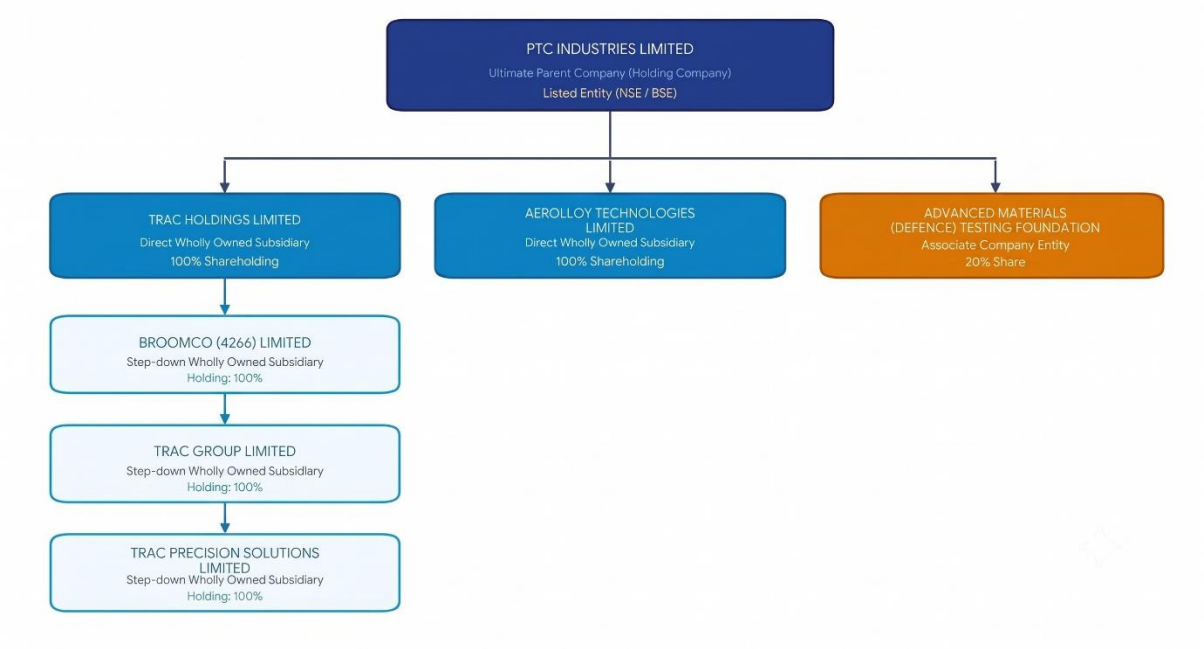
| Sr. No. | Name of the Subsidiary | Registered address | Business description |
|---|---|---|---|
| ***Direct Subsidiaries*** | | | |
| 1. | Aerolloy Technologies Limited ("**ATL**") | NH-25A, Sarai Sahjadi, Bani, Lucknow, Uttar Pradesh, India, 226 401 | ATL was incorporated to carry on the objects of *inter-alia*, business of all kind and description in the field of engineering, technology, Casting and foundry and to set up Steel and non-ferrous melting furnaces, converters, AP Lines and casting facilities including designing, drawing, manufacturing, automating, innovating, selling, re-selling, selling through direct local merchants and to act as agents, merchants, traders, contractors, representatives, distributors, dealers, stockiest and forwarders in all kind of steels, stainless steels, special steels, titanium, aluminium, aluminium alloys, vaccum melt alloys, tungsten, duplex, super duplex, inconel, monel, alloys and ferrous, non-ferrous metals, auto parts, railway parts, aeroplanes/aircraft part, marine, ships, boats, submarine or any vessels, medical implants, steel pipes and pipe fittings, iron and steel products, cast iron, valves, critical components, steel and tubular structural and allied products, all kinds of powders, including titanium powders, tungsten powders, higher alloy powders, steel and stainless steel powders and parts or components for chemical processing, desalination, marine and river transport, pumps, valves, waterjet engines, fuel pumps, blades, propulsion systems and all raw material and intermediates of the highest grade, style and / or quality in their category and other consumable goods and castings products and in all kinds and description of commodities both commercial and non-commercial and products to meet the requirements of specified Industry including Defence, Aero, space, marine, nuclear and for other applications. |
| 2. | TRAC Holdings Limited | 9a Marshfield Bank Industrial Estate, Crewe, Cheshire, CW2 8UY | TRAC Holdings Limited is not engaged in any business activity. |
| ***Step-down Subsidiaries*** | | | |

| | | | |
|---|---|---|---|
| 1. | BROOMCO (4266) Limited | 9a Marshfield Bank Industrial Estate, Crewe, Cheshire, CW2 8UY | BROOMCO (4266) Limited is not engaged in any business activity. |
| 2. | TRAC Group Limited | 9a Marshfield Bank Industrial Estate, Crewe, Cheshire, CW2 8UY | Trac Group Limited is not engaged in any business activity. |
| 3. | TRAC Precision Solutions Limited | 9a Marshfield Bank Industrial Estate, Crewe, Cheshire, CW2 8UY | TRAC Precision Solutions Limited is engaged in the business of Designing and Manufacturing precision engineered machined components, serving the Aerospace, Defence and Power Generation sectors |

**Associate Company**

As on the date of this Placement Document, our Company has an associate company namely, Advanced Materials (Defence) Testing Foundation.

The organisational structure of the Company as on the date of this Placement Document are as follows:



## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of the same from our Company. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Bidders that applied in the Issue were required to confirm and have been deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officer, agents affiliate and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "Selling Restrictions" and "Purchase Representations and Transfer Restrictions" beginning on page 289 and 298 respectively.*

*Our Company, the Book Running Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.*

*Our Company and the BRLMs and its directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such an investor is eligible to acquire Equity Shares in this Issue.*

**Qualified Institutions Placement**

**THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

The Preliminary Placement Document and this Placement Document have not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue has been made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company, being a listed company in India may issue eligible securities to Eligible QIBs on a private placement basis provided that certain conditions are met by such Company. Some of these conditions are set out below:

- the shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must *inter alia* specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the Relevant Date for the QIP;

- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognised stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the abovementioned special

resolution; except for Equity Shares allotted during the preceding one year from the date of this Placement Document;

- invitation to apply in the QIP must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the issuer shall have completed allotments with respect to any earlier offer or invitation made by the issuer or shall have withdrawn or abandoned such invitation or offer made by the issuer, except as permitted under the Companies Act, 2013;

- the issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application, the issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited.

- In accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the allottees; and

- the Promoter and Directors of the issuer are not Fugitive Economic Offenders, Fraudulent Borrowers and Wilful Defaulters;

At least 10% of the equity shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders were not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under the QIP is not less than the average of the weekly high and low of the closing prices of the issuer's Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of up to 5% of the Floor Price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated June 27, 2026 and our Shareholders through a special resolution passed at EGM dated August 01, 2026 have authorised our Board to decide the quantum of discount up to 5 % of the Floor Price at the time of determination of the Issue Price.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "Relevant date" mentioned above in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Allotment of the Equity Shares pursuant to the Issue will be completed within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs failing which our Company shall refund the Bid Amount in accordance with applicable laws for details of Allotment, see **"***–Designated Date and Allotment of Equity Shares***"** below.

Subscription to the Equity Shares issued pursuant to the Issue was to be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document that contains all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with the Issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹25,000 lakhs; and
- five, where the issue size is greater than ₹25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "– *Bid Process – Application Form*" on beginning page 279.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges.

We have applied for and received the in-principle approval from BSE and NSE dated October 6, 2026 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges. We have filed a copy of the Preliminary Placement Document and has filed a copy of this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

The Issue has been authorised and approved by our Board on June 27, 2026 and our Shareholders by way of special resolution passed at the EGM of the Shareholders of our Company dated August 01, 2026.

**Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.**

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made; and (ii) within the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act. The Equity Shares are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 289 and 298, respectively.**

**The Equity Shares pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold. Bids may not be made by persons in any jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Issue Procedure**

1. On Bid / Issue Opening Date, our Company in consultation with the Book Running Lead Managers circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act, 2013.

2. The list of QIBs to whom the Application Form is delivered shall be determined by our Company in consultation with the Book Running Lead Managers. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which included the details of the bank account wherein the Application Amount is to be deposited, was addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form were required to be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law.

3. Eligible QIBs were required to submit an unsigned copy of the Application Form, as long as the Application Amount was paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the Book Running Lead Managers.

5. Bidders were required to indicate the following in the Application Form:

    - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email id, PAN details (if applicable), phone number and bank account details;

    - number of Equity Shares Bid for;

    - price at which were agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;

    - details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

    - Equity shares held by the Bidder in our Company prior to the Issue; and

    - a representation that it is either (i) outside the United States acquiring the Equity Shares in an "offshore transaction" in reliance on Regulation S and in compliance with the applicable laws of the jurisdictions where such offers and sales are made, or (ii) if within the United States, it is a "qualified institutional buyer" as defined in Rule 144A of the U.S. Securities Act purchasing the Equity Shares pursuant to the

private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, and it has agreed to certain other representations set forth in the "***Representations by Investors***" on page 5, "***Selling Restrictions***" on page 289 and "***Transfer Restrictions and Purchaser Representations***" on page 298 and certain other representations made in this Placement Document and the Application Form.

***NOTE****: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*

6. Eligible QIBs were required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*PTC INDUSTRIES LIMITED-QIP ESCROW A/C*" with the Escrow Bank, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares was to be made from the bank accounts of the relevant Bidders and our Company has kept a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders was required to be paid from the bank account of the person whose name appeared first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Application Amount received for subscription of the Equity Shares have been kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "– *Issue Procedure-Refunds*" on page 284.

7. Once a duly completed Application Form was submitted by a Bidder and the Application Amount was transferred to the Escrow Account, such application constituted an irrevocable offer, and the Bid could not be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount was required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs were deemed to have been given notice of such date after receipt of the Application Form.

8. The Eligible QIBs acknowledged that in accordance with the requirements of the Companies Act, 2013, upon Allocation, our Company has disclosed the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and consented to such disclosure, if any Equity Shares are allocated to it.

9. The Bids made by asset management companies or custodians of Mutual Funds were required to specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund would not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund were treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them did not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

10. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or after the Bid/ Issue Closing Date, our Company shall, in consultation with the Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be

issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers, on behalf of our Company, sent the serially numbered CAN and this Placement Document to the Successful Bidders. The dispatch of a CAN, and this Placement Document to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN contains details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the Book Running Lead Managers.**

11. The Bidder acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed allottees and the percentage of their post-Issue shareholding in this Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

12. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

13. Upon dispatch of this serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

14. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

15. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

16. Our Company will then apply for the final trading approvals from the Stock Exchanges.

17. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

18. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

19. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for, through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "- *Refunds*" on page 284.

**Eligible QIBs**

Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and not otherwise restricted from participating in the Issue under the applicable law, were considered as eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Non-Debt Rules were considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who were eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds registered with SEBI;
- pension funds with minimum corpus of ₹25 crore registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹25 crore;
- public financial institutions; as defined under Section 2(72) of the Companies Act
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

*Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

**ELIGIBLE FPIs WERE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS WERE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single Eligible FPI or an investor group (which means common ownership of more than fifty per cent or common control) is not permitted to exceed 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI including its investor group shall be below 10.00% of the total post- Issue paid-up Equity Share capital of our Company on a fully diluted basis. Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10.00% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed CDSL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

As per the circular issued by SEBI on May 30, 2024, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates. Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The existing aggregate investment limit for FPIs in the Company is 100.00% of the paid-up capital of the Company.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

***Restriction on Allotment.***

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group;
- veto rights; or
- a right to appoint any nominee director on the board of the Issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

**Our Company, the Book Running Lead Managers and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they are eligible to apply.**

**Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.**

**A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.**

*Note*: Affiliates or associates of the Book Running Lead Managers who were Eligible QIBs were permitted to participate in the Issue in compliance with applicable laws.

**Bid Process**

***Application Form***

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document. By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document and this Placement Document, the Eligible QIB will be deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "***Notice to Investors***", **"*Representations by Investors***" and "***Selling Restrictions***" beginning on pages 2, 5, and 289, respectively:

1. Each Eligible QIB confirmed that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. Each Eligible QIB confirmed that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);

3. Each Eligible QIB confirmed that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);

4. Each Eligible QIB confirmed that, and consents to, its name and percentage of post- Issue shareholding (assuming full subscription in this Issue) being included as a "proposed Allottee" in this Issue in this Placement Document. However, each Bidder further acknowledges and agrees, disclosure of such details in relation to the proposed Allotees in this Placement Document will not guarantee Allotment to them, as Allotment shall continue to be at the sole discretion of our Company, in consultation with the BRLMs.

5. Each Bidder confirmed that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

6. Each Eligible QIB acknowledged that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

7. Each Bidder confirmed that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares, except on the floor of the Stock Exchanges;

8. Each Eligible QIB confirmed that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

9. Each Eligible QIB confirmed that its Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations;

10. The Eligible QIB agreed that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;

11. The Eligible QIB agreed that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledged and agreed that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

12. The Eligible QIB acknowledged that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company is required to disclose names as "*proposed Allottees*" and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledged and agreed that, disclosure of such details as "*proposed Allottees*" in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

    a. QIBs "*belonging to the same group*" shall mean entities where (a) any of them controls, directly or indirectly, through its Subsidiaries or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its Subsidiaries(ies) or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

13. The Eligible QIBs acknowledged that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.

14. Each Eligible QIB confirmed that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

15. Each Eligible FPI, confirmed that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

16. The Eligible QIB confirmed that (a) if it is within the United States, it is a U.S. QIB who is or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate; or (b) if it is outside the United States, it is subscribing to the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where such offers and sales are made. It has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of this Placement Document, will be deemed to have made the representations, warranties and agreements made under the sections entitled "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 2, 5, 289 and 298, respectively.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the

beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route. Subsequently, vide Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy has been further amended to, inter alia, define the expression "beneficial owner" and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments under Press Note No. 2 (2026 Series) have been brought into effect from the date of publication of FEMA (Non debt Instruments) Rules, 2026 in the official gazette, being, May 2, 2026.

**ELIGIBLE QIBs WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANTS IDENTIFICATION NUMBER AND ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM, ELIGIBLE QIBs HAD TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM WAS EXACTLY TH E SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBs SUBMITTING A BID ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.**

**IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account were obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document by our Company (by itself or through the Book Running Lead Managers) in favour of the Successful Bidder.

***Submission of Application Form***

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form included details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount were required to be deposited in the Escrow Account as is specified in the Application Form and the Application Form were required to be submitted to the Book Running Lead Managers either through electronic form or through physical delivery the following address:

| Name | Address | Contact Person | Email | Telephone |
|---|---|---|---|---|
| ICICI Securities Limited | ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India | Rahul Sharma/ Namrata Ravasia | ptcindustries.qip@icicisecurities.com | +91 22 6807 7100 |
| Goldman Sachs (India) Securities Private Limited | 9th and 10th Floor, Ascent-Worli, Sudam Kalu Ahire Marg, Worli, Mumbai – 400025, Maharashtra, India | Srishti Srivastava / Harsh Parekh | ptcindustriesqip@gs.com | +91 22 6616 9000 |

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

All Bidders Bidding in the Issue shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

**Payment of Application Amount**

Our Company has opened the Escrow Account in the name of "*PTC INDUSTRIES LIMITED-QIP ESCROW A/C*" with the Escrow Bank, in terms of the Escrow Agreement entered into among our Company, the Book Running Lead Managers and the Escrow Bank. Each Bidder were required to deposit the entire Application Amount payable for the Equity Shares Bid by it, along with the submission of the Application Form and during the Bid/Issue Period. Bidders can make payment of the Application Amount only through electronic transfer of funds from their own bank account.

**Note: Payments were to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment was not made favouring the Escrow Account, the Application Form was liable to be rejected.**

Pending Allotment, our Company undertakes to utilise the amount deposited in *"PTC INDUSTRIES LIMITED-QIP ESCROW A/C*" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount in terms of this Placement Document. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "*Issue Procedure – Refunds*" on page 284.

***Bank Account Details***

Each Bidder was required tomention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

**Pricing and Allocation**

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, '*stock exchange*' shall mean any of the recognised stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company offered a discount of 4.92% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through special resolution passed at the EGM of our Company on August 01, 2026, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the Book Running Lead Managers, dtermined the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

**Build-up of the Book**

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

**Price Discovery and Allocation**

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company offered a discount of 4.92% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by the Shareholders of our Company through special resolution passed at the EGM of our Company on August 01, 2026. After finalisation of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as this Placement Document.

**Method of Allocation**

Our Company determined the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. Application Forms received from the Bidders at or above the Issue Price were grouped together to determine the total demand. The Allocation to all such Bidders was made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size would be undertaken subject to valid Bids being received at or above the Issue Price. In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Managers have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE NOT OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

**CAN**

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Successful Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document to the respective Successful Bidders shall be deemed a valid, binding and irrevocable contract for such Bidders to subscribe to the Equity Shares Allocated to them. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Managers.

**Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue**.

By submitting the Application Form, a Bidder would have deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 2 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

**Designated Date and Allotment of Equity Shares**

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, no transfer of securities in listed companies in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Allottees.

5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released to our Company until the later of (a) receipt by our Company of the final listing and trading approvals from the Stock Exchanges for the Equity Shares issued pursuant to the Issue; and (b) the filing by our Company of the return of Allotment in Form PAS-3 with the RoC.

7. After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as this Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company.

8. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document.

9. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is being disclosed in this Placement Document.

**Refunds**

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Bidder has deposited the Application Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

**Release of Funds to our Company**

The monies lying to the credit of the Escrow Account shall not be released to our Company until the later of (a) receipt by our Company of the final listing and trading approvals from the Stock Exchanges for the Equity Shares issued pursuant to the Issue; and (b) the filing by our Company of the return of Allotment in Form PAS-3 with the RoC.

**Other Instructions**

**Submission of Documents**

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

**Permanent Account Number or PAN**

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

***Bank account details***

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

**Right to Reject Applications**

Our Company, in consultation with the Book Running Lead Managers, could reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "–*Refunds*" on page 284.

## Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e. not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue was required to have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

## PLACEMENT AND LOCK UP

### Placement Agreement

The Book Running Lead Managers has entered into the Placement Agreement dated October 6, 2026 with our Company, pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable effort's basis.

The Equity Shares have been placed with the Eligible QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Placement Document and this Placement Document has not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, and (b) outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For further information, see the sections "***Selling Restrictions***" and "***Transfer Restrictions and Purchaser Representations***" on pages 289 and 298, respectively.

### Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers or their respective affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "*Offshore Derivative Instruments*" beginning on page 12.

From time to time, the Book Running Lead Managers, and their respective affiliates and associates may engage in transactions with and perform services for our Company and/ or our Affiliates in the ordinary course of business and have engaged, or may in future, engage in commercial banking and investment banking transactions with our Company and/ or our Affiliates for which they have received compensation and may in the future receive compensation.

### Lock up

Under the Placement Agreement, our Company has undertaken that it shall not, for a period of 60 days from the date of Allotment under the Issue, without the prior written consent of the Book Running Lead Managers, directly or indirectly:

(a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing, or

(b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), or

(c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, or

(d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility.

(e) publicly announce any intention to enter into any transaction falling within (a) to (d) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or deposit of Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within (a) to (d) above.

Provided that, the foregoing restriction shall not apply to an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by our Company.

In addition, our Company confirms that as on the date of this Placement Document, it has not entered into discussions, agreements, schemes of mergers or amalgamations or any other similar arrangements.

**Promoter and Promoter Group Lock Up**

Our Promoters, on behalf of themselves and the Promoter Group, will not without the prior written consent of the Book Running Lead Managers, for a period ending 30 days after the date of allotment of the Equity Shares (the "**Lock-up Period**"), directly or indirectly: (a) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any Equity Shares held by them or which may be deemed to be beneficially owned by them (the "**Lock-up Shares**"), or any securities convertible into or exercisable or exchangeable for Lock-up Shares, or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; (b) enter into any swap or other agreement or transaction that transfers in whole or in part, any of the economic consequences of ownership of Lock-up Shares or any securities convertible into or exercisable or exchangeable for Lock-up Shares; (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility, (d) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of any of the transaction described in (a), (b) or (c) above, (e) publicly announce any intention to enter into any transaction whether any such transaction described in (a) to (d) above. Our Promoters have agreed that any Equity Shares acquired by any of the Promoters during the Lock-up Period, either from the open market or inter-se transfer, shall constitute Lock-up Shares, and shall be subject to the restrictions contained herein.

## SELLING RESTRICTIONS

### General

The Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act.

The distribution of this Placement Document and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and "***Notice to Investors***", "***Representations by Investors"*** and "***Transfer Restrictions and Purchaser Representations***" on pages 2, 5, and 298, respectively.

### Republic of India

The Preliminary Placement Document and this Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. The Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

### Abu Dhabi Global Market

The Equity Shares have not been and will not be offered to any persons in the Abu Dhabi Global Market unless such offer is:

(a) an "Exempt Offer" in accordance with the Market Rulebook of the Financial Services Regulatory Authority (the "**FSRA**");
(b) made only to persons who are "Authorised Persons" or "Recognised Bodies" (as such terms are defined in the FSRA's Financial Services and Markets Regulation 2015, as amended ("**FSMR**")) or persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated; and
(c) made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Module of the FSRA Rulebook.

### Australia

This Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a prospectus or disclosure document under the Australian Corporations Act. This Placement Document has not been lodged with the Australian Securities and Investments Commission ("**ASIC**") and no steps have been taken to lodge it with ASIC. No offer will be made under this Placement Document to any person to whom disclosure is required to be made under Chapter 6D of the Australian Corporations Act. Any offer in Australia of the Equity Shares under this Placement Document may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under

section 708 of the Australian Corporations Act which permit the offer of the Equity Shares without disclosure under Part 6D.2 of the Australian Corporations Act.

As any offer of Equity Shares under this Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to our Company that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to any person in Australia except in circumstances where disclosure to such person is not required under Chapter 6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

**Bahrain**

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. ThisPlacement Document and the Equity Shares that shall be offered pursuant to this Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in thisPlacement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. ThisPlacement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

**British Virgin Islands**

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands), ("**BVI Companies**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered prospectus has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

**Canada**

Prospective Canadian investors are advised that the information contained within this Placement Document has not been prepared with regard to matters that may be of particular concern to Canadian investors. Accordingly, prospective Canadian investors should consult with their own legal, financial and tax advisers concerning the information contained within this Placement Document and as to the suitability of an investment in the Equity Shares in their particular circumstances.

The Equity Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are both (i) accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and (ii) permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Such sales will be made only by a dealer duly registered under the applicable securities laws of the applicable province or in accordance with an exemption from the applicable registered dealer requirements. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Placement Document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Under Canadian securities law, National Instrument 33-105 *Underwriting Conflicts* (NI 33-105) provides disclosure requirements with respect to potential conflicts of interest between an issuer and underwriters, dealers or placement agents, as the case may be. To the extent any conflict of interest between us and any of the underwriters (or any other placement agent acting in connection with this offering) may exist in respect of this offering, the applicable parties to this offering are relying on the exemption from these disclosure requirements provided to them by section 3A.3 of NI 33-105 (Exemption based on U.S. disclosure).

Upon receipt of this Placement Document, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque acheteur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières.*

**Cayman Islands**

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**")), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

**Dubai International Financial Centre**

This Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Placement Document. The securities to which this Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Placement Document you should consult an authorised financial advisor.

In relation to its use in the DIFC, this Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

**European Economic Area**

In relation to each Member State of the European Economic Area (each a "**Member State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Lead Manager for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall require our Company or the Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Book Runing Lead Manager of such fact in writing and has received the consent of the Book Runing Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Runing Lead Manager has been obtained to each such proposed offer or resale.

Our Company, the Book Runing Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

**Hong Kong**

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

**Japan**

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). This Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in this Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

**Kuwait**

This document and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti

government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

**Malaysia**

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

**Mauritius**

The public of the Republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. The interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. No regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

**New Zealand**

This Placement Document, and the information within and accompanying this Placement Document are not, and are under no circumstances to be construed as, an offer of the Equity Shares in New Zealand. No product disclosure statement, prospectus or similar offering or disclosure document in relation to the Equity Shares has been prepared or has been lodged with or reviewed or approved by the Financial Markets Authority, the Registrar of Financial Service Providers or any other regulatory body in New Zealand. The Equity Shares are only available for investment by a "wholesale investor" within the meaning of clause 3(2) of the Financial Markets Conduct Act 2013 ("**FMCA**"). Each recipient of this Placement Document represents and agrees that he, she or it:

a) is a "wholesale investor" for the purposes of clause 3(1) of Schedule 1 of the FMCA) (as the term "wholesale investor" is defined by clause (3)(2) of Schedule 1 of the FMCA);

b) has not offered or sold, and agrees he, she or it will not offer or sell, any Equity Shares in New Zealand in a manner that would require disclosure under Part 3 of the FMCA; and

c) has not distributed or published, and agrees he, she or it will not publish this Placement Document or any offering material or advertisement in relation to any offer of the Equity Shares in New Zealand.

**Qatar (excluding the Qatar Financial Centre)**

This Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither our Company nor the Lead Manager is authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person

other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Lead Manager are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

**Qatar and Qatar Financial Centre**

Nothing in this Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. Our Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Placement Document is strictly private and confidential. This Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against our Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

**Republic of Korea**

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

**Saudi Arabia**

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority ("**CMA**"). The CMA does not make any representation as to the accuracy or completeness of this Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

**Singapore**

This Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

**Singapore SFA Product Classification**: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**Sultanate of Oman**

The information contained in this Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the "**Executive Regulations**") by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

**Switzerland**

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Placement Document may only be used by those investors to whom it has been handed out in connection with the Issue described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

**Taiwan**

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

**United Arab Emirates (excluding the Dubai International Financial Centre)**

This Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "Promotion") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this Placement Document.

**United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

a) where (i) the offer is conditional on the admission of the Equity Shares to trading on the London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(a) of Schedule 1 of the POATR) or

(ii) the Equity Shares being offered are at the time of the offer already admitted to trading on London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(b) of Schedule 1 of the POATR);

b) to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 of the POATR;

c) to fewer than 150 natural or legal persons (other than qualified investors as defined in paragraph 15 of Schedule 1 of the POATR), subject to obtaining the prior consent of the Lead Manager for any such offer; or in any other circumstances falling within Part 1 of Schedule 1 of the POATR,

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication to any person which presents sufficient information on: (a) the Shares to be offered; and (b) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Shares and the expression "POATR" means the Public Offers and Admissions to Trading Regulations 2024.

In the United Kingdom, this Placement Document is only addressed to and directed to persons (i) who have professional experience in matters relating to investments falling within Article 19 paragraph 5 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) who are high net worth entities falling within Article 49 paragraph 2(a) through (d) of the Order, or (iii) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "Relevant Persons"). The securities described herein are only available in the United Kingdom to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities in the United Kingdom will be engaged in only with, Relevant Persons. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this Placement Document or any of its contents.

**United States of America**

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) within the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act. The Equity Shares are transferable only in accordance with the restrictions described under the sections "***Selling Restrictions***" and "***Transfer Restrictions and Purchase Representations***" on pages 289 and 298, respectively.

**Other Jurisdictions**

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

*Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.*

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the floor of the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "***Selling Restrictions***" on page 289.

**United States Transfer Restrictions**

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

*Outside the United States*

Each subscriber of the Equity Shares outside the United States pursuant to Regulation S will be deemed to have represented and agreed that it has received a copy of the Preliminary Placement Document and this Placement Document and such other information as it deems necessary to make an informed investment decision and that:

1. the subscriber is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

2. the subscriber acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;

3. the subscriber is purchasing the Equity Shares offered pursuant to this Issue from outside the United States in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the subscriber and the person, if any, for whose account or benefit the subscriber is acquiring the Equity Shares, was located outside the United States at the time the buy order for the Equity Shares was originated and continues to be located outside the United States and has not subscribed to the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;

5. the subscriber is not an affiliate (as defined in Rule 405 of the U.S. Securities Act) of our Company or a person acting on behalf of such affiliate;

6. the subscriber is not acquiring the Equity Shares as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) under the U.S. Securities Act) or any "directed selling efforts" (as that term is defined in Regulation S);

7. the subscriber is aware of the restrictions on the offer and sale of the Equity Shares pursuant to Regulation S described in the Preliminary Placement Document and this Placement Document;

8. the subscriber is subscribing for the Equity Shares in compliance with laws of jurisdictions applicable to it;

9. the Equity Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act; and

10. the subscriber acknowledges that our Company, the BRLMs and their respective affiliates (as defined in Rule 405 of the U.S. Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its subscription of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with

respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

*Within the United States*

Each subscriber of the Equity Shares within the United States subscribing pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have represented and agreed that it has received a copy of the Preliminary Placement Document and Placement Document and such other information as it deems necessary to make an informed investment decision and that:

1. the subscriber is authorized to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;

2. the subscriber acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;

3. the subscriber is a U.S. QIB and is aware that the sale to it is being made in a transaction not subject to the registration requirements of the U.S. Securities Act and is acquiring such Equity Shares for its own account or for the account of a U.S. QIB;

4. the subscriber is aware that the Equity Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act;

5. the subscriber is not an affiliate (as defined in Rule 405 of the U.S. Securities Act) of our Company or a person acting on behalf of such affiliate;

6. if in the future, the subscriber decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only to a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, in accordance with Regulation S under the U.S. Securities Act or in accordance with Rule 144 under the U.S. Securities Act (if available), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;

7. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Equity Shares;

8. the subscriber will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

9. the subscriber is not acquiring the Equity Shares as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) under the U.S. Securities Act) or any "directed selling efforts" (as that term is defined in Regulation S);

10. our Company shall not recognise any offer, sale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions; and

11. the subscriber acknowledges that our Company, the BRLMs and their respective affiliates (as defined in Rule 405 of the U.S. Securities Act), and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its subscription of the Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

## THE SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company, the Book Running Lead Managers or any of their respective affiliates or advisors.*

### The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

### Stock Exchange Regulations

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, as amended from time to time, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SECC Regulations**"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% (except public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

### Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

**BSE**

BSE is one of the stock exchanges in India on which our Equity Shares are listed. Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

**NSE**

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed "on-market" are exchanged through the NSE Clearing Limited (*formerly, National Securities Clearing Corporation Limited*). It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

**Internet-based Securities Trading and Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

**Trading Hours**

Trading on both BSE and NSE normally occurs from Monday through Friday between 9:15 a.m. IST and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9.00 a.m. IST to 9.15 a.m. IST). The BSE and NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) in the case of the cash segment, trading hours are between 9:00 a.m. and 5:00 p.m.; (ii) in the case of the equity derivatives segment, trading hours may extend up to 11:55 p.m. pursuant to SEBI's circular dated May 4, 2018; and (iii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

**Trading Procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading ("**BOLT**") facility in 1995. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation trading platform, BOLT Plus. NSE has introduced a fully automated trading system called National Exchange for

Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

**SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, inter alia, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

**SEBI Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/ voting rights/ control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue in compliance with Regulation 164A of the SEBI ICDR Regulations from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures (SDD).

**SEBI Insider Trading Regulations**

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report

trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, members of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹1 million over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

**Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

**Derivatives (Futures and Options)**

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

## DESCRIPTION OF THE EQUITY SHARES

*Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the following includes information relating to the Equity Shares of the Company, which includes a brief summary of the Memorandum of Association and Articles of Association of the Company. Prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

**Share capital**

The authorized share capital of our Company is ₹20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹10 each. Our Company's issued, subscribed and paid-up capital is ₹14,99,25,490 divided into 1,49,92,549 Equity Shares of face value of ₹10 each. For further details, see "*Capital Structure*" beginning on page 103.

**Dividends**

The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits, and may fix the time for the payment thereof. Any share holder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. Unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some share than on others. Provided always that any capital paid up on a share during the period in respect of which a dividend is declared shall unless otherwise resolved be only entitled the holder of such share to a proportionate amount of such dividend from the date of payment.

Capital paid-up in advance of calls shall not confer a right to dividend or to participate in profits. No dividends shall be payable except out of profits of the Company of the year or any other undistributed profits and no dividend shall carry interest against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

The Directors may, from time to time, declare and pay to the members such interim dividend as in their judgment the position of the Company justifies. No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the Company has a lien, or whilst any amount due or owing from time to time to the Company, either alone or jointly with any other person or persons, in respect of such share or shares, or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or towards satisfaction of all debts, liabilities, or engagements in respect of which the lien exists, and of all such money due as aforesaid.

The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member, or which any person under the same clause is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same. All dividends shall be paid by the cheque or warrant in respect thereof shall be posted within thirty days of the date on which such dividend is declared by the Company. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by forged endorsements on any cheque or warrant, or the fraudulent or improper recovery thereof by any other means.

Any General Meeting declaring a dividend may make a Call on the Members of such amount as the meeting fixes and so that the Call be made payable at the same time as the dividend, and the dividend may, if so resolved by the Company in General Meeting be set off against the Calls.

**Capitalisation of Profits and Dividend**

A General Meeting of the Members, In a meeting in person or proxy or, through Postal Ballot or, by any other means, as may be permitted may on the recommendation of the Board, direct capitalisation of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or other funds of the Company including the moneys in the Securities Premium Account and the Capital Redemption Reserve Account or the premiums received on the issue of any shares, debentures or debenture-stock of the

Company and that such sum be accordingly set free for the purpose, (1) by the issue and distribution, among the holders of the shares of the Company or any of them, in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid up thereon, of paid-up shares, debentures, debenture-stock bonds or other obligations of the Company, or (2) by crediting any shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid up thereon respectively, with the whole or any part of the same.

For the purposes above set out the Company may, subject to the provisions contained in section 63, apply: (i) its free reserves, (ii) the Securities Premium Account subject to the provisions of Section 52(2) of the said Act; (iii) the Capital Redemption Reserve Fund subject to the provisions of Section 55(4) of the said Act; and (iv) such other reserves or account as may be applied for issue of bonus shares.

The Board shall have the right to fix a date for the purpose of determining the Members who are entitled to the payment of the dividend, or shares pursuant to the capitalisation of reserves, and for any other action of the Company that requires determination of the details of Members.

**Alteration of Capital**

Subject to the provisions of the Companies Act, 2013, and the applicable regulations issued by the Securities and Exchange Board of India, including the Listing Regulations, the Company may increase its share capital by issuing new shares on such terms and with such rights as the shareholders may determine by way of an ordinary resolution passed at a General Meeting, subject to such prior approvals as may be required under applicable law and the terms of the Listing Regulations.

The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and conditions (and if preference shares upon such conditions as to redemption) and with such rights and privileges annexed thereto as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class thereof or in such other manner as the Board may think most beneficial to the Company.

Our Company may by ordinary resolution:

(i) Increase the share capital by such amount, as it thinks expedient by issuing new shares;

(ii) Consolidate and divide all or any its Equity Shares into shares of larger amount than its existing Equity Shares;

(iii) Subdivide its existing Equity Shares or any of them into Equity Shares of smaller amount than is fixed originally by the Memorandum of Association, so however that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(iv) Convert all or any of its fully-paid up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(v) Cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**General Meetings of Shareholders**

Every year our Company is required to hold an annual general meeting in addition to any other meetings. Further, our Board may, whenever it thinks fit, call an extraordinary general meeting and shall, on the requisition of a number of members who constitute not less than one-tenth of the paid-up capital of our Company, proceed to call an extraordinary general meeting. A General Meeting of the Company may be called by giving at least clear

twenty one day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting. For a meeting of the shareholders, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of the meeting is more than 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. No business is to be transacted at the general meeting unless the requisite quorum is present at the commencement of the same. If the quorum is not present within half an hour of the time appointed for a meeting, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned pursuant to the provisions of sub-section (2) of section 103 of the Act. The Articles of Association further provide that no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

The Chairman of our Board shall be entitled to take the chair at every general meeting or, if there is no such chairman, or if at any general meeting he is not present within fifteen minutes after the time appointed for holding such general meeting or is unwilling to act as Chairman, the members present shall elect one of the Directors to be the chairman of the meeting. If no Director is present or if all the Directors present decline to take the chair, then the members present shall choose one amongst themselves to be chairman of the general meeting.

**Voting Rights**

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, on a show of hands, every member holding Equity Shares and present in person shall have one vote; and on a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid-up equity share capital of the Company. The Articles of Association provide that any member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as proxy on his behalf, for that meeting. The manner of giving proxies is provided in detail in the Articles of Association of the Company.

The instrument appointing a proxy is required to be lodged at the registered office at least 48 hours before the time of the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the Share in respect of which the vote is given provided no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office of our Company before the general meeting. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Ordinary resolutions may be passed by simple majority of those present and voting and those voting electronically. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

**Directors**

The number of Directors shall not be less than three and not more than fifteen Directors. The Company shall have the power to increase the number of Directors beyond 15 after passing a Special Resolution. The Directors shall be appointed by our Company in the general meeting, subject to the provisions of the Companies Act, 2013, the Articles of Association, and applicable exceptions including appointments by the Board under Section 161 of the Companies Act, 2013 (including appointment of additional directors, nominee directors, and directors to fill a casual vacancy, subject to approval at the next general meeting). The Companies Act, 2013 provides that not less than two-thirds of the total number of directors on the board of a company, excluding the independent directors, shall be liable to retire by rotation. One-third of the rotational directors shall retire every year at the annual general meeting and shall be eligible for re-appointment. The independent directors may be appointed for a maximum of two terms of up to five consecutive years each; however, such directors are eligible for re-appointment after the expiry of three years of ceasing to be an independent director, provided that such directors were not, during the said three-year period, appointed in or associated with the company in any other capacity, either directly or indirectly. Any re-appointment of independent directors, inter alia, shall be on the basis of a performance evaluation report and requires the approval of the shareholders by way of a special resolution.

Our Board is required to meet at least four times in every year, with a gap of not more than one hundred and twenty days between two consecutive meetings, in accordance with Section 173(1) of the Companies Act, 2013. The Board shall adjourn and otherwise regulate its meetings and proceedings as it thinks fit. The quorum for a meeting of our Board is one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher.

**Buy-back**

In the event it is permitted by the Law and subject to such conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own shares, whether or not there is any consequent reduction of Capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.

**Transfer and transmission of shares**

The Company shall keep a book called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.

No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint-holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee.

Pursuant to the SEBI circular on Ease of Doing Investment – Special Window for Transfer and Dematerialisation of Physical Securities HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026, the SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered. Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository. The Equity Shares shall be freely transferable, subject to applicable laws.

A person entitled to share by transmission may, until the Directors otherwise determine as provided in Article 129, receive and give discharge for any dividends, bonuses or other moneys payable in respect of the share, but he shall not be entitled to vote at any meetings of the Company and to any of the rights and privileges of a member, unless and until he shall have become a member in respect of the shares.

**Winding up**

If upon the winding-up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid-up on the shares at the commencement of the winding-up held by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid up capital, such surplus assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively, other than the amounts paid by them in advance of calls. But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.

The Liquidator may, with the sanction of a Special Resolution, divide among the contributories in specie or kind any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trust for the benefit of the contributories or any of them, as the Liquidator with the like sanction shall think fit.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

**The Board of Directors**
**PTC Industries Limited**
Advanced Manufacturing & Technology Centre,
NH25A, Sarai Shahjadi, Lucknow
226401 Uttar Pradesh

**ICICI Securities Limited**
ICICI Venture House,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai 400025,
Maharashtra, India

**Goldman Sachs (India) Securities Private Limited**
9th and 10th Floor, Ascent-Worli,
Sudam Kalu Ahire Marge Worli,
Mumbai 400025,
Maharashtra, India

(ICICI Securities Limited, Goldman Sachs (India) Securities Private Limited and any other placement agents as defined in the Placement Agreement, together, the "**Placement Agents**")

Dear Sir(s):

**Sub: Qualified institutions placement of equity shares of face value of ₹10 each ("Equity Shares") under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and applicable provisions of the Companies Act, 2013, and the rules framed thereunder, each as amended ("Companies Act") by PTC Industries Limited (the "Company", and such qualified institutions placement, the "Issue")**

We have been requested by the Company to issue a report on the special tax benefits (referred to as "**Statement"**) available to the Company and its shareholders attached for inclusion in the Preliminary Placement Document and Placement Document (the **"Placement Documents"**) in connection with the proposed qualified institutions placement (the **"Issue"**) of the equity shares of the Company. The Statement has been prepared by the management of the Company and stamped by us for identification purposes only.

The Statement showing the current position of tax benefits available to the Company, the shareholders of the Company and its material subsidiary incorporated in India, namely, Aerolloy Technologies Limitedas per the provisions of Income Tax Act, 2025 for the assessment year AY 2027-2028 relevant to the financial year (FY) 2026-2027, Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, Customs Act, 1962 and Foreign Trade Policy 2023 for inclusion in the Placement Documents. These benefits are dependent on the Company, its subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company, its subsidiary or its shareholders to derive the stated tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or its subsidiary or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Income Tax law.

The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its subsidiary and its shareholders and do not cover any general tax benefits available to them.

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in

which the non-resident has fiscal domicile.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

We conducted our examination of the statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements

We do not express any opinion or provide any assurance as to whether:

i) the Company, its material subsidiary or its shareholders will continue to obtain these benefits in future; or
ii) the conditions prescribed for availing the benefits have been/would be met with.
iii) The revenue authorities / courts will concur with the views expressed therewith.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The Statement is intended solely for the information and inclusion in the Placement Document in connection with the proposed issue of equity shares of the Company and is not to be used, referred to, or distributed for any other purpose, without our prior consent, provided the below statement of limitation is included in the Placement Documents.

**Limitation:**

Our views expressed herein are based on the facts and assumptions indicated to us. Our views are based on the existing provisions of Income Tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This report is addressed to the Board of Directors of the Company and the Placement Agents for inclusion of this report along with the accompanying Statement in the preliminary placement document and placement document to be submitted by the Company with the Securities and Exchange Board of India and BSE Limited or any other regulatory or statutory authority and/or in any other material used in connection with the Issue ("Placement Documents"), prepared in connection with the Issue and should not be used by any other person or for any other purpose.

The aforesaid information may be relied upon by the Company, the Placement Agents, legal counsel and other advisors or intermediaries appointed pursuant to the Placement and we undertake to immediately intimate the Placement Agents, legal counsel and other advisors or intermediaries in case of any changes to the above. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate.

We hereby give our consent to include this report and the enclosed Statement regarding the tax benefits available to the Company, its subsidiary and its shareholders in the Placement Documents, provided that the above statement of limitation/ restriction on distribution or use is included in the Placement Documents.

**Yours sincerely,**

**For S N Dhawan & CO LLP**
**Chartered Accountants**

ICAI Firm Registration No.: 000050N/N500045

Rajeev Saxena
Partner
Membership No: 077974

Place: Gurugram
Date: 06 October 2026
UDIN: 26077974IZOKYB1469

**Enclosed as Annexure-A**

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO PTC INDUSTRIES LIMITED (THE "COMPANY") ITS WHOLLY OWNED SUBSIDIARY (NAMELY:-AEROLLOY TECHNOLOGIES LIMITED) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the special tax benefits available to the Company and its shareholders under the Act applicable for the Financial Year 2026-27. These possible special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act.

**I. Under the Income -tax Act, 2025 (the IT Act)**

**A. Special tax benefits available to the Company.**

1. Concessional corporate tax rates - Section 200 of the IT Act (erstwhile Section 115BAA of the Income-tax Act, 1961)

   The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA of the Income-tax Act, 1961, wherein domestic companies were entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. With effect from Financial Year 2026-27, the corresponding provisions are contained in Section 200 of the IT Act. The option to apply this concessional tax rate was available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and, once exercised, continues to apply to subsequent AYs/tax years. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the IT Act:

   - Section 144 (erstwhile Section 10AA): Tax holiday available to units in a Special Economic Zone.
   - Section 33(8) (erstwhile Section 32(1)(iia)): Additional depreciation;
   - Section 32AD of the Income-tax Act, 1961: Investment allowance (this provision lapsed for investments made on or after 1 April 2026 and has no continuing equivalent under the IT Act).
   - Section 48/49 (erstwhile Section 33AB/33ABA): Tea, coffee, rubber development expenses/site restoration expenses
   - Section 45 (erstwhile Section 35(1)/35(2AA)/35(2AB)): Expenditure on scientific research.
   - Section 46 (erstwhile Section 35AD): Deduction for capital expenditure incurred on specified businesses.
   - Section 47(1)(a)/47(1)(b) (erstwhile Section 35CCC/35CCD): expenditure on agricultural extension/skill development.
   - Sections 122 to 154 (erstwhile Chapter VI-A), except for the provisions of Section 146 (erstwhile section 80JJAA) and Section 148 (erstwhile section 80M).

   The total income of a company availing the concessional rate of 25.17% (i.e. 22% along with surcharge and health & education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under Section 263(1) of the IT Act (erstwhile section 139(1) of the Income-tax Act, 1961). Further, provisions of Minimum Alternate Tax ('MAT') under Section 206 of the IT Act (erstwhile section 115JB) shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

   The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

   Note: The Company has already opted for the concessional tax rate benefit for the FY 2019-20 relevant to the AY 2020-21 as mentioned in the Section 115BAA for which declaration in form 10IC has already been filed with the income tax authority.

2. Deduction with respect to inter-corporate dividends – Section 148 of the IT Act (erstwhile Section 80M)

   As per the provisions of Section 148 of the IT Act (erstwhile section 80M of the Income-tax Act, 1961, inserted with effect from 01 April 2021), a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust, to the extent such dividend

is distributed by it on or before the due date. In this case, due date means one month prior to the date for furnishing the return of income under Section 263(1) of the IT Act (erstwhile sub-section (1) of section 139 of the Income-tax Act, 1961).

The amount of deduction so claimed should not exceed the amount of dividend distributed by it and is subject to fulfilment of other conditions laid down therein.

**B. Special tax benefits available to the wholly owned subsidiary, Aerolloy technologies limited.**

3. Concessional corporate tax rates - Section 201 of the IT Act (erstwhile Section 115BAB of the Income-tax Act, 1961)

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAB of the Income-tax Act, 1961, wherein new domestic manufacturing companies satisfying prescribed conditions were entitled to avail a concessional tax rate of 15% (plus applicable surcharge and cess). With effect from Financial Year 2026-27, the corresponding provisions are contained in Section 201 of the IT Act. The option to apply this concessional tax rate was available from Financial Year ('FY') 2020-21 relevant to Assessment Year ('AY') 2021-22 and, once exercised, continues to apply to subsequent AYs/tax years. The concessional rate is subject to a company not availing any of the following deductions under the provisions of the IT Act:

- Section 144 (erstwhile Section 10AA): Tax holiday available to units in a Special Economic Zone.
- Section 33(8) (erstwhile Section 32(1)(iia)): Additional depreciation;
- Section 32AD of the Income-tax Act, 1961: Investment allowance (this provision lapsed for investments made on or after 1 April 2026 and has no continuing equivalent under the IT Act).
- Section 48/49 (erstwhile Section 33AB/33ABA): Tea, coffee, rubber development expenses/site restoration expenses
- Section 45 (erstwhile Section 35(1)/35(2AA)/35(2AB)): Expenditure on scientific research.
- Section 46 (erstwhile Section 35AD): Deduction for capital expenditure incurred on specified businesses.
- Section 47(1)(a)/47(1)(b) (erstwhile Section 35CCC/35CCD): expenditure on agricultural extension/skill development.
- Sections 122 to 154 (erstwhile Chapter VI-A), except for the provisions of Section 146 (erstwhile section 80JJAA) and Section 148 (erstwhile section 80M).

The total income of a wholly owned subsidiary availing the concessional rate of 17.16% (i.e. 15% along with surcharge and health & education cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under Section 263(1) of the IT Act (erstwhile section 139(1) of the Income-tax Act, 1961). Further, provisions of Minimum Alternate Tax ('MAT') under Section 206 of the IT Act (erstwhile section 115JB) shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

Unlike the concessional rate under Section 200 (erstwhile Section 115BAA), the concessional rate under Section 201 (erstwhile Section 115BAB) is available only to new domestic manufacturing companies satisfying prescribed conditions, including that the wholly owned subsidiary (i) is set up and registered on or after 1 October 2019 and commenced manufacturing or production on or before 31 March 2024; (ii) is not formed by the splitting up or reconstruction of an existing business, except in the circumstances specified in the provisions; (iii) does not use plant or machinery previously used for any purpose, subject to prescribed exceptions, including where the value of such used plant or machinery does not exceed 20% of the total value of plant or machinery used by the wholly owned subsidiary; and (iv) is engaged only in the business of manufacture or production of an article or thing (and research in relation to, or distribution of, such article or thing), subject to certain permitted ancillary activities.

Note: The Company has already opted for the concessional tax rate benefit for the FY 2020-21 relevant to the AY 2021-22 as mentioned in the Section 115BAB for which declaration in form 10ID has already been filed with the income tax authority.

4. Deduction with respect to inter-corporate dividends – Section 148 of the IT Act (erstwhile Section 80M)

As per the provisions of Section 148 of the IT Act (erstwhile section 80M of the Income-tax Act, 1961, inserted with effect from 01 April 2021), a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust, to the extent such dividend is distributed by it on or before the due date. In this case, due date means one month prior to the date for furnishing the return of income under Section 263(1) of the IT Act (erstwhile sub-section (1) of section 139 of the Income-tax Act, 1961).

The amount of deduction so claimed should not exceed the amount of dividend distributed by it and is subject to fulfilment of other conditions laid down therein.

**C. Special tax benefits available to the shareholders.**

1. Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of a domestic corporate shareholder, benefit of deduction under Section 148 of the IT Act (erstwhile Section 80M) would be available on fulfilling the conditions (as discussed in A.2 above).

2. As per Section 198 of the IT Act (erstwhile Section 112A), long-term capital gains arising from the transfer of an equity share on which securities transaction tax ("STT") is paid on transfer (and, subject to prescribed exceptions, on acquisition), shall be taxed at the rate of 12.5% (without indexation) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,25,000/- in a year.

3. As per Section 159 of the IT Act (erstwhile Section 90(2)), non-resident shareholders will be eligible to take the beneficial provisions under the respective Double Taxation Avoidance Agreement ("DTAA"), if any, applicable to such non-residents, whichever is more beneficial. This is subject to fulfilment of conditions prescribed to avail treaty benefits, including obtaining a valid tax residency certificate and furnishing the prescribed additional information/documentation (in Form 41, in place of the erstwhile Form 10F) as required under Section 159(8) of the IT Act.

4. Further, any income by way of capital gains accruing to non-residents may be subject to withholding tax per the provisions of the Act or under the relevant DTAA, whichever is more beneficial to such non-residents. However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.

**II. Indirect tax (indirect tax regulations)**

The Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, including the relevant rules, notifications and circulars issued there under, the Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2023) (collectively referred as "Indirect Tax Regulations")

**A. Special tax benefits available to the Company.**

1. <u>Remission of Duties and Taxes on Exported Products Scheme (RoDTEP)</u>

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was announced by Government of India (GOI) on 14 September 2019 to boost exports by allowing reimbursement of taxes and duties, which are not exempted or refunded under any other scheme in accordance with World Trade Organization (WTO) norms. The scheme has been applicable with effect from January 2021.

The Company has been availing benefit of this scheme on products exported out of India as per rates prescribed.

2. <u>Benefits available to the Company under Duty Drawback Scheme</u>

Duty Drawback Scheme provides refund/recoupment of customs duties and central excise duty paid on inputs or raw materials used in the manufacture of exported goods, computed with reference to the incidence of such duties, in accordance with the Customs and Central Excise Duties Drawback Rules, 2017 (as amended).

The Company has been availing benefit of this scheme and has been availing duty drawback as per the rates prescribed.

3. Benefits available to the company under Export Promotion Capital Goods Scheme (EPCG)

The objective of the Export Promotion Capital Goods (EPCG) Scheme is to facilitate import of capital goods for producing quality goods and services and enhance India's manufacturing competitiveness.

EPCG Scheme allows import of capital goods for pre-production, production, and post-production at zero customs duty.

The Company has been availing benefit under this scheme.

4. Benefits available to the company from Zero Rated Supply as per GST Law

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated, that is, these transactions attract a GST rate of zero per cent.

On account of zero rating of supplies, the supplier will be entitled to claim input tax credit in respect of goods or services used for such supplies and can seek refund of accumulated/unutilized ITC.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/LUT as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated tax and claim refund thereof as per the provisions of Section 54 of CGST Act, 2017.

The Company has been engaged in the export of goods on payment of IGST and claiming a refund for the same.

**B. Special tax benefits available to the wholly owned subsidiary, Aerolloy technologies limited.**

1) Remission of Duties and Taxes on Exported Products Scheme (RoDTEP)

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was announced by Government of India (GOI) on 14 September 2019 to boost exports by allowing reimbursement of taxes and duties, which are not exempted or refunded under any other scheme in accordance with World Trade Organization (WTO) norms. The scheme has been applicable with effect from January 2021.

The Company has been availing benefit of this scheme on products exported out of India as per rates prescribed.

2) Benefits available to the Company under Duty Drawback Scheme

Duty Drawback Scheme provides refund/recoupment of customs duties and central excise duty paid on inputs or raw materials used in the manufacture of exported goods, computed with reference to the incidence of such duties, in accordance with the Customs and Central Excise Duties Drawback Rules, 2017 (as amended).

The Company has been availing benefit of this scheme and has been availing duty drawback as per the rates prescribed.

3) Benefits available to the company under Export Promotion Capital Goods Scheme (EPCG)

The objective of the Export Promotion Capital Goods (EPCG) Scheme is to facilitate import of capital goods for producing quality goods and services and enhance India's manufacturing competitiveness.

EPCG Scheme allows import of capital goods for pre-production, production, and post-production at zero customs duty.

The Company has been availing benefit under this scheme.

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Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated, that is, these transactions attract a GST rate of zero per cent.

On account of zero rating of supplies, the supplier will be entitled to claim input tax credit in respect of goods or services used for such supplies and can seek refund of accumulated/unutilized ITC.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/LUT as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated tax and claim refund thereof as per the provisions of Section 54 of CGST Act, 2017.

The Company has been engaged in the export of goods on payment of IGST and claiming a refund for the same.

**C. Special tax benefits available to shareholders of the Company under indirect tax regulations in India**

The shareholders of the Company are not eligible to any special tax benefits under Indirect Tax Regulations

**D. CERTAIN TAX CONSIDERATIONS IN RELATION TO THE FOREIGN MATERIAL SUBSIDIARY**

In addition to Aerolloy Technologies Limited, the Company has identified TRAC Precision Solutions Limited, as material, based on its contribution of at least 10% to the consolidated turnover or net worth.

The tax benefits discussed above is in relation to the Indian material subsidiary, Aerolloy Technologies Limited.

The Company's material foreign subsidiary i.e., TRAC Precision Solutions Limited, does not have a presence or permanent establishment in India. Accordingly, TRAC Precision Solutions Limited does not avail of any direct or indirect tax benefits in India.

**Notes:**

1. The ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences aid the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing shares.

4. The Statement is prepared on the basis of information available with the management of the Company and there is no assurance that:

    - the Company or its shareholders will continue to obtain these benefits in future;
    - the conditions prescribed for availing the benefits have been/ would be met with; and
    - the revenue authorities/courts will concur with the view expressed herein.

5. The above views are based on the existing provisions of law and its interpretation, which are subject to change from time to time.

6. The above Statement of Special Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership

and disposal of shares.

**For and on behalf of the Board of Directors**

(Authorised Signatory)

Place: Lucknow
Date: 06-Oct-26

## CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

### Certain India Income Tax Considerations

There may be certain material Indian tax consequences to a U.S. holder (as defined below) of ownership of Equity Shares which are based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this Placement Document. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Equity Shares. The Indian share transactions tax ("**STT**") is not creditable for U.S. federal income tax purposes. U.S. Holders should consult their own tax advisors regarding the tax consequences if Indian income taxes are imposed on a taxable disposition of Equity Shares, including their ability to credit or deduct any Indian income tax against their U.S. federal income tax liability, the proper application of the Treaty (which in some respects is not entirely clear), the determination of the amount realized and disclosure obligations of any Treaty-based tax return position, as well as the proper U.S. federal income tax treatment of Indian STT (including whether Indian STT is deductible, increases the adjusted tax basis in the Equity Shares or reduces the amount realized on disposition).

### Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain material U.S. federal income tax consequences to a U.S. holder (as defined below) for purchasing, owning and disposing of Equity Shares acquired pursuant to this Issue. This summary does not address any aspect of U.S. federal non-income tax laws, such as U.S. federal estate and gift tax laws, or state, local or non-U.S. tax laws, and does not purport to be a comprehensive description of all of the U.S. tax considerations that may be relevant to a particular person's decision to acquire Equity Shares.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

The discussion applies to you only if you acquire the Equity Shares in this Issue and you hold the Equity Shares as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") . This section does not apply to you if you are a member of a special class of holders subject to special tax rules, including:

- a broker;
- a dealer in securities, commodities or non-U.S. currencies;
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings;
- a bank or other financial institution;
- a tax-exempt organization;
- an insurance company;
- a regulated investment company;
- an accrual method taxpayer subject to special tax accounting rules as a result of its use of financial statements;
- an investor who is a U.S. expatriate, former U.S. citizen or former long term resident of the United States;
- a controlled foreign corporation;
- a passive foreign investment company;
- a mutual fund;
- an individual retirement or other tax-deferred account;
- a holder liable for alternative minimum tax;
- a holder that actually, indirectly or constructively owns 10% or more of (i) the total combined voting power of all classes of the Company voting stock or (ii) the total value of all classes of the Company stock;
- a partnership or other pass-through entity for U.S. federal income tax purposes;
- a holder that holds Equity Shares as part of a straddle, hedging, constructive sale, conversion or other integrated transaction for U.S. federal income tax purposes; or
- a U.S. holder (as defined below) whose functional currency is not the U.S. Dollar.

This section is based on the Code, existing and proposed U.S. Department of the Treasury regulations issued under the Code, legislative history, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to change at any time, and any change could be retroactive and could affect the

accuracy of this discussion. In addition, the application and interpretation of certain aspects of the passive foreign investment company ("PFIC") rules, referred to below, require the issuance of regulations which in many instances have not been promulgated and which may have retroactive effect. There can be no assurance that any of these regulations will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this discussion.

This discussion is not binding on the U.S. Internal Revenue Service ("IRS") or the courts. No ruling has been or will be sought from the IRS with respect to the positions and issues discussed herein, and there can be no assurance that the IRS or a court will not take a different position concerning the U.S. federal income tax consequences of an investment in the Equity Shares or that any such position would not be sustained.

For U.S. federal income tax purposes, you are a "U.S. holder" if you are a beneficial owner of Equity Shares that acquired the shares pursuant to this Issue and you are:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States, any State thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorised to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

In addition, this discussion is limited to U.S. holders who are not resident in India for purposes of the Income Tax Treaty between the United States and India.

If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Equity Shares, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Equity Shares that is a partnership and partners in such a partnership should consult their own tax advisors concerning the U.S. federal income tax consequences of purchasing, owning and disposing of Equity Shares.

***Taxation of Dividends***

Subject to the PFIC rules described below under "PFIC Considerations", if you are a U.S. holder you generally must include in your gross income as a dividend the gross amount of any distributions of cash or property (other than certain pro rata distributions of Equity Shares) with respect to Equity Shares, to the extent the distribution is paid by our Company out of its current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. A U.S. holder will include the dividend as ordinary income at the time of actual or constructive receipt. Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the Equity Shares and thereafter as capital gain from the sale or exchange of such Equity Shares. Notwithstanding the foregoing, our Company does not intend to maintain calculations of its earnings and profits as determined for U.S. federal income tax purposes. Consequently, distributions generally will be reported as dividend income for U.S. information reporting purposes.

Subject to the PFIC rules described below, dividends paid by a non-U.S. corporation generally will be taxed at the preferential tax rates applicable to long-term capital gain of non-corporate taxpayers if (a) such non-U.S. corporation is eligible for the benefits of certain U.S. treaties or the dividend is paid by such non-U.S. corporation with respect to stock that is readily tradable on an established securities market in the United States, (b) the U.S. holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on shares that have been held by such U.S. holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." If the requirements of the immediately preceding sentence are not satisfied, a dividend paid by a non-U.S. corporation to a U.S. holder, including a U.S. holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). The dividend rules are complex, and each U.S. holder should consult its own tax advisor regarding the dividend rules.

Dividends received generally will be income from non-U.S. sources, which may be relevant in calculating your U.S. foreign tax credit limitation. Such non-U.S. source income generally will be "passive category income", which is treated separately from other types of income for purposes of computing the foreign tax credit allowable

to you. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. holder's particular circumstances. You should consult your own tax advisor to determine the foreign tax credit implications of owning the Equity Shares.

The amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. Dollar value of the Indian Rupee payments made, determined at the spot Indian Rupee/U.S. Dollar exchange rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. Dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. Dollars will be treated as ordinary income or loss. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

***Taxation of Sale, Exchange or Other Taxable Disposition of Equity Shares***

Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell, exchange or otherwise dispose of your Equity Shares in a taxable disposition, you generally will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. Dollar value of the amount realized and your tax basis, determined in U.S. Dollars, in your Equity Shares. Gain or loss recognized on such a sale, exchange or other disposition of Equity Shares generally will be long-term capital gain if the U.S. holder has held the Equity Shares for more than one year. Long-term capital gains of U.S. holders who are individuals (as well as certain trusts and estates) are generally taxed at preferential rates (currently at a maximum rate of 20%). The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes, unless it is attributable to an office or other fixed place of business outside the United States and certain other conditions are met. Your ability to deduct capital losses is subject to limitations.

***PFIC Considerations***

The Code provides special rules regarding certain distributions received by U.S. persons with respect to, and sales, exchanges and other dispositions, including pledges, of, shares of stock in a PFIC. A non-U.S. corporation will be treated as a PFIC for any taxable year in which either: (i) at least 75 percent of its gross income is "passive income" or (ii) at least 50 percent of its gross assets during the taxable year (generally based on the average of the fair market values of the assets determined at the end of each quarterly period) are "passive assets," which generally means that they produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, rents, royalties, gains from commodities and securities transactions, and gains from assets that produce passive income. Cash is generally a passive asset. However, under recently proposed U.S. Treasury regulations, on which taxpayers may rely, an amount of cash held in a non-interest bearing financial account that is held for the present needs of an active trade or business and is no greater than the amount necessary to cover operating expenses incurred in the ordinary course of the trade or business and reasonably expected to be paid within 90 days is generally not treated as a passive asset. Further, goodwill is generally treated as an active asset to the extent attributable to activities that produce or are intended to produce active income. In determining whether a non-U.S. corporation is a PFIC, a pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Based on the current and projected composition of our income and assets, including the expected cash proceeds from this offering, and the valuation of our assets, including goodwill, we do not expect to become, a PFIC in the current taxable year or any future year for U.S. federal income tax purposes. However, no assurance can be given that our Company will not be considered a PFIC in the current or any future taxable years. Our Company's possible status as a PFIC must be determined for each year and cannot be determined until the end of each taxable year. Because this determination is made annually at the end of each taxable year and is dependent upon a number of factors, some of which are beyond our Company's control, including the amount and nature of our Company's income and assets, as well as on the market valuation of our Company's assets, including goodwill, and Equity Shares, and because certain aspects of the PFIC rules are not entirely certain, there can be no assurance that our Company is not a PFIC and will not become a PFIC or that the IRS will agree with our conclusion regarding our PFIC status. If our Company was currently or were to become a PFIC, U.S. holders of Equity Shares would be subject to special rules and a variety of potentially adverse tax consequences under the Code.

If we are a PFIC for any fiscal year during which a U.S. holder holds our Equity Shares, we generally will continue to be treated as a PFIC with respect to that U.S. holder for all succeeding fiscal years during which the U.S. Holder holds our Equity Shares, unless we cease to meet the threshold requirements for PFIC status and that U.S. holder

makes a qualifying “deemed sale” election with respect to the Equity Shares. If such an election is made, the U.S. holder will be deemed to have sold the Equity Shares it holds at their fair market value on the last day of the last fiscal year in which we qualified as a PFIC, and any gain from such deemed sale will be subject to the consequences described below. After the deemed sale election, the Equity Shares with respect to which the deemed sale election was made will not be treated as shares in a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. holder holds our Equity Shares, the U.S. holder may be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of our Equity Shares by the U.S. holder would be allocated ratably over the U.S. holder's holding period for such Equity Shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and would be increased by an additional tax equal to interest on the resulting tax deemed deferred with respect to each such other taxable year. Further, to the extent that any distribution received by a U.S. holder on our Equity Shares exceeds 125% of the average of the annual distributions on such Equity Shares received during the preceding three years or the U.S. holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner described immediately above with respect to gain on disposition.

If we are a PFIC for any fiscal year during which any of our non-U.S. subsidiaries is also a PFIC, a U.S. Holder of our Equity Shares during such year will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules to such subsidiary. U.S. holders should consult their tax advisers regarding the tax consequences if the PFIC rules apply to any of our subsidiaries. Alternatively, if we are a PFIC and if our Equity Shares are ”regularly traded” on a “qualified exchange”, a U.S. holder may be eligible to make a mark-to-market election that would result in tax treatment different from the general tax treatment described above. Our Equity Shares would be treated as ”regularly traded” in any calendar year in which more than a de minimis quantity of the Equity Shares are traded on a qualified exchange on at least 15 days during each calendar quarter. However, because a mark-to-market election cannot be made for equity interests in any lower-tier PFIC that we may own, a U.S. holder that makes a mark-to-market election with respect to us may continue to be subject to the PFIC rules with respect to any indirect investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes. If a U.S. holder makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the Equity Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Equity Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. holder makes the election, the U.S. holder's tax basis in the Equity Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of our Equity Shares in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless our Equity Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. holders are urged to consult their tax advisers about the availability of the mark-to-market election, and whether making the election would be advisable in their particular circumstances.

Alternatively, a U.S. holder of stock in a PFIC may make a so-called ”Qualified Electing Fund” election to avoid the PFIC rules regarding distributions and gain described above. The PFIC taxation regime would not apply to a U.S. holder who makes a QEF election for all taxable years that such U.S. Holder has held our Equity Shares while we are a PFIC, provided that we comply with specified reporting requirements. Instead, each U.S. holder who has made a valid and effective QEF election is required for each taxable year that we are a PFIC to include in income such U.S. Holder's pro rata share of our ordinary earnings as ordinary income and such U.S. Holder's pro rata share of our net capital gains as long-term capital gain, regardless of whether we make any distributions of such earnings or gain. The QEF election is made on a shareholder-by-shareholder basis and generally may be revoked only with the consent of the IRS. Our Company does not intend to provide to U.S. holders the information required to make a valid QEF election and our Company currently makes no undertaking to provide such information. Accordingly, it is currently anticipated that a U.S. holder will not be able to avoid the special tax rules described above by making the QEF election.

In addition, if we are a PFIC or, with respect to particular U.S. holders, are treated as a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the preferential rates discussed above with respect to dividends paid to certain non-corporate U.S. Holders would not apply.

If a U.S. Holder owns our Equity Shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 (Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund) with respect to us, generally with the U.S. holder's federal income tax return for that year. If we are a PFIC for a given taxable year, you should consult your tax advisor concerning your annual filing requirements.

**The U.S. federal income tax rules relating to PFICs are complex. U.S. holders are urged to consult their own tax advisers with respect to the ownership and disposition of our Equity Shares, the consequences if we are or become a PFIC, any elections available with respect to our Equity Shares, and the IRS information reporting obligations with respect to the ownership and disposition of our Equity Shares.**

***Information with Respect to Foreign Financial Assets***

In addition, certain U.S. holders may be subject to certain reporting obligations with respect to Equity Shares if the aggregate value of these and certain other "specified foreign financial assets" exceeds $50,000. If required, this disclosure is made by filing Form 8938 with the IRS. Significant penalties can apply if U.S. holders are required to make this disclosure and fail to do so. In addition, a U.S. holder should consider the possible obligation for online filing of a FinCEN Report 114—Foreign Bank and Financial Accounts Report as a result of holding Equity Shares. U.S. holders are thus encouraged to consult their U.S. tax advisors with respect to these and other reporting requirements that may apply to their acquisition of Equity Shares.

***Information Reporting and Backup Withholding***

In general, information reporting requirements will apply to distributions made on our Equity Shares within the U.S. to a non-corporate U.S. holder and to the proceeds from the sale, exchange, redemption or other disposition of Equity Shares by a non-corporate U.S. holder to or through a U.S. office of a broker. Payments made (and sales or other dispositions effected at an office) outside the U.S. will be subject to information reporting in limited circumstances.

In addition, backup withholding of U.S. federal income tax may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (or otherwise establishes, in the manner provided by law, an exemption from backup withholding) or to report dividends required to be shown on the U.S. holder's U.S. federal income tax returns.

Backup withholding is not an additional income tax, and the amount of any backup withholding from a payment to a U.S. holder will be allowed as credit against the U.S. holder's U.S. federal income tax liability provided that the appropriate returns are filed.

You should consult your own tax advisor as to the qualifications for exemption from backup withholding and the procedures for obtaining the exemption.

***The foregoing does not purport to be a complete analysis of the potential tax considerations relating to this Issue, and is not tax advice. Prospective investors should consult their own tax advisors as to the particular tax considerations applicable to them relating to the purchase, ownership and disposition of the Equity Shares, including the applicability of the U.S. federal, state and local tax laws or non-tax laws, non-U.S. tax laws, and any changes in applicable tax laws and any pending or proposed legislation or regulations.***

## LEGAL PROCEEDINGS

*We are involved in various legal proceedings from time to time, mostly arising in the ordinary course of business. These legal proceedings are primarily in the nature of tax disputes, criminal and civil proceedings, which are pending before various adjudicating forums.*

*Except as disclosed below, in terms of our Company's "Policy for Determination of Materiality of Events/information" ("**Materiality Policy**") framed in accordance with Regulation 30 of the SEBI Listing Regulations, there are no outstanding litigations involving our Company that have been disclosed to the Stock Exchanges, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Placement Document.*

*However, solely for the purpose of the Issue, our Company has disclosed in this section, to the extent applicable, (i) all outstanding criminal matters against our Company (including appeals filed by our Company for matters involving criminal liability on its part). Matters at the first information report stage, whether or not any cognizance has been taken by any court or judicial authority, are also to be considered as outstanding criminal matters; provided that, outstanding criminal proceedings filed by or against our Company under Section 138 of the Negotiable Instruments Act, 1881, as amended, on a consolidated basis, setting out the aggregate number of such proceedings and the aggregate amount involved therein; (ii) violations of the statutory regulations by our Company and our Subsidiaries (including any outstanding penalties, show cause notices and any other notices received) by regulatory authorities and statutory authorities against our Company and our Subsidiaries; (iii) economic offences where proceedings have been initiated against our Company; (iv) outstanding legal proceedings involving our Company and Subsidiaries (includes cases filed by and against), of any nature (including civil, arbitration, tax, criminal (unless otherwise covered in (i), (ii), or (iii) above), if the value or expected impact in terms of value, which involve an amount equivalent to or above ₹341.32 lakhs, which is 5% of average of absolute profit or loss after tax as per the last three Audited Consolidated Financial Statements ("**Materiality Threshold**"); (v) consolidated disclosure of all outstanding tax (both direct and indirect) proceedings (including show cause notices) involving our Company and Subsidiaries and the aggregate amount involved; (vi) outstanding civil proceedings involving our Company and Subsidiaries, wherein the amount involved in such proceeding is equal to or exceeds the Materiality Threshold; and (vii) any other outstanding litigations involving our Company, wherein the amount involved cannot be determined or is below the Materiality Threshold, but in the view of our Company, an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis; (viii) any inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law, in the last three years immediately preceding the year of issue of this Placement Document against our Company and our Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of issue of this placement document for our Company and our Subsidiaries; (ix) details of defaults, if any, in repayment of (a) statutory dues; (b) debentures and interests thereon; (c) deposits and interests thereon; and (d) loan obtained from any bank or financial institution and interest thereon by our Company, as of the date of this Placement Document; (x) details of any material frauds committed against us (on a standalone basis) in the last three years, and if so, action; (xi) details of any defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder, if any; (xii) details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (xiii) summary of reservations, qualifications or adverse remarks of auditors and their impact on the financial statements and financial position of our Company in the last five Fiscal Years immediately preceding the year of circulation of this Placement Document and corrective steps taken by the Company, if any; (xiv) any litigations or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the date of this placement document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action; or (xv) disclosure on the status of the Promoters and Directors of our Company as having been declared as fugitive economic offenders and the status of our Company, our Promoters, and out Directors as having been declared as wilful defaulters.*

*It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company and our Subsidiaries from third parties (excluding statutory / regulatory /governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company and our Subsidiaries, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.*

**Summary of outstanding material legal proceedings involving our Companies and Subsidiaries**

Summary of outstanding litigation and legal proceedings, involving our Company and Subsidiaries, wherever quantifiable for the pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company, as included in this Placement Document:

| Particulars | Outstanding criminal proceedings | Outstanding actions by regulatory authorities and statutory authorities | Proceedings involving economic offences | Material civil litigations | Tax proceedings | Aggregate amount involved (*in ₹ lakhs*)^ |
|---|---|---|---|---|---|---|
| *Company* | | | | | | |
| By the Company | NIL | NA | NA | NIL | NIL | NIL |
| Against the Company | NIL | 1 | NIL | 1 | 4 | 9,753.08 |
| *Subsidiaries* | | | | | | |
| By the Subsidiaries | NA | NA | NA | NIL | NIL | NIL |
| Against the Subsidiaries | NA | NA | NIL | NIL | 1 | - |

^ *To the extent quantifiable*

**1. Litigation involving our Company**

**a. Material civil proceedings involving our Company**

*A.* ***Civil Proceedings filed by our Company***

NIL

*B.* ***Civil Proceedings filed against our Company***

Raheja Leasing and Investment Private Limited ("**Plaintiff**") filed a civil suit against our Company and our present directors, namely, Sachin Agarwal, Priya Ranjan Agarwal, Alok Agarwal, Smita Agarwal, Vishal Mehrotra, Prashuka Jain, and former directors, namely, Brij Lal Gupta, Ajay Kashyap, Krishna Das Gupta, Ashok Kumar Shukla, Rakesh Chandra Katiyar ("**Defendants**"), before the High Court of Bombay ("**High Court**"), alleging non-receipt of notice of the rights issue undertaken by our Company in the financial year 2022-23 in purported violation of, inter alia, Sections 62 and 101 of the Companies Act, 2013 (the "**Suit**"). In terms of the Suit, the Plaintiff has alleged, inter alia, that it was not issued due notice of the rights issue undertaken by our Company (comprising the issuance of 7,858,594 equity shares of face value ₹10 each on a rights basis, in the ratio of 3 rights equity shares for every 2 equity shares held, aggregating to ₹78,585,940) and was consequently deprived of the opportunity to subscribe to 64,800 equity shares offered to it thereunder. The Plaintiff has prayed for, inter alia, a decree directing the transfer of 64,800 fully paid-up equity shares of our Company to the Plaintiff at par value, or in the alternative, a decree for damages of approximately ₹9,473.11 lakhs, on account of the alleged loss claimed to have been suffered by the Plaintiff due to the alleged tortious conduct of the Defendants. Our Company has filed an application under Order VII Rule 11 read with Section 151 of the Code of Civil Procedure, 1908, before the High Court, praying for rejection of the plaint on the grounds that, inter alia, the Plaint discloses no cause of action, the alleged right of the Plaintiff stood extinguished upon expiry of the rights issue subscription period, and the Suit is barred by law as the

remedy, if any, lies exclusively under the Companies Act, 2013. Additionally, our Company has filed a separate interim application challenging the territorial jurisdiction of the High Court to entertain the Suit, seeking revocation of the leave granted to the Plaintiff to institute the Suit. Both applications are currently pending adjudication before the High Court, and the matter is currently pending.

**b. Criminal Proceedings involving our Company**

*A.* ***Criminal Proceedings filed by our Company***

NIL

*B.* ***Criminal Proceedings filed against our Company***

NIL

**c. Actions taken by statutory or regulatory authorities against our Company**

The Assistant Commissioner (Stamps)-II, Lucknow raised a stamp duty demand of ₹13.09 lakhs (plus interest at 1.50% per annum) against our Company in proceedings under Section 47A of the Indian Stamp Act, 1899, alleging deficient stamp duty on a lease deed executed by our Company for certain immovable property, on the ground that an industrial building and machinery on the land were not disclosed or valued therein. Our Company has contended that the order dated September 12, 2022 and the consequent recovery certificate dated October 31, 2022 were passed without notice to it. Our Company has filed a restoration application dated January 13, 2023 before the court of Assistant Commissioner (Stamps)-II, Lucknow seeking to set aside the ex-parte order and recovery certificate, and for restoration of the matter for disposal on merits. The matter is currently pending.

**2. Litigation involving our Subsidiaries**

**Material civil proceedings involving our Subsidiaries**

*A.* ***Civil Proceedings filed by our Subsidiaries***

NIL

*B.* ***Civil Proceedings filed against our Subsidiaries***

NIL

**3. Tax proceedings involving our Company and our Subsidiaries**

We have set out below claims relating to direct and indirect taxes involving our Company and our Subsidiaries in a consolidated manner giving details of number of cases and total amount involved in such claims:

| Nature of case | Number of cases | Amount Involved (*in ₹ lakhs*) |
|---|---|---|
| *Company* | | |
| Direct Tax | 1 | 263.49 |
| Indirect Tax | 3 | 16.59 |
| *Subsidiaries* | | |
| Direct Tax | 1 | - |
| Indirect Tax | NIL | Nil |

**4. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act in the last three years preceding the year of this Placement Document involving our Company and our Subsidiaries, and prosecutions filed, fines imposed, compounding of offences in such period.

5. **Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company**

   There are no material frauds that have been committed against our Company in the last three years immediately preceding the year of this Placement Document.

6. **Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon**

   There is no subsisting instance of default in payment of undisputed statutory dues by the Company during the Fiscals ended March 31, 2026, March 31, 2025, March 31, 2024, and for three months period ended June 30, 2026.

7. **Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder**

   As on the date of this Placement Document, our Company has not defaulted in annual filings under the Companies Act.

8. **Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operation.**

   There are no significant and material orders that have been passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

9. **Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.**

   Except as stated below, there are no reservations, qualifications or adverse remarks of our Statutory Auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document:

   NIL

10. **Details of any litigations or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the date of this placement document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action.**

    There are no litigations or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the date of this placement document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal actions.

11. **Disclosure on status of Promoters or Directors of the Company as fugitive economic offenders. And disclosure, if any, on the wilful defaulter status of the Company, Promoters or Directors, if any.**

    None of our Promoters and Directors are declared as fugitive economic offenders. Further, neither us nor our Promoters or Directors are declared as wilful defaulters.

## OUR STATUTORY AUDITOR

S N Dhawan & CO LLP, Chartered Accountants, are the current independent Statutory Auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI. S N Dhawan & CO LLP, Chartered Accountants, have been appointed as the Statutory Auditors of our Company, pursuant to the approval of the Shareholders of our Company at the AGM held on September 22, 2023, for a term of 5 years commencing from the conclusion of the 60th AGM of the Company till the conclusion of the 65$^{th}$ AGM.

Our statutory auditor, S N Dhawan & CO LLP, Chartered Accountants, have audited the Audited Consolidated Financial Statement for Fiscal 2026, Fiscal 2025 and Fiscal 2024, and reviewed the Condensed Interim Financial Statements for the three months periods ended June 30, 2026 and June 30, 2025, and reviewed the limited reviewed consolidated financial results of the Company for the three months periods ended June 30, 2026 and June 30, 2025, which are included in this Placement Document in section titled "*Financial Information*" on page 327.

## FINANCIAL INFORMATION

| S. No. | Financial Information |
|---|---|
| 1. | Condensed Interim Financial Information as at and for the three months periods ended June 30, 2026 and June 30, 2025 along with the limited review report issued |
| 2. | Consolidated Unaudited Financial Results for the three months period ended June 30, 2026 along with the limited review report issued |
| 3. | Consolidated Unaudited Financial Results for the three months period ended June 30, 2025 along with the limited review report issued |
| 4. | Audited consolidated financial statements for Fiscal 2026 along with audit report issued |
| 5. | Audited consolidated financial statements for Fiscal 2025 along with audit report issued |
| 6. | Audited consolidated financial statements for Fiscal 2024 along with audit report issued |

**Audited Consolidated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled "*Risk Factors*" and "*Financial Information*" on pages 49 and 327, respectively:**

***(in ₹ lakhs, unless otherwise stated)***

| S. No. | Particulars | As at and for the fiscal year ended March 31, 2026 | As at and for the fiscal year ended March 31, 2025 | As at and for the fiscal year ended March 31, 2024 |
|---|---|---|---|---|
| **1.** | Revenue from Operations | 60,277.67 | 30,807.40 | 25,687.92 |
| **2.** | Profit before tax | 12,694.56 | 7,827.47 | 5,414.79 |
| **3.** | Profit for the year | 10,155.87 | 6,101.85 | 4,221.58 |
| **4.** | Equity share capital | 1,499.25 | 1,498.41 | 1,444.09 |
| **5.** | Other Equity | 149,211.74 | 137,167.61 | 63,115.88 |
| **6.** | Non-controlling interests | Nil | Nil | Nil |
| **7.** | Total equity | 150,710.99 | 138,666.02 | 64,559.97 |
| **8.** | Basic earning per equity share (in ₹) | 67.76 | 41.37 | 30.83 |
| **9.** | Dilutes earning per equity share (in ₹) | 67.74 | 41.33 | 30.35 |
| **10.** | Return on equity (%)* | 7.01 | 6.00 | 8.87 |
| **11.** | Net Asset Value per Share (in ₹)** | 1,005.23 | 925.41 | 447.06 |

**Profit for the year divided by Average Total Equity*

***Net Assets (Total assets less total liabilities) divided by number of equity shares*

**Reconciliation of return on equity ("ROE")**

***(in ₹ lakhs, unless otherwise stated)***

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Profit for the year (I) | 10,155.87 | 6,101.85 | 4,221.58 |
| Average Total Equity (II) | 144,688.50 | 101,612.99 | 47,613.20 |
| ROE (I/II) (%) | 7.01 | 6.00 | 8.87 |

**Reconciliation of Average Total Equity**

***(in ₹ lakhs, unless otherwise stated)***

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Total equity | | | |
| Opening balance (I) | 138,666.02 | 64,559.97 | 30,666.43 |
| Closing Balance (II) | 150,710.99 | 138,666.02 | 64,559.97 |
| Average Total Equity ((I) + (II))/2 | 144,688.50 | 101,612.99 | 47,613.20 |

**Reconciliation of Net Asset Value per Share**

***(in ₹ lakhs, unless otherwise stated)***

| Particulars | As at March 31, 2026 | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Total assets (I) | 195,624.67 | 158,383.68 | 89,568.57 |
| Total liabilities (II) | 44,913.68 | 19,717.66 | 25,008.60 |
| Net assets (III=I-II) | 150,710.99 | 138,666.02 | 64,559.97 |
| Equity Shares (IV) | 1,49,92,549 | 1,49,84,126 | 1,44,40,873 |
| Net Asset Value per Share (V=III*10^5)/IV) (in ₹) | 1,005.23 | 925.41 | 447.06 |

**S N Dhawan & CO LLP**
Chartered Accountants

51-52, Sector 18, Phase-IV, Udyog Vihar,
Gurugram, Haryana 122015, India
Tel +91 124 481 4444

**Independent Auditor's Review Report on Unaudited Interim Special Purpose Condensed Consolidated Financial Information**

**To the Board of Directors of PTC Industries Limited**

**Introduction**

1. We have reviewed the accompanying Unaudited Interim Special Purpose Condensed Consolidated Financial Information of PTC Industries Limited ( **the Holding Company**") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "**the Group**") and its share of the net profit after tax and total comprehensive income of its joint venture, comprising the interim condensed consolidated Balance Sheet as at 30 June 2026, and the related interim condensed consolidated Statement of Profit & Loss for the quarter ended 30 June 2026, interim condensed consolidated Statement of Cash Flows and interim condensed consolidated Statement of Changes in Equity for the three months period ended 30 June 2026 and an interim condensed summary of material accounting policy information and other selected explanatory information, (hereinafter referred to as "**Interim Condensed Consolidated Financial Information**").

2. The Interim Condensed Consolidated Financial Information, which is the responsibility of the Holding Company's Management and have been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("**Ind AS 34**") prescribed under Section 133 of the Companies Act, 2013 ("**Act**") and other accounting principles generally accepted in India. These Interim Condensed Consolidated Financial Information have been prepared by the Holding Company solely for the purpose of inclusion in the preliminary placement document and placement document (hereinafter collectively referred to as the "**Offer Documents**"), in connection with a proposed Qualified Institutions Placement of Equity Shares of the Holding Company (such placement, the "**Issue**" or "**QIP**").Our responsibility is to express a conclusion on the Interim Condensed Consolidated Financial Information based on our review.

**Scope of Review**

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financia information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the other matters referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Information are not prepared, in all material respects, in accordance with the recognition and measurement principles of Ind AS 34 prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, or that it contains any material misstatement.

**Other matters**

5. As stated in paragraph 2 of the Interim Condensed Consolidated Financial Information, these condensed financial information has been compiled by the management of the Holding Company from Unaudited Consolidated Financial Results of the Group for quarters ended 30 June 2026 and 30 June 2025 and consolidated financial statements for the year ended 31 March 2026. We have reviewed the consolidated financial results for the quarters ended 30 June 2026 and 30 June 2025 and have issued unmodified conclusions via our review reports dated 14 August 2026 and 8 August 2025 respectively. We have audited the consolidated financial results for the year ended 31 March 2026 have issued unmodified opinion via our audit report dated 30 May 2026.

   Our respective review reports and audit report include the following other matter paragraphs) We did not review the financial information of 4 subsidiaries, whose financial information reflect total consolidated revenues of Rs. 7,143.90 lakhs, total consolidated net profit after tax of Rs. 192.52 lakhs and total consolidated comprehensive income of Rs. 147.65 lakhs, for the quarter ended 30 June 2026. These financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the reports of the other auditors and the procedure performed by us.

   In respect of a joint venture, whose financial statements has not been considered, , according to the information and explanations given to us by the Management, the joint venture has not started its operation till 30 June 2026 and accordingly, is not material to the Group.

   b) We did not audit the consolidated financial statements and other financial information, in respect of a subsidiary, whose financial statements include total assets of Rs.22,910.26 lakhs as at 31 March 2026, total revenues of Rs. 24701.44 lakhs and net cash outflows of Rs.1021.01 lakhs for the year ended on that date. These consolidated financial statements and other consolidated financial information have been audited by other auditors whose reports have been furnished to us by the Management. In respect of a joint venture, whose financial statements has not been considered, according to the information and explanations given to us by the management, the joint venture has not started its operation till 31 March 2026 and accordingly, is not material to the Group.

   c) The financial information in respect of 4 subsidiaries including step down subsidiaries, whose financial information reflect total revenues of Rs.4,706.26 lakhs and total loss after tax of Rs.827.55 lakhs for the quarter ended 30 June 2025 has been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards in their respective country whose reports have been furnished to us by the Holding Company's Management. The Holding Company's Management has converted the interim financial information of such subsidiaries to Holding Company's accounting principles. We have reviewed the conversion adjustments done by the Holding Company's Management and our conclusion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the reports of the other auditors, the conversion adjustment and the procedures performed by us.

   In respect of a joint venture, whose financial results has not been considered according to the information and explanations given to us by the Management, the joint venture has not started its operation till 30 June 2025 and accordingly, is not material to the Group.

   Our conclusion on the Interim Condensed Consolidated Financial Information is not modified in respect of these matters.

**Restriction on use**

6. This report has been issued at the request of the Board of Directors of the Holding Company to whom it is addressed for the purpose of preparation of the Interim Condensed Consolidated Financial Information for inclusion in the Offer Documents in connection with the Issue.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

**Rajeev Kumar Saxena**
Partner
Membership No.: 077974
UDIN: 26077974QAACSN2143

**Place:** Gurugram
**Date:** 5 October 2026

**PTC Industries Limited**
**Special Purpose Condensed Interim Consolidated Balance Sheet as at 30 June 2026**
(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | As at 30 June 2026 | As at 31 March 2026 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 54,713.86 | 53,844.92 |
| Capital work-in-progress | 35,886.46 | 31,064.89 |
| Investment property | 164.61 | 164.61 |
| Goodwill on consolidation | 6,306.32 | 6,306.32 |
| Other intangible assets | 3,923.47 | 4,125.81 |
| Financial assets | | |
| (i) Investments | 273.70 | 273.70 |
| (ii) Other financial assets | 7,650.73 | 707.59 |
| Non-current tax assets (net) | 401.58 | 208.78 |
| Other non-current assets | 9,729.50 | 9,218.52 |
| **Total non-current assets** | **119,050.23** | **105,915.14** |
| **Current assets** | | |
| Inventories | 32,009.23 | 29,900.80 |
| Financial assets | | |
| (i) Investments | 10.12 | 9.08 |
| (ii) Trade receivables | 24,170.75 | 27,392.56 |
| (iii) Cash and cash equivalents | 4,154.25 | 3,467.75 |
| (iv) Bank balances other than (iii) above | 7,101.70 | 10,188.83 |
| (v) Loans | 183.18 | 186.62 |
| (vi) Other financial assets | 191.79 | 7,668.04 |
| Other current assets | 13,115.99 | 10,895.85 |
| **Total current assets** | **80,937.01** | **89,709.53** |
| **TOTAL ASSETS** | **199,987.24** | **195,624.67** |
| **EQUITY AND LIABILITIES** | | |
| **Equity** | | |
| Equity share capital | 1,499.25 | 1,499.25 |
| Other equity | 152,244.44 | 149,211.74 |
| **Total equity** | **153,743.69** | **150,710.99** |
| **Non-current liabilities** | | |
| Financial liabilities | | |
| (i) Borrowings | 17,991.22 | 15,122.56 |
| (ii) Other financial liabilities | 1,300.26 | 560.03 |
| Provisions | 138.67 | 139.44 |
| Deferred tax liabilities (net) | 2,488.79 | 2,342.95 |
| Other non-current liabilities | 618.32 | 635.00 |
| **Total non-current liabilities** | **22,537.26** | **18,799.98** |
| **Current liabilities** | | |
| Financial liabilities | | |
| (i) Borrowings | 9,407.98 | 11,011.63 |
| (ii) Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 1,014.04 | 718.66 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 6,364.31 | 5,828.13 |
| (iii) Other financial liabilities | 2,677.74 | 3,678.25 |
| Other current liabilities | 3,498.96 | 4,433.61 |
| Provisions | 176.69 | 131.93 |
| Current tax liabilities (net) | 566.57 | 311.49 |
| **Total current liabilities** | **23,706.29** | **26,113.70** |
| **TOTAL EQUITY AND LIABILITIES** | **199,987.24** | **195,624.67** |

This is the Special Purpose Condensed Interim Consolidated Balance Sheet referred to in our report of even date.

**For S N Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 5 October 2026

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 5 October 2026

**PTC Industries Limited**
**Special Purpose Condensed Interim Consolidated Statement of Profit and Loss for the period ended 30 June 2026**
(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| **Income** | | |
| Revenue from operations | 19,179.75 | 9,714.63 |
| Other income | 531.59 | 1,056.69 |
| **Total income** | **19,711.34** | **10,771.32** |
| **Expenses** | | |
| Cost of materials consumed | 7,591.28 | 4,091.38 |
| Changes in inventories of finished goods and work-in-progress | (4,824.59) | (2,867.88) |
| Employee benefits expense | 4,600.12 | 3,394.49 |
| Other expenses | 6,923.26 | 4,218.12 |
| **Total expenses** | **14,290.07** | **8,836.11** |
| **Profit before finance cost, depreciation and amortisation and tax** | **5,421.27** | **1,935.21** |
| Finance costs | 362.42 | 167.21 |
| Depreciation and amortisation expense | 1,384.20 | 862.58 |
| **Profit before exceptional item and tax** | **3,674.65** | **905.42** |
| **Profit before tax** | **3,674.65** | **905.42** |
| **Tax expense:** | | |
| Current tax - current period | 626.76 | 402.58 |
| Deferred tax charge | 128.62 | (12.72) |
| **Total tax expenses** | **755.38** | **389.86** |
| **Profit for the period** | **2,919.27** | **515.56** |
| **Other comprehensive income** | | |
| **A) Items that will not be reclassified to profit or loss** | | |
| (i) Remeasurement of defined benefit plan | 7.47 | (8.32) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | (1.72) | 2.05 |
| **B) Items that will be reclassified to profit or loss** | | |
| (i) Exchange differences in translating the financial Information of foreign operations | (59.96) | 737.78 |
| (ii) Income tax relating to items that will be reclassified to profit or loss | 15.09 | (185.68) |
| **Other comprehensive income/(loss) for the period (net of tax)** | **(39.12)** | **545.83** |
| **Total comprehensive income for the period** | **2,880.15** | **1,061.39** |
| | | |
| **Earnings per equity share [Nominal value ₹10]** | | |
| Basic (₹) | 19.47 | 3.44 |
| Diluted (₹) | 19.46 | 3.44 |

This is the Special Purpose Condensed Interim Consolidated Statement of Profit and Loss referred to in our report of even date

**For S N Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 5 October 2026

Place: Lucknow
Date: 5 October 2026

**PTC Industries Limited**
**Special Purpose Condensed Interim Consolidated Statement of Cash Flows for the period ended 30 June 2026**
(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| Net profit before tax | 3,674.65 | 905.42 |
| **Adjustment for:** | | |
| Foreign currency translation reserve | (44.87) | 737.78 |
| Depreciation and amortisation expense | 1,384.20 | 862.58 |
| (Gain)/loss on disposal/discard of property plant and equipment (net) | - | 134.61 |
| Provision for doubtful debts, loans and advances | 20.00 | - |
| Amortisation of deferred income - government grant | (16.67) | (16.67) |
| Interest expense | 308.96 | 101.06 |
| Share based payment expense | 152.56 | 15.80 |
| Remeasurement of defined benefit plan | 7.47 | (8.32) |
| Interest from assets valued at amortised cost | (335.58) | (631.39) |
| **Operating profit before working capital changes (current and non-current)** | **5,150.72** | **2,100.87** |
| **Inflow and outflow on account of:** | | |
| Changes in trade receivables | 3,201.81 | 298.16 |
| Changes in inventories | (2,108.43) | (3,897.14) |
| Changes in other financial assets | (108.32) | (36.80) |
| Changes in other assets | (2,183.27) | (1,802.80) |
| Changes in financial assets-loans | 3.44 | 5.34 |
| Changes in provisions | 43.99 | 33.98 |
| Changes in trade and other payables | 831.56 | (800.19) |
| Changes in other financial liabilities | 1,092.61 | 26.15 |
| Changes in other liabilities | (934.65) | 881.88 |
| **Cash generated from/ (used in) operations before tax** | **4,989.46** | **(3,190.55)** |
| Income taxes paid (net) | (564.48) | (263.65) |
| **Net cash generated from/ (used in) operating activities [A]** | **4,424.98** | **(3,454.20)** |
| **B. Cash flow from investing activities** | | |
| Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods] | (8,758.65) | (8,143.91) |
| Interest received | 301.03 | 91.27 |
| Other bank balances not considered as cash and cash equivalents (net) | 3,763.10 | (461.34) |
| **Net cash used in investing activities [B]** | **(4,694.52)** | **(8,513.98)** |
| **C. Cash flow from financing activities** | | |
| Proceeds from long-term borrowings | 193.76 | 2,273.81 |
| Repayment of long-term borrowings | (78.00) | - |
| Proceed / Repayment of Short-term borrowings (net) | 1,403.22 | 1,999.25 |
| Repayment of lease liability | (253.98) | (334.43) |
| Finance cost paid | (308.96) | (101.06) |
| Proceeds from issue of equity shares (net of cost issuance expenses) | - | (1.50) |
| **Net cash generated from financing activities [C]** | **956.04** | **3,836.07** |
| **D. Net (decrease)/increase in cash and cash equivalents [A+B+C]** | **686.50** | **(8,132.11)** |
| E. Cash and cash equivalents at the beginning of the period | 3,467.75 | 18,954.81 |
| **Closing balance of cash and cash equivalent [D+E]** | **4,154.25** | **10,822.70** |

| **Components of cash and cash equivalents:** | **As at 30 June 2026** | **As at 30 June 2025** |
|---|---|---|
| Balances with banks | 1,137.84 | 683.86 |
| Cash on hand | 14.41 | 5.84 |
| Balance in deposit account with original maturity upto three months | 3,002.00 | 10,133.00 |
| **Total cash and cash equivalents** | **4,154.25** | **10,822.70** |

This is the Special Purpose Condensed Interim Consolidated Statement of Cash Flow Statement referred to in our report of even date.

**For S N Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 5 October 2026

Place: Lucknow
Date: 5 October 2026

**PTC Industries Limited**
**Special Purpose Condensed Interim Consolidated Statement of Changes in Equity for the period ended 30 June 2026**
(All amounts in ₹ lakhs, unless stated otherwise)

**A. Equity share capital**

| Particulars | No. of shares | Amount |
|---|---|---|
| **Balance as at 1 April 2025** | **14,984,126** | **1,498.41** |
| Changes in equity share capital during the year | 8,423 | 0.84 |
| **Balance as at 1 April 2026** | **14,992,549** | **1,499.25** |
| Changes in equity share capital during the period | - | - |
| **Balance as at 30 June 2026** | **14,992,549** | **1,499.25** |

**B. Other equity**

| | Reserves and surplus | | | | Other reserves | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Share based payment reserve | Exchange difference on translating the financial Information of foreign operations | Equity instruments through other comprehensive income | |
| **Balance as at 1 April 2025** | **1.75** | **111,423.77** | **4,624.17** | **20,384.02** | **434.41** | **299.48** | **0.01** | **137,167.61** |
| Profit for the year | - | - | - | 10,155.87 | - | | | 10,155.87 |
| Share based payment expense | - | - | - | - | 42.30 | | - | 42.30 |
| Remeasurement of defined benefit plan | - | - | - | 28.08 | - | | - | 28.08 |
| Foreign currency translation reserve | - | - | - | - | | 1,695.69 | | 1,695.69 |
| Securities premium | | 33.03 | | | | | | 33.03 |
| Share issue expenses | - | (3.84) | - | - | - | | - | (3.84) |
| Others | - | | | 93.00 | | | | 93.00 |
| **Balance as at 1 April 2026** | **1.75** | **111,452.96** | **4,624.17** | **30,660.97** | **476.71** | **1,995.17** | **0.01** | **149,211.74** |
| Profit for the period | - | - | - | 2,919.27 | - | | | 2,919.27 |
| Share based payment expense | - | - | - | - | 152.55 | | - | 152.55 |
| Remeasurement of defined benefit plan | - | - | - | 5.75 | - | | - | 5.75 |
| Foreign currency translation reserve | - | - | - | - | | (44.87) | | (44.87) |
| **Balance as at 30 June 2026** | **1.75** | **111,452.96** | **4,624.17** | **33,585.99** | **629.26** | **1,950.30** | **0.01** | **152,244.44** |

This is the Special Purpose Condensed Interim Consolidated Statement of Changes in Equity referred to in our report of even date.

**For S N Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Rajeev Kumar Saxena**
Partner
Membership No. 077974
Place: Lucknow Date: 5 October 2026

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885
Place: Lucknow Date: 5 October 2026

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

**PTC Industries Limited**
**Summary of material accounting policies and other explanatory information for the period ended 30 June 2026**

## 1. Group information

PTC Industries Limited (the 'Company') is a public limited company incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") in India.

## 2. General information and statement of compliance with Ind AS

These Condensed Interim Consolidated Financial Information of PTC Industries Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the quarter ended 30 June 2026 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards (Ind AS) -34 notified under Section 133 of Companies Act, 2013 (the 'Act') and other accounting principles generally accepted in India. These Interim Condensed Consolidated Financial Information have been prepared by the Holding Company solely for the purpose of inclusion in the preliminary placement document and placement document (hereinafter collectively referred to as the "**Offer Documents**"), in connection with a proposed Qualified Institutions Placement of Equity Shares of the Holding Company (such placement, the "**Issue**" or "**QIP**")

These Interim Condensed Consolidated Financial Information has been compiled by the management of the Holding Company from Unaudited Consolidated Financial Results of the Group for quarters ended 30 June 2026 and 30 June 2025 and consolidated financial statements for the year ended 31 March 2026.

## 3. Basis of preparation and presentation

These Condensed Interim Consolidated Financial Information has been compiled by the management of the Holding Company from Unaudited Consolidated Financial Results of the Group for quarters ended 30 June 2026 and 30 June 2025 and consolidated Financial Information for the year ended 31 March 2026

The Condensed Interim Consolidated Financial Information have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

**Basis of consolidation**

Subsidiary is the entity over which the Holding Company has control. Control exists when the Holding Company has power over the entity, is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial Information of subsidiary is included in the Condensed Interim Consolidated Financial Information from the date on which control commences until the date on which control ceases.

The financial Information of the Holding Company and the subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 - "Consolidated Financial Information".

Profits or losses resulting from intra-group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full. In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

As far as possible, the Condensed Interim Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial Information.

The Condensed Interim Consolidated Financial Information include the Condensed Interim Consolidated Balance Sheet, Condensed Interim Consolidated Statement of Profit and Loss, Condensed Interim Consolidated Statement of Cash Flows, Condensed Interim Consolidated Statement of Changes in Equity and the summary of material accounting policies and other explanatory information that form an integral part thereof.

Consolidated subsidiary is having consistent reporting date of 30 June 2026.

Following are the details of the subsidiaries and Joint Venture consolidated in these Condensed Interim Consolidated Financial Information.

| Name of the entity | Country of incorporation | Interest (in %) | |
|---|---|---|---|
| | | 30 June 2026 | 31 March 2026 |
| Aerolloy Technologies Limited (Wholly owned subsidiary) | India | 100% | 100% |
| Advance Material (Defence) Testing Foundation (Joint Venture) | India | 20% | 20% |
| Trac Holdings Limited (Wholly owned subsidiary) | United Kingdom | 100% | 100% |
| Trac Precision Solutions Limited (Step down subsidiary) | United Kingdom | 100% | 100% |
| Broomco Limited (Step down subsidiary) | United Kingdom | 100% | 100% |
| Trac Group Limited (Step down subsidiary) | United Kingdom | 100% | 100% |

## 4. Summary of material accounting policies

The Condensed Interim Consolidated Financial Information have been prepared using the material accounting policies and measurement basis summarized below.

### a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realised in, or is intended to be sold or consumed in, the Group's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realised within twelve months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the Group's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within twelve months after the reporting date; or
4) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**b) Property, plant and equipment**

**Recognition, measurement and de-recognition**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalized as per the policy stated in note 4(j) below.

**Subsequent expenditure**

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

**Depreciation**

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

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

The estimated useful lives of items of property, plant and equipment are as follows:

| Particulars | Management estimate of useful life (years) |
|---|---|
| Factory and non-factory buildings | 30 – 60 |
| Plant and machinery | 2 – 15 |
| Furniture and fixtures | 10 |
| Vehicles | 8 – 10 |
| Office equipment | 5 |
| Computers | 3 – 6 |
| Electrical installations | 10 |

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

**c) Capital work-in-progress**

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

**d) Intangible assets**

**Recognition, measurement and de-recognition**

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

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 recognised in the Statement of Profit and Loss when the asset is derecognised.

**Subsequent expenditure**

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

**Amortisation**

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

**e) Inventories**

Inventories are stated at the lower of cost and net realisable value.

**Raw materials, packing material, stores and spares and loose tools:** The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**Work-in-progress and manufactured finished goods:** Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

**f) Trade receivables**

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

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**g) Foreign exchange transactions**

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

**h) Employee benefits**

**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**iii. Defined benefit plans**

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv. Other long-term employee benefits**

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

**i) Revenue**

**i. Sale of goods**

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Group follows a 5-step process:

(i) Identifying the contract with a customer

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. 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, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

**ii. Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**iii. Income from power generation**

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

**iv. Export benefits/incentives**

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**j) Borrowings**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

**k) Government grants**

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

**l) Right of use assets and lease liabilities**

For all existing and new contract, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

**The Group as a lessee**

*Classification of leases*

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

*Recognition and initial measurement*

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

*Subsequent measurement*

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

**The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

**m) Financial instruments**

**i. Recognition and initial measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

**ii. Subsequent measurement**

**Financial assets**

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above – Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

**De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

**Impairment of financial assets**

The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Financial liabilities**

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**n) Fair value measurement**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**o) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash management.

**p) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

**q) Provisions, contingent liabilities and contingent assets**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings.

**r) Taxation**

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the Condensed Interim Consolidated Financial Information. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Group's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Group expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's Board of Directors assesses the financial performance and position of the Group, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Group's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Group's primary business segment is reflected based on principal business activities carried on by the Group. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Group operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Group's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 14 for segment information presented.

**t) Derivative financial instruments**

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

**u) Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortisation expense, finance costs and tax expense.

## 5 Borrowings

### (a) Non-current borrowings

| Particulars | As at 30 June 2026 | As at 31 March 2026 |
|---|---|---|
| **Secured** | | |
| Term loans from banks | 18,112.05 | 18,096.72 |
| Vehicle loans from banks and financial institutions | 333.77 | 233.34 |
| **Unsecured** | | |
| Lease liabilities | 341.07 | 330.38 |
| Total Borrowings | **18,786.89** | **18,660.44** |
| Less: Current maturities of long term borrowings | (795.67) | (3,537.88) |
| **Total non-current borrowings** | **17,991.22** | **15,122.56** |

### (b) Current borrowings

| Particulars | As at 30 June 2026 | As at 31 March 2026 |
|---|---|---|
| **Secured** | | |
| Working capital loans from banks | 7,166.15 | 5,717.92 |
| Current maturities of long-term borrowings | 795.67 | 3,537.88 |
| **Unsecured** | | |
| Bills discounted | 1,403.38 | 1,448.39 |
| Lease liabilities | 42.78 | 307.44 |
| **Total current borrowings** | **9,407.98** | **11,011.63** |

## 6 Revenue from operations

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| Sale of products | 19,068.20 | 9,614.12 |
| Other operating revenue | 111.55 | 100.51 |
| **Total revenue from operations** | **19,179.75** | **9,714.63** |

## 7 Other income

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| Interest | | |
| - from bank deposits valued at amortised cost | 335.58 | 631.39 |
| Rent income from investment property and property, plant and equipment | 15.05 | 14.34 |
| Gain on foreign exchange fluctuation (net) | 163.16 | 394.19 |
| Amortisation of deferred income | 16.67 | 16.67 |
| Miscellaneous income | 1.13 | 0.10 |
| **Total other income** | **531.59** | **1,056.69** |

## 8 Cost of materials consumed

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| Raw materials at the beginning of the period | 5,919.88 | 6,444.96 |
| Add: Purchases | 7,663.06 | 3,970.89 |
| Less: Closing stock | 5,991.66 | 6,324.47 |
| **Cost of materials consumed** | **7,591.28** | **4,091.38** |

## 9 Changes in inventories of finished goods and work-in-progress

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| **Inventories at the beginning of the period** | | |
| Work-in-progress | 22,224.09 | 12,537.00 |
| Finished goods | 127.67 | 196.35 |
| | **22,351.76** | **12,733.35** |
| Add/(Less): Inventory on acquisition of Trac / overhead absorption adjustment at subsidiary level | (3,273.91) | 906.91 |
| | **19,077.85** | **13,640.26** |
| **Inventories at the end of the period** | | |
| Work-in-progress | 23,581.15 | 16,365.22 |
| Finished goods | 321.29 | 142.92 |
| | **23,902.44** | **16,508.14** |
| **Changes in inventories of finished goods and work-in-progress** | **(4,824.59)** | **(2,867.88)** |

## 10 Employee benefits expense

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| Salaries, wages and bonus | 3,692.72 | 2,786.43 |
| Contribution to provident and other funds | 682.29 | 556.96 |
| Gratuity expense | 36.50 | 14.30 |
| Staff welfare expenses | 36.05 | 21.00 |
| Employee stock option payment expenses | 152.56 | 15.80 |
| **Total employee benefits expense** | **4,600.12** | **3,394.49** |

## 11 Other expenses

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| **Manufacturing expenses** | | |
| Stores and spares consumed | 1,703.09 | 1,238.34 |
| Power and fuel | 1,029.55 | 645.00 |
| Repairs and maintenance | - | 139.36 |
| - plant and machinery | 361.77 | 156.10 |
| - building | 26.40 | 13.97 |
| Packing and general consumables | 75.45 | 54.82 |
| Processing and work charges | 1,810.18 | 270.68 |
| Freight expenses | 96.95 | 12.66 |
| Outsourced services | 265.65 | 150.11 |
| Testing and inspection charges | 246.59 | 217.82 |
| **Sub-total (A)** | **5,615.63** | **2,898.86** |
| **Administrative, selling and other expenses** | | |
| Rent | 129.55 | 120.39 |
| Rates and taxes | 98.79 | 78.54 |
| Insurance expenses | 119.34 | 94.50 |
| Security expenses | 50.01 | 30.06 |
| Legal and professional expenses | 139.65 | 89.78 |
| Payment to auditors | 6.07 | 5.75 |
| Travelling and conveyance | 156.38 | 139.05 |
| Vehicle running and maintenance | 61.35 | 50.91 |
| Communication expenses | 18.26 | 12.57 |
| Printing and stationery | 18.33 | 15.74 |
| Training and recruitment | 37.00 | 32.72 |
| Seminar, conferences and exhibitions | 7.91 | 8.91 |
| Financial instruments measured at fair value | - | 274.00 |
| Gain/(loss) on foreign exchange fluctuation (net) | 12.95 | - |
| Freight and clearing | 126.53 | 53.49 |
| Work charges - customer end | - | 0.33 |
| Late delivery charges | 59.24 | 2.98 |
| Advertisement and promotion | 1.49 | 0.32 |
| Donation and charity | 1.64 | 0.18 |
| Loss on sale of assets (net) | 3.76 | 134.61 |
| Computer expenses | 72.36 | 92.56 |
| Corporate social responsibility expenses | 42.63 | 27.19 |
| Bad debts written off | 20.00 | - |
| Business promotion expenses | 17.68 | 10.42 |
| Office upkeep and maintenance charges | 41.43 | 13.22 |
| Miscellaneous expenses | 65.28 | 31.04 |
| **Sub-total (B)** | **1,307.63** | **1,319.26** |
| **Grand total (C=A+B)** | **6,923.26** | **4,218.12** |

## 12 Finance costs

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| **Interest expense on borrowings measured at amortised cost** | | |
| - on working capital loans | 142.40 | 83.65 |
| - on term loans | 149.81 | 10.41 |
| Interest on others | 16.75 | 6.99 |
| Bank charges | 53.46 | 66.16 |
| **Total finance costs** | **362.42** | **167.21** |

## 13 Contingent liabilities and commitments

### (i) Capital commitments

| Particulars | As at 30 June 2026 | As at 31 March 2026 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 14,742.03 | 13,738.85 |

**(ii) Contingent liabilities**

| Particulars | As at 30 June 2026 | As at 31 March 2026 |
|---|---|---|
| **Other contingent liabilities** | | |
| Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 16.59 lakhs (31 March 2026: ₹ 16.59 lakhs)]* | 16.59 | 16.59 |

*In respect of the above matters pending at various authorities (GST cases are pending at appellate authority and sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the Group believes that it has a good chance of success in all the above mentioned cases.

**(iii) Guarantees excluding financial guarantees**

| Particulars | As at 30 June 2026 | As at 31 March 2026 |
|---|---|---|
| In respect of non fund-based working capital facilities from banks: | | |
| - Bank guarantees | 8,745.11 | 9,137.90 |

## 14 Segment information

The Board of Directors of the Holding Company has been identified as the chief operating decision maker. The Group operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. Accordingly, no separate business segment information is presented. Geographical information, based on the location of customers, is given below.

**(a) Revenue from operations**

| Particulars | For the period ended 30 June 2026 | For the period ended 30 June 2025 |
|---|---|---|
| Within India | 6,333.08 | 1,126.72 |
| Outside India | 12,846.67 | 8,587.91 |
| **Total revenue from operations** | **19,179.75** | **9,714.63** |

As per our report of even date.

**For S N Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 5 October 2026

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 5 October 2026

S N Dhawan & CO LLP
Chartered Accountants

51-52, Sector 18, Phase-IV, Udyog Vihar,
Gurugram, Haryana 122015, India
Tel +91 124 481 4444

**Review Report on Unaudited Consolidated Financial Results**

**To the Board of Directors of PTC Industries Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of PTC Industries Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended 30 June 2026 and the year to date results for the period from 01 April 2026 to 30 June 2026 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:
   (i) PTC Industries Limited (Holding company)
   (ii) Aerolloy Technologies Limited (Wholly owned subsidiary company)
   (iii) Trac Holdings Limited (Wholly owned subsidiary company w.e.f. 19th December 2024)
   (iv) Trac Precision Solutions Limited (Step down subsidiary company w.e.f. 19th December 2024)
   (v) Broomco Limited (Step down subsidiary company w.e.f. 19th December 2024)
   (vi) Trac Group Limited (Step down subsidiary company w.e.f. 19th December 2024)
   (vii) Advance Material (Defence) Testing Foundation (Joint venture w.e.f. 24 July 2024)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the financial information of 4 subsidiaries included in the Statement, whose financial information reflect total consolidated revenues of Rs. 7,143.90 lakhs, total consolidated net profit after tax of Rs. 192.52 lakhs and total consolidated comprehensive income of Rs. 147.65 lakhs, for the quarter ended 30 June 2026. These financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

In respect of a joint venture, whose financial statements has not been considered in the consolidated financial statements, according to the information and explanations given to us by the management, the joint venture has not started its operation till 30 June 2026 and accordingly, is not material to the Group.

Our conclusion on the Statement is not modified in respect of these matters.

For **S N Dhawan & COLLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

**Rajeev Kumar Saxena**
Partner
Membership No.: 077974
UDIN: 26077974ZNELXA2553

**Place:** Gurugram
**Date:** 14 August 2026

S N Dhawan & CO LLP
Chartered Accountants

51-52, Sector 18, Phase-IV, Udyog Vihar,
Gurugram, Haryana 122015, India
Tel +91 124 481 4444

**Review Report on Unaudited Standalone Financial Results**

**To the Board of Directors of PTC Industries Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **PTC Industries Limited** ("the Company") for the quarter ended 30 June 2026 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34') prescribed under Section 133 of the Companies Act, 2013 ("the Act"), other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

**Rajeev Kumar Saxena**
Partner
Membership No.: 077974
UDIN: 26077974NBOAXA5760

**Place:** Gurugram
**Date:** 14 August 2026

S N Dhawan & CO LLP is registered with limited liability with identification number AAH-1125 and its registered office is 108, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi 110001, India

PTC INDUSTRIES

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**PTC Industries Limited**
(Regd.Off.: NH 25A, Sarai Shahjadi, Lucknow- 226401, Ph: 0522-711 1017, Fax : 0522-711 1020)
(Website: www.ptcil.com; email: ptc@ptcil.com; CIN: L27109UP1963PLC002931)

**Statement of consolidated financial results for the quarter ended 30th June 2026** **(₹ in lakhs, except per share data)**

| | Particulars | 3 months ended 30 June 2026 | Preceding 3 months ended 31 March 2026 | Corresponding 3 months ended in the previous year 30 June 2025 | Previous Year ended 31 March 2026 |
|---|---|---|---|---|---|
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 | **Income** | | | | |
| | (a) Revenue from operations | 19,179.75 | 22,547.07 | 9,714.63 | 60,277.67 |
| | (b) Other income | 531.59 | 1,184.35 | 1,056.69 | 4,050.88 |
| | **Total income** | **19,711.34** | **23,731.42** | **10,771.32** | **64,328.55** |
| 2 | **Expenses** | | | | |
| | (a) Cost of materials consumed | 7,591.28 | 9,564.25 | 4,091.38 | 34,264.37 |
| | (b) Changes in inventories of finished goods and work-in-progress | (4,824.59) | (5,266.33) | (2,867.88) | (23,665.84) |
| | (c) Employee benefits expense | 4,600.12 | 4,238.06 | 3,394.49 | 15,076.56 |
| | (d) Finance costs | 362.42 | 240.45 | 167.21 | 864.03 |
| | (e) Depreciation and amortisation expense | 1,384.20 | 958.39 | 862.58 | 3,669.29 |
| | (f) Other expenses | 6,923.26 | 6,755.41 | 4,218.12 | 21,425.58 |
| | **Total expenses** | **16,036.69** | **16,490.23** | **9,865.90** | **51,633.99** |
| 3 | **Profit before tax (1-2)** | **3,674.65** | **7,241.19** | **905.42** | **12,694.56** |
| 4 | **Tax expense:** | | | | |
| | (a) Current tax | 626.76 | 914.30 | 402.58 | 2,146.07 |
| | (b) Deferred tax | 128.62 | 335.81 | - 12.72 | 392.62 |
| | **Total tax expense** | **755.38** | **1,250.11** | **389.86** | **2,538.69** |
| 5 | **Profit for the period/ year (3-4)** | **2,919.27** | **5,991.08** | **515.56** | **10,155.87** |
| 6 | Other comprehensive income | | | | |
| | (i) Items that will not be reclassified to the statement of profit and loss | 7.47 | 46.83 | (8.32) | 21.87 |
| | (ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss | (1.72) | (0.05) | 2.05 | 6.21 |
| | B) Items that will be reclassified to profit or loss | | - | - | - |
| | (i) Exchange differences in translating the financial statement of foreign operation | (59.96) | 590.57 | 737.78 | 1,695.69 |
| | (ii) Income-tax relating to items that will be reclassified to the statement of profit and loss | 15.09 | (148.63) | (185.68) | (426.77) |
| | **Total other comprehensive income** | **(39.12)** | **488.72** | **545.83** | **1,297.00** |
| 7 | **Total comprehensive income for the period (comprising profit and other comprehensive income for the period/ year) (5+6)** | **2,880.15** | **6,479.80** | **1,061.39** | **11,452.87** |
| 8 | Paid-up equity share capital (₹ 10 per share) | | | | 1,499.25 |
| 9 | Other equity as per balance sheet | | | | 149,211.74 |
| 10 | **Earnings per share (Face value of ₹ 10/- each):** | | | | |
| | (a) Basic* | 19.47 | 39.96 | 3.44 | 67.76 |
| | (b) Diluted* | 19.46 | 39.94 | 3.44 | 67.74 |

* not annualised

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(Regd.Off.: NH 25A, Sarai Shahjadi, Lucknow- 226401, Ph: 0522-711 1017, Fax : 0522-711 1020)
(Website: www.ptcil.com; email: ptc@ptcil.com; CIN: L27109UP1963PLC002931)

**Notes:**

1 The unaudited consolidated financial results of the Company ("the Holding Company"), its subsidiaries and its joint venture ( collectively referred to as the "group" ) for the quarter ended 30 June 2026 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 14 August 2026. The unaudited consolidated financial results for the current period, have been subjected to limited review by the Statutory Auditors of the group. The Statutory Auditors have expressed an unmodified opinion in their report on these results.

2 The unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard- 34 Interim financial reporting notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

3 The Group is primarily engaged in the manufacturing of metal components and there are no separate reportable segments identified as per Ind AS 108- Operating Segments.

4 The figures for the last quarter of the previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the previous financial year.

For and on behalf of the Board of Directors

**Place:** Lucknow
**Date:** 14 August 2026

(Sachin Agarwal)
Chairman and Managing Director

S.N. Dhawan & CO LLP
Chartered Accountants

2nd floor, 51-52, Sector 18,
Phase IV, Udyog Vihar, Gurugram,
Haryana 122016, India

Tel: +91 124 481 4444

**Independent Auditors' Review Report on the Unaudited Consolidated Financial Results of PTC Industries Limited for the Quarter Ended 30 June 2025 pursuant to the Regulation 33 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of PTC Industries Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of PTC Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as " the Group") and its joint venture for the quarter ended 30 June 2025 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in accordance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No CIR/CFD/CMD1/44/ 2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

4. The Statement includes the result of the following entities:-
(i) PTC Industries Limited (Holding company)
(ii) Aerolloy Technologies Limited (Wholly owned subsidiary company)
(iii) Trac Holdings Limited (Wholly owned subsidiary company w.e.f. 19 December 2024)
(iv) Trac Precision Solutions Limited (Step down subsidiary company w.e.f. 19th December 2024)
(v) Broomco Limited (Step down subsidiary company w.e.f. 19th December 2024)
(vi) Trac Group Limited (Step down subsidiary company w.e.f. 19th December 2024)
(vii) Advance Material (Defence) Testing Foundation (Joint Venture w.e.f. 24 July 2024)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under section 133 of the Companies Act,2013 as amended, read with the relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Other matter**

6. The accompanying Statement includes the unaudited interim consolidated financial information, in respect of 4 subsidiaries including step down subsidiaries, whose financial information reflect total revenues of Rs.4,706.26 lakhs and total loss after tax of Rs.827.55 lakhs for the quarter ended 30 June 2025, as considered in the Statement. This consolidated interim financial information has been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards in their respective countries whose reports have been furnished to us by the holding company's management. The holding company's

management has converted the interim consolidated financial information of such subsidiaries to holding company's accounting principles. We have reviewed the conversion adjustments done by the holding company's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the reports of the other auditors, the conversion adjustment and the procedures performed by us as stated in paragraph 3 above.

7. In respect of a joint venture, whose financial results has not been considered in the statement, according to the information and explanations given to us by the management, the joint venture has not started its operation till 30 June 2025 and accordingly, is not material to the Group.

Our conclusion on the Statement is not modified in respect of these matters.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rajeev Kumar Saxena
Partner
Membership No: 077974
UDIN: 25077974BMOBMA6351
Place: Gurugram
Date: 08 August 2025

S.N. Dhawan & CO LLP
Chartered Accountants

2nd floor, 51-52, Sector 18,
Phase IV, Udyog Vihar, Gurugram,
Haryana 122016, India

Tel: +91 124 481 4444

**Independent Auditors' Review Report on the Unaudited Standalone Financial Results of PTC Industries Limited for the Quarter Ended 30 June 2025 pursuant to the Regulation 33 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors of PTC Industries Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of PTC Industries Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2025 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in accordance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity",* issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under section 133 of the Companies Act,2013 as amended, read with the relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No.: 000050N/ N500045

Rajeev Kumar Saxena
Partner
Membership No: 077974
UDIN: 25077974BMOBLZ6592
Place: Gurugram
Date: 08 August 2025

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(Website: www.ptcil.com; email: ptc@ptcil.com; CIN: L27109UP1963PLC002931)

**Statement of consolidated financial results for the quarter ended 30 June 2025** **(₹ in lakhs, except per share data)**

| | Particulars | 3 months ended 30 June 2025 | Preceding 3 months ended 31 March 2025 | Corresponding 3 months ended in the previous year 30 June 2024 | Year ended 31 March 2025 |
|---|---|---|---|---|---|
| | | (Unaudited) | (Unaudited) (Refer note 5) | (Unaudited) | (Audited) |
| 1 | **Income** | | | | |
| | (a) Revenue from operations | 9,714.63 | 12,191.96 | 4,686.63 | 30,807.40 |
| | (b) Other income | 1,056.69 | 1,189.42 | 365.17 | 3,415.27 |
| | **Total income** | **10,771.32** | **13,381.38** | **5,051.80** | **34,222.67** |
| 2 | **Expenses** | | | | |
| | (a) Cost of materials consumed | 4,091.38 | 3,097.38 | 1,941.93 | 8,905.49 |
| | (b) Changes in inventories of finished goods and work-in-progress | (2,867.88) | (1,710.57) | (1,358.45) | (3,567.23) |
| | (c) Employee benefits expenses | 3,394.49 | 3,002.99 | 791.28 | 5,659.15 |
| | (d) Finance costs | 167.21 | 131.58 | 318.54 | 889.50 |
| | (e) Depreciation and amortisation expense | 862.58 | 755.18 | 414.88 | 2,130.63 |
| | (f) Other expenses | 4,218.12 | 4,929.97 | 2,307.61 | 12,283.79 |
| | **Total expenses** | **9,865.90** | **10,206.53** | **4,415.79** | **26,301.33** |
| 3 | **Profit before exceptional item and tax (1-2)** | **905.42** | **3,174.85** | **636.01** | **7,921.34** |
| 4 | **Exceptional items (Refer Note 4)** | - | 49.85 | - | 93.87 |
| 5 | **Profit before tax (3-4)** | **905.42** | **3,125.00** | **636.01** | **7,827.47** |
| 6 | **Tax expense:** | | | | . |
| | (a) Current tax | 402.58 | 538.51 | 128.71 | 1,470.48 |
| | (b) Deferred tax | (12.72) | 129.14 | 17.73 | 255.14 |
| | **Total tax expense** | **389.86** | **667.65** | **146.44** | **1,725.62** |
| 7 | **Profit for the period/ year (5-6)** | **515.56** | **2,457.35** | **489.57** | **6,101.85** |
| 8 | Other comprehensive income | | | | |
| | (i) Items that will not be reclassified to the statement of profit and loss | (8.32) | (7.38) | (8.63) | (33.28) |
| | (ii) Income-tax relating to items that will not be reclassified to the statement of profit and loss | 2.05 | 2.23 | 2.00 | 8.22 |
| | B) Items that will be reclassified to profit or loss | | | | - |
| | (i) Exchange differences in translating the financial statement of foreign operation | 737.78 | 400.20 | - | 400.20 |
| | (ii) Income-tax relating to items that will be reclassified to the statement of profit and loss | (185.68) | (100.72) | - | (100.72) |
| | **Total other comprehensive income** | **545.83** | **294.33** | **(6.63)** | **274.42** |
| 9 | **Total comprehensive income for the period (comprising profit and other comprehensive income for the period/ year) (7+8)** | **1,061.39** | **2,751.68** | **482.94** | **6,376.27** |
| 10 | Paid-up equity share capital (₹ 10 per share) | 1,498.41 | 1,498.41 | 1,444.09 | 1498.41 |
| 11 | Other equity as per balance sheet | | | | 1,37,167.61 |
| 12 | **Earnings per share (Face value of ₹ 10/- each):** | | | | |
| | (a) Basic* | 3.44 | 16.40 | 10.29 | 41.37 |
| | (b) Diluted* | 3.44 | 16.38 | 10.26 | 41.33 |

* not annualised

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(Website: www.ptcil.com; email: ptc@ptcil.com; CIN: L27109UP1963PLC002931)

**Notes:**

1 The unaudited consolidated financial results of the Company ("the Holding Company"), its subsidiaries and its joint venture (collectively referred to as the "Group") for the quarter and nine months ended 30 June 2025 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 08 August 2025. The unaudited consolidated financial results for the current period, have been subjected to limited review by the Statutory Auditors of the Group. The Statutory Auditors have expressed an unmodified opinion in the review report on these results.

2 The unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 – Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

3 The Group is primarily engaged in the manufacturing of metal components and there are no separate reportable segments identified as per Ind AS 108- Operating Segments

4 During the year ended 31 March 2025, the holding company has completed the acquisition of Trac Holdings Limited ("THL") on December 19, 2024. The one time expenses incurred during the acquisition of the foreign subsidiary has been classified as an exceptional item.

5 The figures for the last quarter of the previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the previous financial year which were subjected to limited review by statutory auditors.

6 The figures for the previous periods/year have been re-grouped/re-arranged wherever necessary to conform to the current period presentation.

For and on behalf of the Board of Directors

**Place:** Lucknow
**Date:** 08 August 2025

(Sachin Agarwal)
Chairman and Managing Director

# Independent Auditor's Report

To
The Members of
**PTC Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **PTC Industries Limited** ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information ("the consolidated financial statements").

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

### Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter(s) | Auditor Response |
|---|---|---|
| 1. | **Inventory Valuation:**<br>(Refer Note 4(e) and 14 of the consolidated financial statements)<br>Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation.<br>Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS- 2, Inventories.<br>Further, at the end of each reporting period, the management of the Holding Company and subsidiary also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. | **Principal audit procedures performed:**<br>• Obtained an understanding of the management's process of valuation of inventory. We evaluated the design, implementation and operating effectiveness (wherever applicable) of key internal controls over recognition of revenue.<br>• Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items.<br>• Evaluated the appropriateness of the Group's accounting policy and valuation method of inventory in accordance with the applicable accounting standards.<br>• Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress. |

| Sr. No. | Key Audit Matter(s) | Auditor Response |
|---|---|---|
| | In addition to the above, the complexities and judgement involved in inventory valuation includes:<br>Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory.<br>Estimate involved in allocation of expenses through various stages of production.<br>Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to Inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been determined to be as a key audit matter for the current year audit. | • Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value.<br>• Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Group.<br>• Evaluated the appropriateness and adequacy of the disclosures made by the Group in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013. |

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, but does not include the consolidated financial statements and our Auditor's Report thereon.

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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and the consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the entities included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the respective entities.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary, and its joint venture incorporated in India, have adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture 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.

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 financial controls that we identify during our audit.

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

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

## Other Matters

We did not audit the financial statements and other financial information of a subsidiary, whose financial statements reflect total assets of ₹ 22,910.26 lakhs as at 31 March 2026, total revenues of ₹ 24,701.44 and net cash outflows of ₹ 1021.01 for the year ended on that date. These consolidated financial statements and other financial information 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

In respect of a joint venture, whose financial statements has not been considered in the consolidated financial statements, according to the information and explanations given to us by the management, the joint venture has not started its operation till 31 March 2026 and accordingly, is not material to the Group.

Our opinion on the consolidated financial statements above, 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 other auditor.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of holding company and subsidiaries incorporated in India, we report the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi) Qualifications or adverse remarks by the respective auditors of the Company and its subsidiary incorporated in India, in the Companies (Auditor's Report) Order (CARO) reports of such Company and its subsidiary included in the Consolidated Financial Statements, are given below:

| S. No | Name | CIN | Holding company/ Subsidiary | Clause number of the CARO report which is qualified or adverse |
|---|---|---|---|---|
| 1 | PTC Industries Limited | L27109UP1963PLC002931 | Holding Company | iii |
| 2 | Aerolloy Technologies Limited | U27200UP2020PLC127120 | Subsidiary Company | iii |

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

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

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

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

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

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3) (b) and paragraph 2(j)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiaries, and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A, which is based on the auditor's report of the holding company, subsidiaries and joint venture incorporated in India and procedures performed by us.

(h) The remuneration paid by the Holding Company to it's directors during the year is in accordance with the approval of the shareholders in a general meeting in terms of the provisions of Section 197 of the Act read with Schedule V of the companies Act 2013.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint venture ( Refer Note 44(ii) to the consolidated financial statements.)

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. (Refer Note 11(b) to the consolidated financial statements.)

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary, and joint venture incorporated in India.

iv. (a) The respective Managements of the Holding Company and its subsidiaries, joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, and joint venture to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing

or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 52(a) to the consolidated financial statements.)

(b) The respective Managements of the Holding Company and its subsidiaries, and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries, and joint venture from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 52(b) to the consolidated financial statements.)

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

(v) The Holding Company and its subsidiaries, and joint venture companies incorporated in India has not declared or paid any dividend during the year and has not proposed final dividend during the year.

(vi) Based on our examination which included test checks, the holding company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective software except that Company yet to receive the service organisation control report from service provider confirming that audit trail (edit log) facility was enabled at the database layer for accounting application during the period January 1, 2026 to March 31, 2026. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the holding as per the statutory requirements for record retention.

**For S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

**Rajeev Kumar Saxena**
Partner
Membership No.: 077974
UDIN: 26077974SYYNZR4677

Place: Lucknow
Date: 30 May 2026

# Annexure A to the Independent Auditors Report

**on the Consolidated Financial Statements of PTC Industries Limited for the year ended 31 March 2026**

## Independent Auditor's report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to consolidated financial statements of PTC Industries Limited) (hereinafter referred to as the "Holding Company") and its subsidiary and joint venture, which are companies incorporated in India, as at that date.

## Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). 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 the company's business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary, its joint venture, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

## Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

## Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of other auditors referred to in 'Other Matter' paragraph below, the Holding Company, its subsidiary, and joint venture, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note. Our opinion is not modified in respect of this matter.

## Other Matter

In respect of a joint venture, whose financial statements has not been considered in the consolidated financial statements, according to the information and explanations given to us by the management, the joint venture has not started its operation till 31 March 2026 and accordingly, is not material to the Group.

**For S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

**Rajeev Kumar Saxena**
Partner
Membership No.: 077974
UDIN: 26077974SYYNZR4677

Place: Lucknow
Date: 30 May 2026

# Consolidated Balance Sheet as at 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Notes | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 53,844.92 | 38,283.80 |
| Capital work-in-progress | 6 | 31,064.89 | 18,487.81 |
| Investment property | 7 | 164.61 | 168.15 |
| Goodwill on consolidation | | 6,306.32 | 6,306.32 |
| Other intangible assets | 8 | 4,125.81 | 169.19 |
| Financial assets | | | |
| (i) Investments | 9(a) | 273.70 | 273.70 |
| (ii) Other financial assets | 11(a) | 707.59 | 547.96 |
| Non current tax assets (net) | 12 | 208.78 | 367.98 |
| Other non current assets | 13 | 9,218.52 | 11,213.14 |
| **Total non-current assets** | | **1,05,915.14** | **75,818.05** |
| **Current assets** | | | |
| Inventories | 14 | 29,900.80 | 20,816.21 |
| Financial assets | | | |
| (i) Investments | 9(b) | 9.08 | 9.99 |
| (ii) Trade receivables | 15 | 27,392.56 | 14,381.31 |
| (iii) Cash and cash equivalents | 16 | 3,467.75 | 18,954.81 |
| (iv) Bank balances other than(iii) above | 17 | 10,188.83 | 19,228.08 |
| (v) Loans | 10 | 186.62 | 54.49 |
| (vi) Others financial assets | 11(b) | 7,668.04 | 2,205.02 |
| Other current assets | 18 | 10,895.85 | 6,915.72 |
| **Total current assets** | | **89,709.53** | **82,565.63** |
| **TOTAL ASSETS** | | **1,95,624.67** | **1,58,383.68** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 19 | 1,499.25 | 1,498.41 |
| Other equity | 20 | 1,49,211.74 | 1,37,167.61 |
| **Total equity** | | **1,50,710.99** | **1,38,666.02** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 21(a) | 15,122.56 | 4,667.52 |
| (ii) Other financial liabilities | 22 | 560.03 | 7.90 |
| Provisions | 23 | 139.44 | 99.57 |
| Deferred tax liabilities (net) | 24 | 2,342.95 | 2,044.18 |
| Other non-current liabilities | 25 | 635.00 | 701.67 |
| **Total non-current liabilities** | | **18,799.98** | **7,520.84** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 21(b) | 11,011.63 | 1,415.83 |
| (ii) Trade payables | 26 | | |
| total outstanding dues of micro enterprises and small enterprises | | 718.66 | 3,003.73 |
| total outstanding dues of creditors other than micro enterprises and small enterprises | | 5,828.13 | 1,868.71 |
| (iii) Other financial liabilities | 27 | 3,678.25 | 4,127.79 |
| Other current liabilities | 28 | 4,433.61 | 1,644.71 |
| Provisions | 23 | 131.93 | 99.23 |
| Current tax liabilities (net) | 29 | 311.49 | 36.82 |
| **Total current liabilities** | | **26,113.70** | **12,196.82** |
| **TOTAL EQUITY AND LIABILITIES** | | **1,95,624.67** | **1,58,383.68** |

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Balance Sheet referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2026

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Technical & Quality)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agrawal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2026

# Consolidated Statement of Profit and Loss for the year ended 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Notes | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 30 | 60,277.67 | 30,807.40 |
| Other income | 31 | 4,050.88 | 3,415.27 |
| **Total income** | | **64,328.55** | **34,222.67** |
| **Expenses** | | | |
| Cost of materials consumed | 32 | 34,264.37 | 8,905.49 |
| Changes in inventories of finished goods and work-in-progress | 33 | (23,665.84) | (3,567.23) |
| Employee benefits expense | 34 | 15,076.56 | 5,659.15 |
| Other expenses | 35 | 21,425.58 | 12,283.79 |
| **Total expenses** | | **47,100.67** | **23,281.20** |
| **Profit before finance cost, depreciation and amortisation and tax** | | **17,227.88** | **10,941.47** |
| Finance costs | 37 | 864.03 | 889.50 |
| Depreciation and amortisation expense | 38 | 3,669.29 | 2,130.63 |
| **Profit before exceptional item and tax** | | **12,694.56** | **7,921.34** |
| Exceptional items | | - | 93.87 |
| **Profit before tax** | | **12,694.56** | **7,827.47** |
| **Tax expense:** | 39 | | |
| Current tax - current year | | 2,146.07 | 1,470.48 |
| Deferred tax charge | | 392.62 | 255.14 |
| **Total tax expenses** | | **2,538.69** | **1,725.62** |
| **Profit for the year** | | **10,155.87** | **6,101.85** |
| **Other comprehensive income** | | | |
| A) Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurement of defined benefit plan | | 21.87 | (33.28) |
| ii) Income tax relating to items that will not be reclassified to profit or loss | | 6.21 | 8.22 |
| B) Items that will be reclassified to profit or loss | | | |
| (i) Exchange differences in translating the financial statement of foreign operation | | 1,695.69 | 400.20 |
| ii) Income tax relating to items that will be reclassified to profit or loss | | (426.77) | (100.72) |
| **Other comprehensive income for the year (net of tax)** | | **1,297.00** | **274.42** |
| **Total comprehensive income for the year** | | **11,452.87** | **6,376.27** |
| **Earnings per equity share [Nominal value ₹ 10]** | 40 | | |
| Basic (₹) | | 67.76 | 41.37 |
| Diluted (₹) | | 67.74 | 41.33 |

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2026

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Technical & Quality)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agrawal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2026

# Consolidated Statement of Cash Flows for the year ended 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|---|
| **A** | **Cash flow from operating activities** | | |
| | Net profit before tax | 12,694.56 | 7,921.34 |
| | Less: prior period adjustments | | |
| | **Net profit before tax after period** | | |
| | **Adjustment for:** | | |
| | Exceptional item | - | (93.87) |
| | Foreign currency transition reserve | (1,268.92) | (299.48) |
| | Depreciation and amortisation expense | 3,669.29 | 1,854.85 |
| | Unrealised foreign exchange fluctuation loss (gain) | (289.24) | 163.47 |
| | (Gain)/loss on disposal/discard of property plant and equipment (net) | 147.78 | - |
| | Amortisation of deferred income- government grant | (66.67) | (66.67) |
| | (Gain)/loss on MTM foreign exchange fluctuation | 0.91 | (0.90) |
| | Interest expense | 834.56 | 604.30 |
| | Share based payment expense | 39.45 | 92.95 |
| | Interest from assets valued at amortised cost | (2,038.72) | (2,652.98) |
| | **Operating profit before working capital changes (current and non- current)** | **13,723.00** | **7,523.01** |
| | **Inflow and outflow on account of :** | | |
| | Changes in trade receivables | (12,722.01) | 305.10 |
| | Changes in inventories | (9,084.59) | (5,793.62) |
| | Changes in other financial assets | 14.73 | 3,266.00 |
| | Changes in other assets | (1,985.51) | (3,072.40) |
| | Changes in provisions | (285.40) | 1.16 |
| | Changes in trade and other payables | 1,759.06 | 817.22 |
| | Changes in other financial liabilities | 697.77 | 213.57 |
| | Changes in other liabilities | 2,722.23 | (396.89) |
| | **Cash generated from/ (used in) operations before tax** | **(5,160.72)** | **2,863.15** |
| | Income taxes paid (net) | (1,705.26) | (1,504.56) |
| | **Net cash generated from/ (used in) operating activities [A]** | **(6,865.98)** | **1,358.59** |
| **B** | **Cash flow from investing activities** | | |
| | Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods] | (31,732.37) | (18,998.45) |
| | Proceeds from sale of property plant and equipments | 2.00 | 45.70 |
| | Investments made | - | (17,011.62) |
| | Interest received | 2,164.37 | 2,652.98 |
| | Other bank balances not considered as cash and cash equivalents (net) | 2,418.68 | (16,881.18) |
| | **Net cash used in investing activities [B]** | **(27,147.32)** | **(50,192.57)** |

# Consolidated Statement of Cash Flows

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

| | Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|---|
| C | **Cash flow from financing activities** | | |
| | Proceeds from long-term borrowings | 10,455.04 | 2,656.34 |
| | Repayment of long-term borrowings | (46.40) | (8,109.90) |
| | Proceed / Repayment of Short-term borrowings (net) | 9,595.80 | (7,177.52) |
| | Repayment of lease liability | (673.66) | (42.78) |
| | Finance cost paid | (834.56) | (604.30) |
| | Proceeds from issue of equity shares (net of cost issuance expenses) | 30.02 | 67,636.85 |
| | **Net cash generated from financing activities [C]** | **18,526.24** | **54,358.69** |
| D | **Net (decrease)/increase in cash and cash equivalents [A+B+C]** | **(15,487.06)** | **5,524.71** |
| E | Cash and cash equivalents at the beginning of the year | 18,954.81 | 13,430.10 |
| | **Closing balance of cash and cash equivalent [D+E]** | **3,467.75** | **18,954.81** |

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Components of cash and cash equivalents (refer note 16):** | | |
| Balances with banks | 419.71 | 1,462.73 |
| Cash on hand | 5.55 | 5.42 |
| Balance in deposit account with original maturity upto three months | 3,042.49 | 17,486.66 |
| | **3,467.75** | **18,954.81** |

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Cash Flow Statement referred to in our report of even date

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2026

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Technical & Quality)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agrawal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2026

# Consolidated Statement of Changes in Equity as at 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

## A Equity share capital

| | No. of shares | Amount |
|---|---|---|
| **Balance as at 1 April 2024** | **1,44,40,873** | **1,444.09** |
| Changes in equity share capital during the year | 5,43,253 | 54.32 |
| **Balance as at 1 April 2025** | **1,49,84,126** | **1,498.41** |
| Changes in equity share capital during the year | 8,423 | 0.84 |
| **Balance as at 31 March 2026** | **1,49,92,549** | **1,499.25** |

## B Other equity

| | Reserves and Surplus | | | | Other reserve | | | |
|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Share Based payment Reserve Account | Exchange difference on translating the financial statements of foreign operations | Equity instruments through other comprehensive income | Total |
| **Balance as at 1 April 2024** | **1.75** | **43,841.62** | **4,624.17** | **14,307.23** | **341.10** | | **0.01** | **63,115.88** |
| Profit for the year | - | - | - | 6,101.85 | - | | | 6,101.85 |
| Remeasurement of defined benefit plan | - | - | - | (25.06) | - | | - | (25.06) |
| Other comprehensive income | - | - | - | - | | | - | - |
| Dividends | - | - | - | - | | | - | - |
| Money received against Share warrants | - | - | - | - | - | | - | - |
| Share Warrants converted into Equity Share | - | - | - | - | - | | - | - |
| Foreign currency translation reserve | - | - | - | - | - | 299.48 | - | 299.48 |
| Securities premium | - | 69,997.68 | - | - | - | | - | 69,997.68 |
| Share Based payment expense | | | | | 93.31 | | | 93.31 |
| Share Issue Expenses | - | (2,415.53) | - | - | - | | - | (2,415.53) |
| **Balance as at 1 April 2025** | **1.75** | **1,11,423.77** | **4,624.17** | **20,384.02** | **434.41** | **299.48** | **0.01** | **1,37,167.61** |
| Profit for the year | - | - | - | 10,155.87 | - | | | 10,155.87 |
| Share Based payment expense | - | - | - | - | 42.30 | | - | 42.30 |
| Remeasurement of defined benefit plan | - | - | - | 28.08 | - | | - | 28.08 |
| Other comprehensive income | - | - | - | - | | | - | - |
| Foreign currency translation reserve | - | - | - | - | | 1,695.69 | | 1,695.69 |
| Securities premium | | 33.03 | | | | | | 33.03 |
| Share Issue Expenses | - | (3.84) | - | - | - | | - | (3.84) |
| Others | - | | | 93.00 | | | | 93.00 |
| **Balance as at 31 March 2026** | **1.75** | **1,11,452.96** | **4,624.17** | **30,660.97** | **476.71** | **1,995.17** | **0.01** | **1,49,211.74** |

Refer note 20 for nature of reserves.

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2026

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Technical & Quality)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agrawal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2026

# Notes to the consolidated financial statements

for the year ended 31 March 2026

## 1. Group information

PTC Industries Limited (the 'Company') is a public limited Group incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

## 2. General information and statement of compliance with Ind AS

These consolidated financial statements of PTC Industries Limited ('the holding Company') and its subsidiaries (the Holding company and its subsidiary together referred to as 'the Group') for the period ended 31st March, 2026 have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements of the Group have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The consolidated financial statements of PTC Industries Limited as at and for the year ended 31 March 2026 were approved and authorised for issue by the Board of Directors on 30 May 2026.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

## 3. Basis of preparation and presentation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The consolidated financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

### Basis of consolidation

Subsidiary is the entity over which the holding Company has control. Control exists when the holding Company has power over the entity, is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the holding Company and the subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 -"Consolidated Financial Statements".

Profits or losses resulting from intra group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement, consolidated statement of changes in equity and the summary of material accounting policies and other explanatory information that form an integral part thereof.

Consolidated subsidiary is having consistent reporting date of 31 March 2026.

Following are the details of the subsidiaries and Joint Venture consolidated in these financial statements.

| Name of the entity | Country of incorporation | Interest (in %) | |
|---|---|---|---|
| | | 31-03-2026 | 31-03-2025 |
| Aerolloy Technologies Limited (Wholly owned subsidiary) | India | 100% | 100% |
| Advance Material (Defence) Testing Foundation (Joint Venture) | India | 20% | 20% |
| Trac Holdings Limited (Wholly owned subsidiary) | United Kingdom | 100% | 100% |

# Notes to the consolidated financial statements

for the year ended 31 March 2026

| Name of the entity | Country of incorporation | Interest (in %) | |
|---|---|---|---|
| | | 31-03-2026 | 31-03-2025 |
| Trac Precision Solutions Limited (Step down subsidiary) | United Kingdom | 100% | 100% |
| Broomco (4266) Limited (Step down subsidiary) | United Kingdom | 100% | 100% |
| Trac Group Limited (Step down subsidiary) | United Kingdom | 100% | 100% |

## 4. Summary of material accounting policies

The consolidated financial statements have been prepared using the material accounting policies and measurement basis summarized below.

### a) Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### Assets

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realised in, or is intended to be sold or consumed in, the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is expected to be realised within twelve months after the reporting date; or

4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is due to be settled within twelve months after the reporting date; or

4) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

### b) Property, plant and equipment

#### Recognition, measurement and de-recognition

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalized as per the policy stated in note 4(j) below.

#### Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

#### Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the

# Notes to the consolidated financial statements

for the year ended 31 March 2026

management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

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

The estimated useful lives of items of property, plant and equipment are as follows:

| Particulars | Management estimate of useful life (years) |
|---|---|
| Factory and non-factory Buildings | 30 – 60 |
| Plant and machinery | 2 – 15 |
| Furniture and fixtures | 10 |
| Vehicles | 8 – 10 |
| Office equipment | 5 |
| Computers | 3 – 6 |
| Electrical installations | 10 |

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

### c) Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

### d) Intangible assets

**Recognition, measurement and de-recognition**

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

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 recognised in the Statement of Profit and Loss when the asset is derecognised.

**Subsequent expenditure**

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

**Amortisation**

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

### e) Inventories

**Inventories are stated at the lower of cost and net realisable value.**

**Raw materials, packing material, stores and spares and loose tools:** The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**Work-in-progress and manufactured finished goods:** Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

### f) Trade Receivables

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

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

# Notes to the consolidated financial statements

for the year ended 31 March 2026

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

### g) Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

### h) Employee benefits

#### i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### iii. Defined benefit plans

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### iv. Other long-term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

### i) Revenue

#### i. Sale of goods

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Group follows a 5-step process:

(i) Identifying the contract with a customer

# Notes to the consolidated financial statements

for the year ended 31 March 2026

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. 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, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

**ii. Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**iii. Income from power generation:**

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

**iv. Export benefits/incentives**

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## j) Borrowings

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

## k) Government grants

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

## l) Right of use assets and lease liabilities

For all existing and new contract, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

**The Group as a lessee**

***Classification of leases***

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

***Recognition and initial measurement***

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease

# Notes to the consolidated financial statements

for the year ended 31 March 2026

liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

***Subsequent measurement***

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

**The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

**m) Financial instruments**

**i. Recognition and initial measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

**ii. Subsequent measurement**

**Financial assets**

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above –Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

# Notes to the consolidated financial statements

for the year ended 31 March 2026

However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

**De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

**Impairment of financial assets**

The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 41 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Financial liabilities**

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**n) Fair value measurement**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1 :** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2 :** inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable -inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**o) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash Management.

**p) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

# Notes to the consolidated financial statements

for the year ended 31 March 2026

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

**q) Provisions, contingent liabilities and contingent assets**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings.

**r) Taxation**

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Group's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Group expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

# Notes to the consolidated financial statements

for the year ended 31 March 2026

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's Board of Directors assesses the financial performance and position of the Group, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Group's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Group's primary business segment is reflected based on principal business activities carried on by the Group. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Group operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Group's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 45 for segment information presented.

**t) Derivative financial instruments**

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

**u) Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortisation expense, finance costs and tax expense.

# Notes to the consolidated financial statements

for the year ended 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

## 5 Property, plant and equipment

| Particulars | Freehold land | Right of Use Assets Leasehold land | Factory building | Plant and machinery | Computers | Mould and dies | Vehicles | Furniture and fixtures | Office equipments | Research and development assets | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Plant and machinery | Computers | Mould and dies | Vehicles | |
| **Cost** | | | | | | | | | | | | | | |
| As at 1 April 2024 | 1,600.32 | 1,697.65 | 4,751.51 | 23,927.07 | 272.08 | 2,288.21 | 424.52 | 186.28 | 227.44 | 255.03 | 1.18 | 111.77 | 6.35 | 35,749.41 |
| Additions | - | 455.46 | 151.77 | 11,337.73 | 119.71 | 964.52 | 161.69 | 18.28 | 27.92 | - | - | - | - | 13,237.08 |
| On acquisition of subsidiary | - | - | 36.43 | 5,759.19 | - | - | - | - | - | - | - | - | - | 5,795.62 |
| Less: Disposals/assets written off | - | - | - | 309.07 | - | - | 30.84 | - | - | - | - | - | - | 339.92 |
| Foreign currency transition reserve | - | - | 1.22 | 193.03 | - | - | - | - | - | - | - | - | - | 194.25 |
| **Balance as at 31 March 2025** | **1,600.32** | **2,153.11** | **4,940.93** | **40,907.95** | **391.79** | **3,252.73** | **555.37** | **204.56** | **255.36** | **255.03** | **1.18** | **111.77** | **6.35** | **54,636.45** |
| Additions | - | - | 1,749.16 | 15,477.05 | 85.79 | 1,375.74 | 99.88 | 74.68 | 122.85 | - | - | - | - | 18,985.15 |
| Disposals/assets written off | - | | | 698.76 | | | 12.94 | | | | | | | 711.70 |
| Classified as held for sale | - | | | | | | | | | | | | | - |
| Foreign currency transition reserve | | | 5.06 | 800.65 | 18.17 | | | | | | | | | 823.88 |
| **Balance as at 31 March 2026** | **1,600.32** | **2,153.11** | **6,695.15** | **56,486.89** | **495.75** | **4,628.47** | **642.31** | **279.24** | **378.21** | **255.03** | **1.18** | **111.77** | **6.35** | **73,733.78** |
| **Accumulated depreciation** | | | | | | | | | | | | | | |
| As at 1 April 2024 | - | 10.09 | 980.07 | 9,208.52 | 219.51 | 1,485.86 | 211.33 | 135.14 | 176.12 | 195.56 | 1.10 | 107.24 | 3.84 | 12,734.38 |
| Charge for the year | - | 24.79 | 143.27 | 1,688.27 | 29.01 | 180.80 | 41.49 | 9.79 | 14.28 | 1.63 | - | - | - | 2,133.33 |
| On acquisition of subsidiary | - | - | 13.66 | 1,799.10 | | | | | | | - | - | - | 1,812.76 |
| Adjustments for disposals | - | - | - | 293.61 | - | - | 29.30 | - | - | - | - | - | - | 322.91 |
| Foreign currency transition reserve | | | (0.03) | (4.88) | | | | | | | | | | (4.91) |
| **Balance as at 31 March 2025** | **-** | **34.88** | **1,136.97** | **12,397.40** | **248.52** | **1666.66** | **223.52** | **144.93** | **190.40** | **197.19** | **1.10** | **107.24** | **3.84** | **16352.65** |
| Charge for the year | - | 23.87 | 148.53 | 3055.06 | 30.52 | 289.85 | 58.24 | 11.78 | 19.76 | - | - | - | - | 3637.61 |
| Adjustments for disposals | - | - | - | 505.69 | - | - | 11.31 | - | - | - | - | - | - | 517.00 |
| Foreign currency transition reserve | | | 2.09 | 405.02 | 8.49 | | | | | | | | | 415.60 |
| **Balance as at 31 March 2026** | **-** | **58.75** | **1,287.59** | **15351.79** | **287.53** | **1956.51** | **270.45** | **156.71** | **210.16** | **197.19** | **1.10** | **107.24** | **3.84** | **19888.86** |
| **Net block as at 31 March 2025** | **1,600.32** | **2,118.23** | **3,803.96** | **28510.55** | **143.27** | **1586.07** | **331.85** | **59.63** | **64.96** | **57.84** | **0.08** | **4.53** | **2.51** | **38,283.80** |
| **Net block as at 31 March 2026** | **1,600.32** | **2,094.36** | **5,407.56** | **41135.10** | **208.22** | **2671.96** | **371.86** | **122.53** | **168.05** | **57.84** | **0.08** | **4.53** | **2.51** | **53844.92** |

**Notes:**

a) Refer note 47 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 44(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) No proceeding has been initiated or pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

d) Refer note 43 for disclosure related to leases.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 6 Capital work-in-progress

| Particulars | Amount |
|---|---|
| **Balance as at 1 April 2024** | **15,868.42** |
| Additions | 14,993.40 |
| On acquisition of subsidiary | 41.49 |
| Capitalisation during the year | (12,424.05) |
| Foreign currency translation | 8.55 |
| **Balance as at 31 March 2025** | **18,487.81** |
| Additions | 32,399.76 |
| Capitalisation during the year | (19,822.68) |
| **Balance as at 31 March 2026** | **31,064.89** |

**Note:**

There are no projects whose completion is overdue or that have exceeded their cost compared to the original plan.

### (a) Capital-work-in progress ageing schedule as at 31 March 2026

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 27,030.68 | 3,954.43 | 62.83 | 16.95 | 31,064.89 |

**Capital-work-in progress ageing schedule as at 31 March 2025**

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 13,807.45 | 3,511.04 | 906.11 | 263.21 | 18,487.81 |

## 7 Investment Property

| Particulars | Freehold land | Factory building | Total |
|---|---|---|---|
| **Gross Block as on 01 April 2024** | **125.59** | **151.77** | **277.36** |
| Additions | - | - | - |
| **Gross Block as on 31 March 2025** | **125.59** | **151.77** | **277.36** |
| Additions | - | - | - |
| **Gross Block as on 31st Mar 2026** | 125.59 | 151.77 | 277.36 |
| **Accumulated depreciation** | | | |
| **As at 1 April 2024** | **-** | **105.67** | **105.67** |
| Charge for the year | - | 3.54 | 3.54 |
| **Balance as at 31 March 2025** | **-** | **109.21** | **109.21** |
| Depreciation charge for the year | - | 3.54 | 3.54 |
| **Balance as at 31 March 2026** | **-** | **112.75** | **112.75** |
| **Net block as at 31 March 2025** | **125.59** | **42.56** | **168.15** |
| **Net block as at 31 March 2026** | **125.59** | **39.02** | **164.61** |

**Notes:**

**(i) Amount recognised in statement of profit and loss for investment property**

| | As at 31st March2026 | As at 31st March 2025 |
|---|---|---|
| Rental income | 57.73 | 53.40 |
| Less: Depreciation and amortisation expense | 3.54 | 3.54 |
| **Profit from leasing of investment property** | **54.19** | **49.86** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

(ii) The aforementioned investment property is leased to a tenant under short term operating lease agreement with rentals payable monthly. However, lease can be terminated by either of the parties during the term, hence considered as cancellable and accordingly no lease disclosure given, as required by Ind AS 116 "Leases".

**(iii) Fair value of investment property**

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Fair value | 1,560.00 | 1,534.00 |

The Group obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

## 8 Other intangible assets

| Particulars | Software | Licenses | Research and development asset - Software | Development (Product Development) | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 April 2024 | 280.60 | 39.70 | 4.72 | | 325.02 |
| Additions | 101.23 | | | | 101.23 |
| **Balance as at 31 March 2025** | **381.83** | **39.70** | **4.72** | **-** | **426.25** |
| Additions | 168.94 | | | 3,839.69 | 4,008.63 |
| **Balance as at 31 March 2026** | **550.77** | **39.70** | **4.72** | **3,839.69** | **4,434.88** |
| **Accumulated amortisation** | | | | | |
| At 1 April 2024 | 189.46 | 39.70 | 4.44 | | 233.60 |
| Charge for the year | 23.46 | | | | 23.46 |
| **Balance as at 31 March 2025** | **212.92** | **39.70** | **4.44** | **-** | **257.06** |
| Charge for the year | 49.91 | | | 2.10 | 52.01 |
| **Balance as at 31 March 2026** | **262.83** | **39.70** | **4.44** | **2.10** | **309.07** |
| **Net block as at 31 March 2025** | **168.91** | **-** | **0.28** | **-** | **169.19** |
| **Net block as at 31 March 2026** | **287.94** | **-** | **0.28** | **3,837.59** | **4,125.81** |

## 9(a) Non-current investments

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Unquoted equity shares** | | |
| **Investment in equity instruments (at cost)** | | |
| Instrumentation Automation Surveillance & Communication Sector Skill Council Equity Fund 5,000 units of ₹ 10 each | 0.50 | 0.50 |
| Advanced Materials (Defence) Testing Foundation (27,320 equity shares of ₹ 1,000/- each) | 273.20 | 273.20 |
| | **273.70** | **273.70** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 9(b) Current investments

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Quoted instruments** | | |
| **Investment in mutual fund (at fair value through profit or loss)** | | |
| 5,000 units (31 March 2025: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI) | 9.08 | 9.99 |
| | **9.08** | **9.99** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 10 Current financial assets - loans

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Unsecured, considered good | | |
| Loan to employees* | 186.62 | 54.49 |
| | **186.62** | **54.49** |

* No loans and advances provided to promoters, directors & KMP.

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 11(a) Non-current financial assets - others

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Deposits with banks with maturity more than 12 months* | 508.92 | 316.08 |
| Security deposits | 198.67 | 231.88 |
| | **707.59** | **547.96** |

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

**Note:**

Refer note 41 for disclosure of fair values in respect of financial assets measured at cost.

## 11(b) Current financial assets - others

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Export incentives receivable* | 176.44 | 196.42 |
| Receivable against forward contract | - | 55.41 |
| Deposits with banks with original maturity more than 12 months# | 7,491.60 | 1,953.19 |
| | **7,668.04** | **2,205.02** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

***Export Incentive receivable movement summary**

| | Amount |
|---|---|
| **Balance as at 1 April 2024** | 289.78 |
| Income during the year | 419.19 |
| Amount utilised/refund received during the year | (512.55) |
| **Balance as at 31 March 2025** | **196.42** |
| Income during the year | 367.26 |
| Amount utilised/refund received during the year | 387.24 |
| **Balance as at 31 March 2026** | **176.44** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial assets measured at cost.

# The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

## 12 Income tax assets (net)

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Advance income-tax (net of provision for taxation) | 208.78 | 367.98 |
| | **208.78** | **367.98** |

## 13 Other non-current assets

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Capital advances | 9,196.12 | 11,213.14 |
| Prepaid expenses | 22.40 | - |
| | **9,218.52** | **11,213.14** |

## 14 Inventories

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| *(Valued at lower of cost or net realisable value)* | | |
| Raw materials | 5,917.53 | 6,444.96 |
| Work-in-progress* | 22,224.09 | 12,537.00 |
| Finished goods** | 126.67 | 196.35 |
| Stores and spares | 1,507.00 | 1,543.89 |
| Loose tools | 125.51 | 94.01 |
| | **29,900.80** | **20,816.21** |

## 15 Trade receivables

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Unsecured, considered good | 27,392.56 | 14,381.31 |
| Unsecured, considered doubtful | 22.59 | 22.59 |
| | **27,415.15** | **14,403.90** |
| Less: Provision for expected credit loss | (22.59) | (22.59) |
| | **27,392.56** | **14,381.31** |

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

*Refer note-41 for ageing schedule of Trade receivables.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 16 Cash and cash equivalents

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Balances with banks | 60.90 | 1,462.73 |
| Cash on hand | 364.36 | 5.42 |
| Balances in deposit account with original maturity upto 3 months* | 3,042.49 | 17,486.66 |
| | **3,467.75** | **18,954.81** |

## 17 Other bank balances

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Deposits with original maturity more than 3 months but remaining less than 12 months* | 9,400.33 | 18,313.93 |
| Interest accrued on deposits | 788.50 | 914.15 |
| | **10,188.83** | **19,228.08** |

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

## 18 Other current assets

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Prepaid expenses | 1,651.24 | 398.03 |
| Balances with statutory and government authorities | 8,249.24 | 4,773.91 |
| Other loans and advances | 926.03 | 1,597.51 |
| MEIS Licence Purchase | 40.43 | 101.22 |
| Other loans and advances | 28.91 | 45.05 |
| | **10,895.85** | **6,915.72** |

## 19 Equity share capital

| Particulars | As at 31st March 2026 | | As at 31st March 2025 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorised:** | | | | |
| Equity shares of ₹ 10 each | 2,00,00,000 | 2,000.00 | 2,00,00,000 | 2,000.00 |
| | **2,00,00,000** | **2,000.00** | **2,00,00,000** | **2,000.00** |
| **Issued, subscribed and fully paid up:** | | | | |
| Equity shares of ₹ 10 each | 1,49,84,126 | 1,498.41 | 1,44,40,873 | 1,444.09 |
| Addition | 8,423 | 0.84 | 5,43,253 | 54.32 |
| | **1,49,92,549** | **1,499.25** | **1,49,84,126** | **1,498.41** |

### a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

| Particulars | For the year ended 31st March 2026 | | For the year ended 31st March 2025 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Outstanding at the beginning of the year | 1,49,84,126 | 1,498.41 | 1,44,40,873 | 1,444.09 |
| Add: Shares issued during the year | | | | |
| i) Right issue of equity shares of ₹ 10 each | | | 5,30,315 | 53.03 |
| ii) Preferential issue of equity shares of ₹ 10 Each | | | | - |
| iii) Conversion of warrants in equity shares of ₹ 10 Each | | | | - |
| iv) ESOP issue of equity shares of ₹ 10 Each | 8,423 | 0.84 | 12,938 | 1.29 |
| **Outstanding at the end of the year** | **1,49,92,549** | **1,499.25** | **1,49,84,126** | **1,498.41** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**b) Terms and rights attached to equity shares**

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shareholders holding more than 5% of the equity share capital:**

| Particulars | For the year ended 31st March 2026 | | For the year ended 31st March 2025 | |
|---|---|---|---|---|
| | Number | % of holding | Number | % of holding |
| Sachin Agarwal | 28,55,491 | 19.05% | 28,55,491 | 19.06% |
| Mapple Commerce Private Limited | 15,99,985 | 10.67% | 15,99,985 | 10.68% |
| Nirala Merchants Private Limited | 11,77,818 | 7.86% | 11,77,818 | 7.86% |
| Priya Ranjan Agarwal | 9,87,914 | 6.59% | 9,87,914 | 6.59% |

**d) Information regarding issue of shares in the last five years**

i) The Group has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

*Refer note-49 for details of Employee Stock Option Plan of the Company.

**e) Disclosure of Shareholding of Promoters**

| Promoter Name | Shares held by promoters at the end of the year as on 31st March 2026 | | |
|---|---|---|---|
| | No. of Share's | % of Total | % Change during the year |
| Sachin Agarwal | 28,55,491 | 19.05% | -0.01% |
| Mapple Commerce Private Limited | 15,99,985 | 10.67% | -0.01% |
| Nirala Merchants Private Limited | 11,77,818 | 7.86% | 0.00% |
| Priya Ranjan Agarwal | 9,87,914 | 6.59% | 0.00% |
| Sachin Agarwal HUF | 6,70,297 | 4.47% | 0.00% |
| Alok Agarwal | 5,45,799 | 3.64% | 0.00% |
| Viven Advisory Services Private Limited | 4,33,325 | 2.89% | 0.00% |
| Smita Agarwal | 3,35,276 | 2.24% | 0.00% |
| Anshoo Agarwal | 1,85,041 | 1.23% | 0.17% |
| Kanchan Agarwal | 48,860 | 0.33% | 0.00% |
| Satish Chandra Agarwal HUF | 35,805 | 0.24% | 0.00% |
| Manu Agarwal | 25,593 | 0.17% | 0.00% |
| Ritika Agarwal | - | 0.00% | -0.17% |
| Satvik Agarwal | 21,000 | 0.14% | 0.00% |
| Soham Agarwal | 21,000 | 0.14% | 0.00% |
| Reena Agarwal | 10,237 | 0.07% | 0.00% |
| **Total** | **89,53,441** | **59.72%** | **-0.03%** |

* The significant increase in % change in number of shares during the year is on account of issue of right shares during the year, in the ratio of three new equity shares for every two equity shares of the Company held by the eligible shareholders on the record date.

# Notes to the consolidated financial statements

for the year ended 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

| Promoter Name | Shares held by promoters at the end of the year as on 31stS March 2025 | | |
|---|---|---|---|
| | No. of Share's | % of Total | % Change during the year |
| Sachin Agarwal | 28,55,491 | 19.06% | 0.00% |
| Mapple Commerce Private Limited | 15,99,985 | 10.68% | 0.00% |
| Nirala Merchants Private Limited | 11,77,818 | 7.86% | 0.00% |
| Priya Ranjan Agarwal | 9,87,914 | 6.59% | 0.00% |
| Sachin Agarwal HUF | 6,70,297 | 4.47% | 0.00% |
| Alok Agarwal | 5,45,799 | 3.64% | 0.04% |
| Viven Advisory Services Private Limited | 4,33,325 | 2.89% | 0.00% |
| Smita Agarwal | 3,35,276 | 2.24% | 0.00% |
| Anshoo Agarwal | 1,59,448 | 1.06% | 0.00% |
| Kanchan Agarwal | 48,860 | 0.33% | 0.04% |
| Satish Chandra Agarwal HUF | 35,805 | 0.24% | 0.00% |
| Manu Agarwal | 25,593 | 0.17% | 0.00% |
| Ritika Agarwal | 25,593 | 0.17% | 0.00% |
| Satvik Agarwal | 21,000 | 0.14% | 0.00% |
| Soham Agarwal | 21,000 | 0.14% | 0.00% |
| Reena Agarwal | 10,237 | 0.07% | 0.00% |
| **Total** | **89,53,441** | **59.75%** | **-0.08%** |

* The significant increase in % change in number of shares during the previous year is on account of issue of right shares during the previous year, in the ratio of three new equity shares for every two equity shares of the Holding Company held by the eligible shareholders on the record date.

## 20 Other equity

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **a. Capital reserve** | | |
| Balance at the beginning of the year | 1.75 | 1.75 |
| Add: Additions during the year | - | - |
| **Balance at the end of the year** | **1.75** | **1.75** |
| **b. Securities premium** | | |
| Balance at the beginning of the year | 1,11,423.77 | 43,841.62 |
| Add: Additions during the year | | - |
| i) Preferential issue of equity shares | | |
| ii) Conversion of warrants in equity shares | | |
| iii) ESOP issue of equity shares | 33.03 | |
| iv) Qualified Institutional Placement | | 69,997.68 |
| Less: Share issue expenses | (3.84) | (2,415.53) |
| Others | | |
| **Balance at the end of the year** | **1,11,452.96** | **1,11,423.77** |
| **c. General reserve** | | |
| Balance at the beginning of the year | 4,624.17 | 4,624.17 |
| Add: Additions during the year | - | - |
| **Balance at the end of the year** | **4,624.17** | **4,624.17** |
| **d. Retained earnings** | | |
| Balance at the beginning of the year | 20,384.02 | 14,307.23 |
| Add: Additions during the year | 10,155.87 | 6,101.85 |
| Less: Remeasurement of defined benefit plan | 28.08 | (25.06) |
| Others | 93.00 | |
| **Balance at the end of the year** | **30,660.97** | **20,384.02** |
| **e. Other comprehensive income** | | |
| Balance at the beginning of the year | 0.01 | 0.01 |
| Add: Additions during the year | - | - |
| **Balance at the end of the year** | **0.01** | **0.01** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **f. Share based payment reserve** | | |
| Balance at the beginning of the year | 434.41 | 341.10 |
| Add: Additions during the year | 42.30 | 93.31 |
| Less: Transfer to General reserve | - | - |
| Less: Transfer to Securities premium | - | - |
| **Balance at the end of the year** | **476.71** | **434.41** |
| **g. Exchange difference on translating the financial statements of foreign operations** | | |
| Balance at the beginning of the year | 299.48 | - |
| Add: Additions during the year | 1,695.69 | 299.48 |
| Less: Transfer to General reserve | - | - |
| **Balance at the end of the year** | **1,995.17** | **299.48** |
| **Total** | **1,49,211.74** | **1,37,167.61** |

**Nature and purpose of other reserves:**

**(a) Capital reserve**

Capital reserve was created in respect of proceeds of forfeited shares.

**(b) Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**(c) General reserve**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

**(d) Retained earnings**

Retained earnings refer to the net profit retained by the company for its core business activities.

**(e) Share Based Payment Reserve(SBP)**

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

**(f) Share Warrants**

Fully convertible warrants allotted to persons belonging to Non-Promoter category convertible into equivalent number of Equity Shares within a period of 13 months from the date of allotment.

## 21(a) Non-current borrowings

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Secured** | | |
| Term loans from banks | 18,096.72 | 3,923.29 |
| Term loans from financial institutions | 233.34 | 260.92 |
| **Un-Secured** | | |
| Lease Liability (Refer Note 43) | 330.38 | 686.20 |
| Total Borrowings | 18,660.48 | 4,870.41 |
| Less: Current maturities of long term borrowings (refer note 21(b)) | (3,537.88) | (202.89) |
| | **15,122.56** | **4,667.52** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**Notes:**

1. Term loans from banks and financial institutions carrying interest rate ranging from 8.55% to 9.33% p.a ( P.Y. 10.12% to 11.35% p.a).

2. Term loans from banks in the holding company are secured by way of equitable mortgage on pari-passu basis on the land and building of, AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the, AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company.

3. Term loans from banks in subsidiary are secured by way of equitable mortgage on first pari-passu basis on the entire fixed Assets (present & Future) created out of bank finance along with other lenders on Land and Building at Plot No F1 Defence Industrial Corridor Lucknow of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company.

4. Further the term loans from banks and financial institutions are secured by way of personal guarantee of the certain Directors of the Company.

5. Vehicle loans carry interest rates ranging from 6.75% to 9.4% p.a ( P.Y 7.15% to 9.40% p.a) and are secured by way of absolute charge on respective assets thus purchased.

6. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

## 21(b) Current borrowings

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Loans repayable on demand- from banks | 5,717.92 | 213.87 |
| Current maturity of Long term debts | 3,537.88 | 202.89 |
| **Un-Secured** | | |
| Bill Discounted | 1,448.39 | 956.29 |
| Lease Liability (refer note 43) | 307.45 | 42.78 |
| | **11,011.63** | **1,415.83** |

**Notes:**

1. Working capital facilities from banks in holding company carry interest rates ranging from 6.45% to 9.90% p.a.(P.Y 6% to 9.90% p.a) and are repayable on demand. These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the AMTC Plant (at village Sarai Shahajadi) of the Company.

2. Working capital loans from banks in subsidiary are secured by way of equitable mortgage on first pari-passu basis on the entire fixed Assets (present & Future) and Land & Building at Plot No F1 Defence Industrial Corridor Lucknow of the Company and first charge ranking pari-passu on the whole of the present and future current assets of the Company.

3. Cash credit facilities are secured by way of personal guarantee of the certain Directors of the Company.

4. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

5. The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

6. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

| Particulars | Non-current borrowings | Current borrowings | Interest accrued |
|---|---|---|---|
| **As at 1 April 2024** | **9,637.78** | **8,251.96** | **-** |
| Add: Non cash changes due to- | | | |
| - Interest expense debited to statement of profit and loss | - | - | 604.30 |
| - Interest expense capitalised to capital work-in-progress | - | - | - |
| Add: Cash inflows during the year | | | |
| - Proceeds from non-current borrowings | 2,656.34 | - | - |
| - Proceeds from current borrowings | - | - | - |
| Less: Cash outflow during the year | | | |
| - Repayment of non-current borrowings | (8,109.90) | - | - |
| - Repayment of current borrowings | - | (7,177.52) | - |
| - Interest paid | - | | (604.30) |
| - Others | (202.90) | 298.61 | - |
| **As at 1 April 2025** | **3,981.32** | **1,373.05** | **-** |
| Add: Non cash changes due to- | | | |
| - Interest expense debited to statement of profit and loss | - | - | 834.56 |
| - Interest expense capitalised to capital work-in-progress | - | - | - |
| Add: Cash inflows during the year | | | |
| - Proceeds from non-current borrowings | 10,857.26 | - | - |
| - Proceeds from current borrowings (Net) | | 9,595.80 | - |
| Less: Cash outflow during the year | | | |
| - Repayment of non-current borrowings | (46.40) | | - |
| - Repayment of current borrowings | - | (264.66) | - |
| - Interest paid | - | - | (834.56) |
| **Closing balance as on 31 March 2026** | **14,792.18** | **10,704.19** | **-** |

## 22 Other financial liabilities

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Security deposit | 7.90 | 7.90 |
| Other financial liabilities | 552.13 | |
| | **560.03** | **7.90** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

## 23 Provisions

| | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2026 | As at 31st March 2025 |
| **Provision for employees benefits** | | | | |
| - Provision for gratuity | 21.44 | - | 103.15 | 74.59 |
| - Provision for compensated absences | 118.00 | 87.72 | 28.78 | 24.64 |
| - Provision for CSR* | - | 11.85 | - | - |
| | **139.44** | **99.57** | **131.93** | **99.23** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 24 Deferred tax liabilities (net)

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Deferred tax liability arising on account of:** | | |
| Difference between book balance and tax balance of property, plant and equipment | 2,506.66 | 1,991.30 |
| Fair valuation of derivative contracts | | 100.72 |
| | **2,506.66** | **2,092.02** |
| **Deferred tax asset arising on account of:** | | |
| Provision for employee benefits | 78.74 | 56.11 |
| (Loss)/ Gain - Forward contracts | 79.29 | (13.95) |
| Provision for doubtful debts | 5.68 | 5.68 |
| | **163.71** | **47.84** |
| Minimum alternate tax credit entitlement | - | - |
| **Net deferred tax liability** | **2,342.95** | **2,044.18** |

### (A) Movement in deferred tax liabilities:

| Particulars | As at 1 April 2024 | Recognised in statement of profit and (loss) | Recognised in other comprehensive income | As at 31 March 2025 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of:** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,720.50 | 270.80 | - | 1,991.30 |
| Exchange differences in translating the financial statement of foreign operation | - | - | 100.72 | 100.72 |
| | **1,720.50** | **270.80** | **100.72** | **2,092.02** |
| **Deferred tax asset arising on account of:** | | | | |
| Provision for employee benefits | 47.02 | 0.87 | 8.22 | 56.11 |
| Provision for doubtful debts | 5.68 | - | - | 5.68 |
| (Loss)/ Gain - Forward contracts | (29.16) | 15.21 | - | (13.95) |
| | **23.54** | **16.08** | **8.22** | **47.84** |
| **Net deferred tax liability** | **1,696.96** | **254.72** | **92.50** | **2,044.18** |

**Movement in deferred tax liabilities:**

| Particulars | As at 1 April 2025 | Recognised in statement of profit and (loss) | Recognised in other comprehensive income | As at 31st March 2026 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of:** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,991.30 | 515.36 | - | 2,506.66 |
| Exchange differences in translating the financial statement of foreign operation | 100.72 | (100.72) | | - |
| | **2,092.02** | **414.64** | **-** | **2,506.66** |
| **Deferred tax asset arising on account of:** | | | | |
| Provision for employee benefits | 56.11 | 29.52 | (6.88) | 78.75 |
| Provision for doubtful debts | 5.68 | - | - | 5.68 |
| (Loss)/ Gain - Forward contracts | (13.95) | 93.24 | - | 79.29 |
| | **47.84** | **122.76** | **(6.88)** | **163.72** |
| Minimum alternate tax credit entitlement | - | - | - | - |
| **Net deferred tax liability** | **2,044.18** | **291.88** | **6.88** | **2,342.94** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

### (B) Unrecognised deferred tax assets

| Particulars | As at 31st March 2026 | | As at 31st March 2025 | |
|---|---|---|---|---|
| | Gross amount | Tax effect | Gross amount | Tax effect |
| Brought forward long term capital losses | 61.67 | 15.52 | 61.67 | 15.52 |
| | **61.67** | **15.52** | **61.67** | **15.52** |

## 25 Other non-current liabilities

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Deferred Government grant | 635.00 | 701.67 |
| | **635.00** | **701.67** |
| **(i) Reconciliation of deferred income** | | |
| Opening balance as at the beginning of the year | 701.67 | 768.36 |
| Less: Transferred to the Statement of Profit and Loss | (66.67) | (66.67) |
| Add: Others | 0 | (0.02) |
| **Closing balance as at the end of the year** | **635.00** | **701.67** |

## 26 Trade payables

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Due to : | | |
| Total outstanding dues of micro enterprises and small enterprises* | 718.66 | 3,003.73 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 5,828.13 | 1,868.71 |
| | **6,546.79** | **4,872.44** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Group pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year | 718.66 | 3,003.73 |
| The amount of interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**Trade Payables ageing schedule as at 31st March 2026**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 718.66 | | - | - | 718.66 |
| (ii) Others | 5,756.06 | 5.93 | 6.17 | 59.97 | 5,828.13 |
| **Total** | **6,474.72** | **5.93** | **6.17** | **59.97** | **6,546.79** |

* There are no disputed payables

**Trade Payables ageing schedule as at 31st March 2025**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 3,003.73 | - | - | - | 3,003.73 |
| (ii) Others | 1,795.30 | 21.08 | 18.83 | 33.50 | 1,868.71 |
| **Total** | **4,799.03** | **21.08** | **18.83** | **33.50** | **4,872.44** |

* There are no disputed payables

## 27 Current financial liabilities- others

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Others | | |
| - towards creditors for capital goods | 2,499.46 | 3,160.78 |
| - towards employee related payables (Refer note 46) | 448.56 | 468.93 |
| - expenses payables | 730.23 | 498.08 |
| | **3,678.25** | **4,127.79** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

## 28 Other current liabilities

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Advance from customers | 3,422.89 | 1,171.17 |
| Statutory dues payable | 695.67 | 473.54 |
| Other financial liability* | 315.05 | - |
| | **4,433.61** | **1,644.71** |

* Other financial liability includes the forward contracts

## 29 Current tax liabilities (net)

| | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Current years Liabilities net of advance tax on TDS | 311.49 | 36.82 |
| | **311.49** | **36.82** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 30 Revenue from operations

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Sale of products | 59,864.37 | 30,338.50 |
| Other operating revenues (refer (a) below) | 413.30 | 468.90 |
| Revenue from operations | **60,277.67** | **30,807.40** |
| **(a) Other operating revenues (Point in Time)** | | |
| Export incentives | 367.26 | 419.19 |
| Income from power generation | 46.04 | 49.71 |
| **Total** | **413.30** | **468.90** |
| **Reconciliation of revenue recognised with contract price:** | | |
| Gross Revenue | 60,277.67 | 30,807.40 |
| | **60,277.67** | **30,807.40** |

## 31 Other income

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Interest | | |
| - from bank deposits valued at amortised cost | 2,005.92 | 2,652.98 |
| Rent income from investment property and property plant equipment* | 59.03 | 56.00 |
| Insurance claims received | 8.19 | - |
| Gain on foreign exchange fluctuation (net) | 1,896.03 | 617.43 |
| Fair value gain/(loss) on investment at fair value through profit or loss (net) | - | 1.83 |
| Amortisation of deferred income (refer note-25) | 66.67 | 66.67 |
| Profit on sale of assets | 0.37 | 6.39 |
| Miscellaneous income | 14.67 | 13.97 |
| | **4,050.88** | **3,415.27** |

*refer note 46

## 32 Cost of materials consumed

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Raw materials at the beginning of the year | 6,444.96 | 2,633.00 |
| Add: Inventory on acquisition of Trac | - | 555.79 |
| Add: Purchases# | 33,736.94 | 12,161.66 |
| Less: Closing stock | 5,917.53 | 6,444.96 |
| **Cost of material consumed** | **34,264.37** | **8,905.49** |

## 33 Changes in inventories of finished goods and work-in-progress

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Inventories at the beginning of the year | | |
| Work-in-progress | 12,537.00 | 3,614.58 |
| Finished goods | 196.35 | 45.02 |
| | **12,733.35** | **3,659.60** |
| Add/(Less)-Inventory on Acquisition of Trac or Overhead absorption adjustment at subsidiary level | -14,048.42 | 5,506.52 |
| | **-1,315.07** | **9,166.12** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Inventories at the end of the year | | |
| Work-in-progress | 22,224.09 | 12,537.00 |
| Finished goods | 126.68 | 196.35 |
| | **22,350.77** | **12,733.35** |
| | **(23,665.84)** | **(3,567.23)** |

## 34 Employee benefits expense

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Salaries, wages and bonus | 13,737.94 | 4,961.36 |
| Contribution to provident and other funds | 972.08 | 464.96 |
| Gratuity expense (refer note 42) | 161.58 | 57.21 |
| Staff welfare expenses | 165.50 | 82.67 |
| Employee stock option payment expenses | 39.45 | 92.95 |
| | **15,076.56** | **5,659.15** |

* The remuneration paid by the Holding Company to its directors during the year is in accordance with the approval of the shareholders in a general meeting in terms of the provisions of Section 197 read with Schedule V of the companies Act, 2013.

## 35 Other expenses

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| **Manufacturing expenses** | | |
| Stores and spares consumed | 8,467.57 | 4,465.87 |
| Power and fuel | 1,831.65 | 1,677.46 |
| Repairs and maintenance | | |
| - plant and machinery | 1,511.06 | 804.42 |
| - building | 305.57 | 80.71 |
| Packing and general consumables | 347.05 | 324.79 |
| Processing and work charges | 2,564.68 | 643.69 |
| Freight Expenses | 125.08 | 32.65 |
| Outsourced services | 599.87 | 485.61 |
| Testing and inspection charges | 1,038.86 | 854.98 |
| **Sub-total (A)** | **16,791.39** | **9,370.18** |
| **Administrative, selling and other expenses** | | |
| Rent | 496.76 | 132.22 |
| Rates and taxes | 62.67 | 71.50 |
| Insurance expenses | 411.95 | 200.37 |
| Security expenses | 120.01 | 127.67 |
| Legal and professional expenses | 553.82 | 495.37 |
| Payment to Auditors [refer note 36] | 25.86 | 48.19 |
| Travelling and conveyance | 584.79 | 421.08 |
| Vehicle running and maintenance | 237.18 | 175.36 |
| Communication expenses | 57.04 | 34.61 |
| Printing and stationery | 77.22 | 53.93 |
| Training and Recruitment | 124.71 | 70.78 |
| Seminar, Conferences and Exhibitions | 25.55 | 25.84 |
| Financial instruments measured at fair value | - | 60.47 |
| Gain/(loss) on foreign exchange fluctuation (net) | 69.00 | 38.13 |
| Freight and clearing | 617.64 | 198.62 |
| Work Charges - Customer end | 133.35 | 283.02 |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Late Delivery charges | - | 0.15 |
| Advertisement and promotion | 4.90 | 13.25 |
| Donation and charity | 1.14 | 0.05 |
| Loss on sale of assets (net) | 256.13 | - |
| Computer expenses | 377.68 | 112.38 |
| Corporate social responsibility expenses | 109.26 | 69.89 |
| Bad debts written off | - | 6.54 |
| Business promotion expenses | 75.50 | 115.24 |
| Office upkeep and maintenance charges | 81.53 | 77.76 |
| Miscellaneous expenses | 130.50 | 81.19 |
| **Sub-total (B)** | **4,634.19** | **2,913.61** |
| **Grand total (C=A+B)** | **21,425.58** | **12,283.79** |

## 36 Payment to auditors

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| **As auditor:** | | |
| - Statutory audit (including limited reviews) | 23.00 | 43.43 |
| **In other capacity:** | | |
| - Certification | 0.65 | 11.00 |
| - Tax | - | 3.00 |
| - Out of pocket expenses** | 2.21 | 0.88 |
| | **25.86** | **58.31** |

## 37 Finance costs

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Interest expense on borrowings measured at amortised cost | | |
| - on working capital loans | 296.83 | 415.70 |
| - on term loans | 37.59 | 210.60 |
| Interest on others | 308.96 | 43.96 |
| Bank charges | 220.65 | 219.24 |
| | **864.03** | **889.50** |

## 38 Depreciation and amortisation expense

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Depreciation on property, plant and equipment | 3,613.74 | 2,103.63 |
| Depreciation on investment property | 3.54 | 3.54 |
| Amortisation on intangible assets | 52.01 | 23.46 |
| | **3,669.29** | **2,130.63** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 39 Tax expense

### (a) Income tax expenses recognised in profit and loss

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| **Current tax:** | | |
| Current tax | 2,146.07 | 1,470.48 |
| | **2,146.07** | **1,470.48** |
| **Deferred tax:** | | |
| In respect of current year origination and reversal of temporary differences | 392.62 | 255.14 |
| | **392.62** | **255.14** |
| **Total tax expense recognised in profit and loss** | **2,538.69** | **1,725.62** |

### (b) Income tax expenses recognised in other comprehensive income

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| **Deferred tax:** | | |
| Re-measurement of defined benefit obligations | (6.21) | 8.22 |
| Exchange differences in translating the financial statement of foreign operation | | (100.72) |
| Total tax expense recognised in other comprehensive income | **(6.21)** | **(92.50)** |

### (c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the holding company at 25.17% (31 March 2025: 25.17%) and for the subsidiary company at 17.16% (31 March 2025: 17.16%) the reported tax expense in the statement of profit and loss are as follows:

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| **Accounting profit before income-tax** | **12,694.56** | **7,827.47** |
| At India's statutory income-tax rate | 2,521.09 | 1,673.19 |
| **Tax effect of amounts which are not deductible (taxable) in calculating taxable income:** | | |
| Tax incentive and concession | 24.47 | 52.43 |
| Non deductible expenses | - | - |
| Tax on income at different rates | - | - |
| Tax earlier years | - | - |
| Fair valuation of transaction cost of borrowings | - | - |
| Impact of deferred tax which are reversing after the utilisation of mat credit period | - | - |
| Others | -6.87 | - |
| | **2,538.69** | **1,725.62** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 40 Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Profit for the year attributable to equity shareholders | 10,155.87 | 6,101.85 |
| Weighted average number of equity shares (nos. in Lakhs) | 149.87 | 147.51 |
| Nominal value per share (₹) | 10.00 | 10.00 |
| Earnings per share - basic (₹) | 67.76 | 41.37 |
| Weighted average number of equity shares for Diluted (nos. in Lakhs) | 149.87 | 147.51 |
| Add:- Potential Dilutive No. | 0.06 | 0.14 |
| Total Diluted Equity Share | 149.93 | 147.65 |
| Earnings per share - diluted (₹) | 67.74 | 41.33 |

The Company have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company are as above.

## 41 Financial instrument and risk review

### (A) Financial instruments

#### (i) Capital management

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 21(a) and 21(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the holding company. The Group is not subject to externally imposed capital requirements. The Board of holding company reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

The following table summarises the capital of the Group:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Equity** | **1,50,710.99** | **1,38,666.02** |
| **Liquid assets (cash and cash equivalent and current investments) (a)** | 3,476.83 | 18,964.80 |
| Current borrowings [note 21(b)] | 11,011.63 | 1,415.83 |
| Non- current borrowings [note 21(a)] | 15,122.56 | 4,667.52 |
| Interest accrued but not due on borrowings (refer note 27) | - | - |
| **Total debt (b)** | **26,134.19** | **6,083.35** |
| **Net debt (c=(b) - (a))** | **22,657.36** | **(12,881.45)** |
| **Total capital (equity + net debt)** | **1,73,368.35** | **1,25,784.57** |
| **Gearing ratio** | | |
| Debt to equity ratio | 0.17 | 0.04 |
| Net debt to equity ratio | 0.15 | (0.09) |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## (ii) Category of financial instruments

| Particulars | Note no. | As at 31st March 2026 | | | | As at 31st March 2025 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Amortised cost | FVTPL | FVOCI | At Cost | Amortised cost | FVTPL | FVOCI | At Cost |
| **Financial assets** | | | | | | | | | |
| Investments* | 9(a),9(b) | - | 9.08 | - | 273.70 | - | 9.99 | - | 273.70 |
| Loans | 10 | 186.62 | - | - | - | 54.49 | - | - | - |
| Trade receivables | 15 | 27,392.56 | - | - | - | 14,381.31 | - | - | - |
| Cash and cash equivalents | 16 | 3,467.75 | - | - | - | 18,954.81 | - | - | - |
| Other bank balances | 17 | 10,188.83 | - | - | - | 19,228.08 | - | - | - |
| Other financial assets | 11(a),11(b) | 8,375.63 | - | - | - | 2,697.57 | 55.41 | - | - |
| **Total financial assets** | | **49,611.39** | **9.08** | **-** | **273.70** | **55,316.26** | **65.40** | **-** | **273.70** |
| **Financial liabilities** | | | | | | | | | |
| Borrowings | 21(a),21(b) | 26,134.19 | - | - | - | 6,083.35 | - | - | - |
| Trade payables | 26 | 6,546.79 | - | - | - | 4,872.44 | - | - | - |
| Other financial liabilities | 22, 27 | 4,238.28 | - | - | - | 4,135.69 | - | - | - |
| **Total financial liabilities** | | **36,919.26** | **-** | **-** | **-** | **15,091.48** | **-** | **-** | **-** |

Cash and cash equivalents, investments, loans, other bank balances, other financial assets, trade receivables, trade payables, borrowings, other payables and other financial liabilities: approximate their carrying amounts largely due to the short-term maturities of these instruments.

## (iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

| Particulars | As at 31st March 2026 | | | As at 31st March 2025 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial assets- measured at fair value** | | | | | | |
| *Financial investment at FVTPL* | | | | | | |
| - Forward contract | - | - | - | - | 55.41 | - |
| - Quoted mutual fund | 9.08 | - | - | 9.99 | - | - |
| **Financial liabilities- measured at fair value** | | | | | | |
| *Financial investment at FVTPL* | | | | | | |
| - Forward contract | - | 315.05 | - | - | - | - |
| | **9.08** | **315.05** | **-** | **9.99** | **55.41** | **-** |

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

**Level 3:** This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2026 and 31 March 2025.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**Valuation techniques and significant unobservable inputs:**

Financial instruments measured at fair value

| Type | Valuation technique |
|---|---|
| Mutual funds | Quoted closing NAV as at the reporting period |
| Foreign exchange forward contract | Basis the valuation received from the bank as at the reporting period. |

**Fair value of financial assets and liabilities measured at amortised cost**

| Particulars | As at 31st March 2026 | | | As at 31st March 2025 | | |
|---|---|---|---|---|---|---|
| | Level | Carrying Value | Fair Value | Level | Carrying Value | Fair Value |
| **Financial assets** | | | | | | |
| Loans | Level 3 | 186.62 | 186.62 | Level 3 | 54.49 | 54.49 |
| Trade receivables | Level 3 | 27,392.56 | 27,392.56 | Level 3 | 14,381.31 | 14,381.31 |
| Cash and cash equivalents | Level 3 | 3,467.75 | 3,467.75 | Level 3 | 18,954.81 | 18,954.81 |
| Other bank balances | Level 3 | 10,188.83 | 10,188.83 | Level 3 | 19,228.08 | 19,228.08 |
| Other financial assets | Level 3 | 8,375.63 | 8,375.63 | Level 3 | 2,697.57 | 2,697.57 |
| **Total financial assets** | | **49,611.39** | **49,611.39** | | **55,316.26** | **55,316.26** |
| **Financial liabilities** | | | | | | |
| Borrowings | Level 3 | 26,134.19 | 26,134.19 | Level 3 | 6,083.35 | 6,083.35 |
| Trade payables | Level 3 | 6,546.79 | 6,546.79 | Level 3 | 4,872.44 | 4,872.44 |
| Other financial liabilities | Level 3 | 4,238.28 | 4,238.28 | Level 3 | 4,135.69 | 4,135.69 |
| **Total financial liabilities** | | **36,919.26** | **36,919.26** | | **15,091.48** | **15,091.48** |

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

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

## (B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

### (i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Group is exposed to credit risk from trade receivables, loans and advances and other financial instruments.

**Trade receivables**

The Group primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Group has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically.

The Group does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

**Loans and advances**

The Group provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Group considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)** | | |
| Other non-current financial assets | 198.67 | 231.88 |
| Current loans | 186.62 | 54.49 |
| Other current financial assets | 176.44 | 196.42 |
| | **561.73** | **482.79** |
| **Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)** | | |
| Trade receivables | 27,392.56 | 14,381.31 |
| | **27,392.56** | **14,381.31** |

**Provision for expected credit losses**

*(a) Financial assets for which loss allowance is measured using 12 month expected credit losses*

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

*(b) Financial assets for which loss allowance is measured using life time expected credit losses*

The Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Group has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Group.

*Movement in the provision for expected credit loss*

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Balance at the beginning of the year | 22.59 | 22.59 |
| Add: Allowance provided during the year | - | - |
| **Balance at the end of the year** | **22.59** | **22.59** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**Trade Receivables - Expected Credit Loss as at 31st March 2026**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 19,456.79 | 4,768.81 | 723.88 | 2,036.33 | 373.81 | 55.53 | 27,415.15 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | | | | | | |
| **Gross Carrying amount - Trade Receivables** | **19,456.79** | **4,768.81** | **723.88** | **2,036.33** | **373.81** | **55.53** | **27,415.15** |
| Expected Credit Loss rate | - | | | | 6.04% | | |
| Expected Credit Loss - Trade Receivables | - | - | - | - | 22.59 | | 22.59 |
| **Net Carrying amount - Trade Receivables** | **19,456.79** | **4,768.81** | **723.88** | **2,036.33** | **351.22** | **55.53** | **27,392.56** |

**Trade Receivables - Expected Credit Loss as at 31st March 2025**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 8,864.23 | 777.26 | 4,322.27 | 383.76 | 55.67 | 0.71 | 14,403.90 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Gross Carrying amount - Trade Receivables** | **8,864.23** | **777.26** | **4,322.27** | **383.76** | **55.67** | **0.71** | **14,403.90** |
| Expected Credit Loss rate | - | - | - | 0.00% | 39.31% | 100.00% | |
| Expected Credit Loss - Trade Receivables | - | - | - | - | 21.88 | 0.71 | 22.59 |
| **Net Carrying amount - Trade Receivables** | **8,864.23** | **777.26** | **4,322.27** | **383.76** | **33.79** | **-** | **14,381.31** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

### (ii) Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due. The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

As at 31 March 2026, the Company had a working capital of ₹ 6,3595.83 lakhs including cash and cash equivalents of ₹ 3,467.75 lakhs. As at 31 March 2025, the Company had a working capital of ₹ 70,368.81 lakhs including cash and cash equivalents of ₹ 18,954.81 lakhs.

**Maturities of financial liabilities**

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

**31st March 2026**

| Particulars | Contractual cash flows | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 11,011.63 | 8,825.20 | 6,297.36 | 26,134.19 |
| Provisions | 131.93 | 139.44 | - | 271.37 |
| Tax Liabilities | 311.49 | - | - | 311.49 |
| Other Liabilities | 4,433.61 | 635.00 | - | 5,068.61 |
| Trade payables | 6,546.79 | - | - | 6,546.79 |
| Other financial liabilities | 3,678.25 | 560.03 | - | 4,238.28 |
| | **26,113.70** | **10,159.67** | **6,297.36** | **42,570.73** |

**31st March 2025**

| Particulars | Contractual cash flows | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 1,415.83 | 4,632.72 | 34.80 | 6,083.35 |
| Provisions | 99.23 | 99.57 | - | 198.80 |
| Tax Liabilities | 36.82 | - | - | 36.82 |
| Other Liabilities | 1,644.71 | 701.67 | - | 2,346.38 |
| Trade payables | 4,872.44 | - | - | 4,872.44 |
| Other financial liabilities | 4,127.79 | 7.90 | - | 4,135.69 |
| | **12,196.82** | **5,441.86** | **34.80** | **17,673.48** |

### (iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. The Group exports finished goods which are denominated in the currency other than the functional currency of the Group which exposes it to foreign currency risk. In order to minimise the risk, the Group executes forward contracts w.r.t sale made in currency other than functional currency.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**(a) Currency risk**

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed by the holding company within approved policy parameters utilising foreign exchange forward contracts. Below table represents the consolidated exposure of the group:

| Particulars | Currency | In foreign currency | | In ₹ | |
|---|---|---|---|---|---|
| | | As at 31st March 2026 | As at 31st March 2025 | As at 31st March 2026 | As at 31st March 2025 |
| **Financial assets(Gross)*** | | | | | |
| Trade receivables | USD | 108.40 | 45.22 | 10216.84 | 3848.45 |
| | EURO | 44.84 | 56.54 | 4817.30 | 5193.81 |
| | GBP | 0.93 | 0.49 | 114.71 | 53.18 |
| | NZD | 1.93 | 0.66 | 102.35 | 31.47 |
| **Financial liabilities(Gross)*** | | | | | |
| Trade payables | USD | (0.55) | (0.53) | (51.21) | (45.84) |
| | EURO | (0.62) | (0.53) | (69.02) | (50.42) |
| | GBP | (0.60) | (0.48) | (76.02) | (53.90) |
| | CNY | - | (0.02) | - | (0.26) |
| Capital creditors | USD | (0.09) | (2.20) | (8.23) | (188.43) |
| | EURO | (4.98) | (0.06) | (551.62) | (5.90) |
| | GBP | (0.93) | (3.76) | (118.29) | (421.36) |
| Foreign currency derivative contracts (Sell foreign currency-Forward contracts) | USD | - | - | - | - |
| | EURO | 39.07 | 22.57 | 4,197.70 | 2,073.63 |
| Net Foreign currency receivable/ (payable)** | USD | 107.77 | 42.49 | 10,157.40 | 3,614.18 |
| | EURO | 0.17 | 33.37 | - | 3,063.87 |
| | GBP | (0.58) | (3.75) | (79.61) | (422.07) |
| | CNY | - | (0.02) | - | (0.26) |
| | NZD | 1.93 | 0.66 | 102.35 | 31.47 |

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are nett-of the exposure covered through forward contracts.

*Sensitivity analysis*

The following table demonstrates the sensitivity of profit and equity in USD, EURO, CNY, GBP and NZD to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

| Particulars | Change in currency exchange rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31st March 2026 | As at 31st March 2025 |
| USD | 5% | 507.87 | 180.71 |
| | (5%) | (507.87) | (180.71) |
| EURO | 5% | - | 153.19 |
| | (5%) | - | (153.19) |
| CNY | 5% | - | (0.01) |
| | (5%) | - | 0.01 |
| GBP | 5% | (3.98) | (21.10) |
| | 5% | 3.98 | 21.10 |
| NZD | 5% | 5.12 | 1.57 |
| | (5%) | (5.12) | (1.57) |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**(b) Interest rate risk**

The Group is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Group's interest-bearing financial liabilities is as follows:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Variable rate instruments** | | |
| Term loan from banks | 14,913.60 | 3,923.29 |
| Term loans from financial institutions | 43.04 | - |
| Working capital loan | 5,717.92 | 213.87 |
| **Fixed rate instruments** | | |
| Term loans from financial institutions | 3,183.12 | |
| Vehicle loan | 190.30 | 260.92 |
| Bills Discounted | 1,448.39 | 956.29 |
| | **25,496.37** | **5,354.37** |

*Sensitivity analysis*

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below :

| Particulars | Change in interest rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31st March 2026 | As at 31st March 2025 |
| Borrowings | 0.50% | (103.16) | (20.69) |
| | (0.50%) | 103.16 | 20.69 |

**(c) Price risk**

Group's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

*Sensitivity analysis*

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Group's profit for the year with all other variables held constant and the investment moved in line with the index.

| Particulars | Change in interest rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31st March 2026 | As at 31st March 2025 |
| Investment in mutual fund | 5% | 0.45 | 0.50 |
| | (5%) | (0.45) | (0.50) |

Profit for the year would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 42 Employee benefits

### (i) Defined benefit plan

#### Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed for 15/26 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Group makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

#### Risk exposure:

**(a)** **Discount rate:** A decrease in discount rate in subsequent valuations can increase the plan's liability.

**(b)** **Mortality rate:** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**(c)** **Investment risk:** In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

**(d)** **Attrition:** Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

#### Details of the Company's defined benefit plans are as follows:

**A. Changes in the present value of obligations**

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 679.99 | 614.53 |
| Recognised in profit and loss | | |
| - Interest cost | 47.59 | 44.55 |
| - Current service cost | 65.43 | 53.79 |
| - Past service cost | 91.13 | |
| Recognised in other comprehensive income | | |
| Remeasurement gains / (losses) | | |
| - Actuarial (gain)/loss from changes in financial adjustments and experience adjustments | (30.11) | 30.72 |
| Benefits paid | (51.50) | (63.60) |
| **Present value of the obligation at the end of the year** | **802.53** | **679.99** |

**B. Changes in the fair value of planned assets:**

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Fair value of plan assets at the beginning of the year | 605.40 | 587.47 |
| Expected return on plan assets | 42.57 | 41.13 |
| Contributions | 81.68 | 42.96 |
| Benefits paid | (51.50) | (63.60) |
| Actuarial gain/(loss) on plan assets | (0.21) | (2.56) |
| Others | - | - |
| **Fair value of plan asset at the end of the year** | **677.94** | **605.40** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

## C. Net asset/(liability) recognised in the balance sheet

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Present value of the obligation at the end of the year | 802.53 | 679.99 |
| Fair value of plan assets at end of year | 677.94 | 605.40 |
| **Net liability/(asset) recognised in balance sheet (refer note 18 and 23)** | **124.59** | **74.59** |

## D. Bifurcation of net liability

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Current Liability (Short Term) | 103.15 | 74.59 |
| Non Current Liability (Long Term) | 21.44 | |
| **Total Liability (refer note 23)** | **124.59** | **74.59** |

## E. Reconciliation of liability in balance sheet

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Opening net defined benefit liability/(asset) | 74.59 | 27.06 |
| Expenses to be recognized in P&L | 161.59 | 57.21 |
| OCI - Actuarial (gain)/loss - Total current period | (29.90) | 33.28 |
| Employer Contribution | -81.68 | (42.96) |
| Other adjustments | - | - |
| Closing net defined benefit liability/(asset) | 124.59 | 74.59 |

## F. Expenses recognised in profit and loss

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Interest cost | 47.59 | 44.55 |
| Current service cost | 65.43 | 53.79 |
| Past service cost | 91.13 | |
| Expected return on plan asset | (42.57) | (41.13) |
| **Amount recognised in profit and loss (refer note 34)** | **161.58** | **57.21** |

## G. Expenses recognised in other comprehensive income

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Actuarial (gain)/loss on obligation | (30.11) | 30.72 |
| Actuarial (gain)/loss on plan assets | 0.21 | 2.56 |
| **(Gain)/Loss** | **(29.90)** | **33.28** |

## H. Major category of plan asset as a % of total plan assets

| Category of asset (% allocation) | As at 31st March 2026 | | As at 31st March 2025 | |
|---|---|---|---|---|
| | (%) | Amount | (%) | Amount |
| Insurance policy - PTC Industries Limited | 100 | 587.63 | 100 | 530.03 |
| Insurance policy - Aerolloy Technologies Limited | 100 | 90.31 | 100 | 75.37 |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## I. Actuarial assumptions

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Discount rate | 7.25% | 7.00% |
| Salary growth rate | 5.75% | 5.75% |
| Withdrawal rate (per annum) | | |
| 18 - 30 years | 10.00% | 10.00% |
| 31 - 44 years | 5.00% | 5.00% |
| 45 - 58 years | 2.00% | 2.00% |
| Normal retirement age (years) | 58 | 58 |
| Mortality | IALM 2012-14 | IALM 2012-14 |

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

## J. Sensitivity analysis

| Particulars | As at 31st March 2026 | | As at 31st March 2025 | |
|---|---|---|---|---|
| | Change in assumption | Effect on obligation | Change in assumption | Effect on obligation |
| Discount rate | 1.00% | (39.40) | 1.00% | (33.79) |
| | (1.00%) | 44.56 | (1.00%) | 38.26 |
| Salary growth rate | 1.00% | 44.65 | 1.00% | 38.35 |
| | (1.00%) | (40.19) | (1.00%) | (34.47) |
| Withdrawal rate | 1.00% | 31.71 | 1.00% | 2.55 |
| | (1.00%) | (3.04) | (1.00%) | (2.83) |

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

## K. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

| Period | 31st March 2026 | 31st March 2025 |
|---|---|---|
| Less than 1 year | 103.14 | 92.53 |
| Between 1-2 years | 49.77 | 49.35 |
| Between 2-5 years | 177.36 | 101.70 |
| Over 5 years | 472.26 | 436.42 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2025 is 10 years).

Expected contribution to defined benefit plans in the next year is ₹ 87.09 lakhs (31 March 2025: ₹ 66.68 lakhs).

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

### (ii) Other long-term benefits

#### (A) Compensated absences- unfunded

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Amounts recognised in balance sheet | | |
| Current (refer note 23) | 28.78 | 24.64 |
| Non-current (refer note 23) | 118.00 | 87.72 |
| | **146.78** | **112.36** |

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Amounts recognised in statement of profit and loss** | | |
| Interest cost | 7.86 | 8.02 |
| Current service cost | 29.41 | 15.58 |
| Past Service Cosr | 19.72 | |
| Actuarial loss | 13.30 | 28.72 |
| | **70.29** | **52.33** |
| **Changes in benefit obligations** | | |
| Present value of the obligation at the beginning of the year | 112.35 | 110.70 |
| Interest cost | 7.87 | 8.03 |
| Current service cost | 29.41 | 15.58 |
| Past Service Cost | 19.72 | |
| Benefits paid | (35.87) | (50.66) |
| Actuarial loss | 13.30 | 28.72 |
| **Present value of the obligation at the end of the year** | **146.78** | **112.37** |

**Actuarial assumptions**

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Discount rate | 7.25% | 7.00% |
| Salary growth rate | 5.75% | 5.75% |
| Withdrawal rate (per annum) | | |
| 18 - 30 years | 10.00% | 10.00% |
| 31 - 44 years | 5.00% | 5.00% |
| 45 - 58 years | 2.00% | 2.00% |
| Normal retirement age (years) | 58 | 58 |

### (iii) Defined contribution plan

The Group makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

The Group recognised ₹ 197.38 Lakhs (31 March 2025: ₹ 173.16 Lakhs) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in ""Employee benefits expense"" in note 34. The contribution payable to these plans by the Group is at rates specified in the rules of the schemes.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 43 Leases

### The Group as a lessee

The Group's leases primarily consists of leases for land. Generally, the contracts are made for fixed period and does not have a purchase option at the end of lease term. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group applies the 'short-term lease' recognition exemptions for these leases with lease terms of 12 months or less.

### (i) Amount recognised in the Balance sheet

The balance sheet shows the following amounts relating to the leases:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Carrying amount of right-of-use assets: | | |
| Land | 2,092.75 | 2,119.46 |
| **Total** | **2,092.75** | **2,119.46** |

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Carrying amount of lease liability: | | |
| Current | 307.45 | 42.78 |
| Non-current | 330.38 | 686.20 |
| **Total** | **637.83** | **728.98** |

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Additions to right-of-use assets:** | | |
| Land | - | 455.46 |
| **Total** | **-** | **455.46** |

### (ii) The amount recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to the leases:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Depreciation charge of right of use of assets:** | | |
| Land | 23.87 | 24.79 |
| **Total** | **23.87** | **24.79** |

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Interest expense on lease liabilities (included in finance cost) | 42.78 | 49.56 |
| Expenses relating to short term and low value leases (included in other expenses) | 496.76 | 132.22 |
| The total cash outflow for leases for the year ended were ₹ | 42.78 | 32.18 |

(iii) The Company do not have any operating leases that are non-cancellable.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 44 Contingent liabilities and commitments

### (i) Capital commitment:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 13,738.85 | 12,647.68 |

### (ii) Contingent liabilities

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Other contingent liabilities** | | |
| Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 16.59 lakhs (previous year ₹ 16.59 lakh)]* | 16.59 | 16.59 |

*In respect of the above matters pending at various authorities(GST cases are pending at appellate authority & sales tax case is pending at sales tax tribunal) represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the Group believes that it has a good chance of success in all the above mentioned cases.

### (iii) Guarantees excluding financial guarantees:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| In respect of non fund-based working capital facilities from banks: | | |
| - Bank guarantees | 9137.90 | 3,089.52 |

## 45 Segment information

The Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Group which is "Engineering and allied activities", hence no specific disclosures have been made.

**Entity wide disclosures:**

### (a) Information about products and services

The Group is engaged in the business of manufacturing and selling of high precision metal castings. Group operates in one product line, therefore product wise revenue disclosure is not applicable.

### (b) Information about geographical area

The Group's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Group's revenue from customers domiciled in India and outside India:

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Revenue from external customers | | |
| - domiciled in India | 10,868.80 | 4,369.95 |
| - domiciled outside India | 48,995.57 | 25,968.55 |
| | **59,864.37** | **30,338.50** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 46 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

### (i) Name of the related parties and description of relationship:

| Relationship | Name of related party |
|---|---|
| Entities controlled by KMPs and/or their relatives | Sachin Agarwal HUF |
| | Alphasine Technologies Private Limited |
| | PTC Foundation |
| Key Management Personnel ("KMP") | Mr. Sachin Agarwal, Chairman and Managing Director |
| | Mr. Priya Ranjan Agarwal , Director |
| | Mr. Alok Agarwal, Director |
| | Mr. Ashok Kumar Shukla, Director |
| | Ms. Smita Agarwal, Director and Chief Financial Officer |
| | Mr. Rakesh Shukla, Independent Director |
| | Mr. Vishal Mehrotra, Independent Director |
| | Mrs. Prashuka Jain, Independent Women Director |
| | Mr. Kamesh Gupta, Independent Director |
| | Mrs.Pragati Gupta Agrawal, Company Secretary and Compliance Officer |
| Relatives of Key Management Personnel | Ms. Kanchan Agarwal |
| | Mrs. Anshoo Agarwal |
| | Mrs. Reena Agarwal |

### (ii) Disclosure of related parties transactions#:

| Particulars | As at 31st March 2026 | | | As at 31st March 2025 | | |
|---|---|---|---|---|---|---|
| | Key management personnel (KMP) | Relatives of KMPs | Enterprises controlled by KMP/ relatives | Key management personnel (KMP) | Relatives of KMPs | Enterprises controlled by KMP/ relatives |
| **Transactions during the year** | | | | | | |
| 1. Rent paid | - | 9.00 | - | - | 9.00 | - |
| 2. Rent received | - | - | 2.73 | - | - | 2.60 |
| 3. CSR Contribution | - | - | 103.04 | - | - | - |
| **Amounts paid during the year to KMP's and relatives of KMP's** | | | | | | |
| 1. Managerial remuneration * | 692.44 | - | - | 547.60 | - | - |
| 2. Salary and allowances | 2.07 | 47.55 | - | 2.07 | 50.43 | - |
| 3. Sitting fees to independent directors | 10.65 | - | - | 8.02 | - | - |

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

#All the transactions with the related party are at Arm's length price.

### (iii) Balance outstanding at the year end:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Outstanding balance (Amount payable)** | | |
| **Key management personnel** | | |
| Managerial remuneration | 353.92 | 297.84 |
| Salary and allowances | 0.15 | 0.15 |
| **Relative of KMP's** | | |
| Salary and allowances | 5.00 | 4.77 |
| Rent | 0.68 | 0.68 |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

### (iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

| Particulars | For the year ended 31st March 2026 | For the year ended 31st March 2025 |
|---|---|---|
| Short-term employee benefits (refer note a) | 694.47 | 546.11 |
| Post-employment benefits | | |
| - Defined contribution plan (refer note b) | 10.69 | 11.59 |
| - Defined benefit plan | *refer note (c) | *refer note (c) |
| - Other long-term benefits | *refer note (c) | *refer note (c) |
| | **705.16** | **557.70** |

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

## 47 Assets pledged as security:

| Particulars | As at 31st March 2026 | As at 31st March 2025 |
|---|---|---|
| **Non-current borrowings:** | | |
| *Equitable mortgage* | | |
| Land | 2,719.15 | 2,116.62 |
| Building | 5,276.49 | 108.53 |
| *First charge* | | |
| Other movable property, plant and equipment | 40,313.06 | 9,538.30 |
| *Second charge* | | |
| Current assets* | 71,721.52 | 15,258.77 |
| | **1,20,030.22** | **27,022.22** |
| **Current borrowings:** | | |
| *First charge* | | |
| Current assets* | 71,721.52 | 69,581.80 |
| Land | 2,092.75 | 2,116.62 |
| Building | 1,807.04 | 108.53 |
| Other movable property, plant and equipment | 22,680.20 | 9,224.55 |
| *Second charge* | | |
| Land | 626.40 | 626.40 |
| Building | 3,469.45 | 3,564.01 |
| Other movable property, plant and equipment | 17,632.86 | 313.75 |
| | **1,20,030.22** | **85,535.66** |
| | **2,40,060.44** | **1,12,557.88** |

## 48 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

### a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

| Revenue from operations | 31-Mar-26 | | | 31-Mar-25 | | |
|---|---|---|---|---|---|---|
| | Goods | Other operating revenues | Total | Goods | Other operating revenues | Total |
| Revenue by geography | | | | | | |
| Domestic | 10,868.80 | 46.04 | 10,914.84 | 4,369.95 | 49.71 | 4,419.66 |
| Export | 48,995.57 | 367.26 | 49,362.83 | 25,968.55 | 419.19 | 26,387.74 |
| **Total** | **59,864.37** | **413.30** | **60,277.67** | **30,338.50** | **468.90** | **30,807.40** |

### b) Assets and liabilities related to contracts with customers

| Particulars | 31-Mar-26 | | 31-Mar-25 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Trade receivables | - | 27,392.56 | - | 14,381.31 |
| Revenue received in advance | - | 3,422.89 | - | 1,171.17 |
| **Total** | **-** | **30,815.45** | **-** | **15,552.48** |

## 49 Share based payments

### (a) Scheme details

During the financial year 2021-22, the Company had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on September 28, 2019, and obtained an in-principal approval from BSE limited on 7 September 2021 for 1,57,170 Equity shares of ₹ 10/- each. The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Company, upon exercise) (Tranche-1) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option.

During the financial year 2022-23, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on 11 June 2022 had approved grant of 2,255 (convertible into 2,255 Equity shares of the Company, upon exercise) (Tranche-2) to certain Eligible Employees in pursuance of the ESOS Plan.

Further on 30 August 2022, the Compensation Committee had approved grant of 12,500 (convertible into 12,500 Equity shares of the Company, upon exercise) to certain Eligible Employee in pursuance of the ESOS Plan at the exercise price of ₹ 402/- per share.

During the financial year 2025-26, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on 30 March 2026 had approved grant of 13,827 (convertible into 13,827 Equity shares of the Company, upon exercise) (Tranche-4) to certain Eligible Employees in pursuance of the ESOS Plan.

On 30 August 2022, The Compensation Committee (Nomination & Remuneration Committee) at its meeting had approved the adjustment in the plan, pursuant to the right issue of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of Company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of Company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of Company on the record date, that is, on July 22, 2022, in the following manner:

| Details | Existing | Adjustment pursuant to the Rights Issue | Total Employees Stock Option after adjustment |
|---|---|---|---|
| Total Pool | 1,57,170 | 2,35,755 | 3,92,925 |
| Exercise price* | 990/- | 402/- | 402/- |

*The exercise price shall be adjusted to ₹ 402/- per share instead of ₹ 990/- per share on account of rights issue of equity shares.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

The Compensation committee had also approved the below mentioned adjustments in respect of previous grants:

(i) Adjustment in number of options granted

| Options | Existing | Adjusted pursuant to the Rights Issue | Total Employees Stock Option after adjustment |
|---|---|---|---|
| Tranche -1 | 10,965 | 16,448 | 27,413 |
| Tranche -2 | 2,255 | 3,382 | 5,637 |

ii) Adjustment in Exercise price: The exercise price shall be adjusted to ₹ 402/- per share.

(iii) Other terms: other terms shall remain same.

Further on 30 August 2022, the Compensation Committee had approved grant of 12,500 (convertible into 12,500 Equity shares of the Company, upon exercise) to certain Eligible Employee in pursuance of the ESOS Plan at the exercise price of ₹ 402/- per share.

| Particulars | Number of options Granted* (Refer above) | Grant date | Vesting date | Exercise period | Exercise price ( Refer above) | Fair value on grant date |
|---|---|---|---|---|---|---|
| Tranche -1 | 11,799 | 15-Sep-21 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 750.88 |
| | 11,799 | 15-Sep-21 | 15-Oct-24 | | 402.00 | 785.08 |
| | 3,161 | 15-Sep-21 | 15-Oct-25 | | 402.00 | 821.35 |
| | 650 | 15-Sep-21 | 14-Sep-26 | | 402.00 | 857.56 |
| Tranche -2 | 1,619 | 11-Jun-22 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 1,239.93 |
| | 1,584 | 11-Jun-22 | 15-Oct-24 | | 402.00 | 1,274.36 |
| | 1,840 | 11-Jun-22 | 15-Oct-25 | | 402.00 | 1,305.81 |
| | 598 | 11-Jun-22 | 14-Sep-26 | | 402.00 | 1,334.60 |
| Tranche -3 | 2,083 | 30-Aug-22 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 1,909.19 |
| | 2,083 | 30-Aug-22 | 15-Oct-24 | | 402.00 | 1,936.51 |
| | 3,125 | 30-Aug-22 | 15-Oct-25 | | 402.00 | 1,967.29 |
| | 5,209 | 30-Aug-22 | 14-Sep-26 | | 402.00 | 1,994.69 |
| Tranche -4* | 6,630 | 31-Mar-26 | 15-Feb-30 | After 12 month and before 60 month from the date of vesting | 4,490.00 | 12,698.29 |
| | 7,197 | 31-Mar-26 | 15-Feb-31 | | 4,490.00 | 12,931.88 |

*The number of options mentioned includes 6,218 stock options respectively which were granted to the employees of the wholly owned subsidiary company i.e. Aerolloy Technologies Limited.

During the year, the Board of Directors, in its meeting held on November 13, 2025, allotted 8,423 Equity Shares with a face value of ₹ 10 each. These shares were issued under the PTC Employee Stock Option Scheme 2019 (PTC-ESOS 2019 or 'Scheme') to eligible employees following the exercise of stock options at an exercise price of ₹ 402 per share.

## (b) Compensation expenses arising on account of the share based payments

| Particulars | 31st March 2026 | 31st March 2025 |
|---|---|---|
| Expenses arising from equity – settled share-based payment transactions | 36.60 | 85.61 |
| **Total** | **36.60** | **85.61** |

*It does not include the compensation expense during the current year amounting ₹ 2.85 lacs (previous year ₹ 7.34 lacs) which were recognized in the books of subsidiary company.

## (c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. The following inputs were used to determine the fair value for options granted on September 15, 2021, on June 11, 2022, on August 30, 2022 and March 31, 2026.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

### Options granted as on 15 September 2021

| Description | Vest 1 | Vest 2 | Vest 3 # | Vest 4 # |
|---|---|---|---|---|
| Number of options outstanding | 11,799.00 | 11,799.00 | 3,161.00 | 650.00 |
| Grant date | 15-Sep-21 | 15-Sep-21 | 15-Sep-21 | 15-Sep-21 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 2,755.95 | 2,755.95 | 2,755.95 | 2,755.95 |
| Expected life (in years) | 2.1 | 3.1 | 4.1 | 5 |
| Price volatility of company's share * | 60.36% | 59.18% | 60.51% | 62.85% |
| Risk free interest rate | 4.39% | 4.88% | 5.28% | 5.61% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 750.88 | 785.08 | 821.35 | 857.56 |

# Revised option count pursuant to the vesting period extension: 3,618 (Vest-3) and 1,055 (Vest-4).

### Options granted as on 11 June 2022

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 1,619 | 1,584 | 1,840 | 598 |
| Grant date | 11-Jun-22 | 11-Jun-22 | 11-Jun-22 | 11-Jun-22 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 3,794.05 | 3,794.05 | 3,794.05 | 3,794.05 |
| Expected life (in years) | 1.3 | 2.3 | 3.3 | 4 |
| Price volatility of company's share * | 46.22% | 56.96% | 55.75% | 56.10% |
| Risk free interest rate | 5.94% | 6.47% | 6.82% | 7.07% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 1,239.93 | 1,274.36 | 1,305.81 | 1,334.60 |

### Options granted as on 30 August 2022

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 2,083.00 | 2,083.00 | 3,125.00 | 5,209.00 |
| Grant date | 30-Aug-22 | 30-Aug-22 | 30-Aug-22 | 30-Aug-22 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 2,238.40 | 2,238.40 | 2,238.40 | 2,238.40 |
| Expected life (in years) | 1.1 | 2.1 | 3.1 | 4 |
| Price volatility of company's share * | 48.25% | 53.29% | 56.37% | 56.92% |
| Risk free interest rate | 5.95% | 6.44% | 6.74% | 6.92% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 1,909.19 | 1,936.51 | 1,967.29 | 1,994.69 |

### Options granted as on 31 March 2026

| Description | Vest 3 | Vest 4 |
|---|---|---|
| Number of options outstanding | 6,630.00 | 7,197.00 |
| Grant date | 31-Mar-26 | 31-Mar-26 |
| Financial year of vesting | 2029-30 | 2030-31 |
| Share price on grant date (in ₹) | 14,992.40 | 14,992.40 |
| Expected life (in years) | 6.38 | 7.38 |
| Price volatility of company's share * | 61.00% | 60.25% |
| Risk free interest rate | 6.78% | 6.90% |
| Exercise price (in ₹) | 4,490.00 | 4,490.00 |
| Dividend yield | 0.00% | 0.00% |
| Fair value of option (in ₹) | 12,698.29 | 12,931.88 |

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

# Notes to the consolidated financial statements

for the year ended 31st March 2026

(All amounts in ₹ lakhs, unless stated otherwise)

## (d) Fair value on the grant date

| Description | Number of options | Weighted average exercise price ₹ |
|---|---|---|
| **Outstanding as on 01 April 2022** | **10,965** | **402.00** |
| Options granted during the year | 14,755 | 402.00 |
| Adjustment pursuant to the Rights issue* | 19,830 | 402.00 |
| Options forfeited/lapsed/expired during the year | - | - |
| Options exercised during the year | - | - |
| **Options outstanding as at 31 March 2023** | **45,550** | **402.00** |
| Exercisable at the end of the year | - | - |
| **Outstanding as on 01 April 2023** | **45,550** | **402.00** |
| Options granted during the year | - | |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | 2,470 | 402.00 |
| Options exercised during the year | 13,031 | 402.00 |
| **Options outstanding as at 31 March 2024** | **30,049** | **402.00** |
| Exercisable at the end of the year | - | - |
| **Outstanding as on 01 April 2024** | **30,049** | **402.00** |
| Options granted during the year | - | - |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | 1,666 | 402.00 |
| Options exercised during the year | 12,938 | 402.00 |
| **Options outstanding as at 31 March 2025** | **15,445** | **402.00** |
| Exercisable at the end of the year | - | - |
| **Outstanding as on 01 April 2025** | **15,445** | **402.00** |
| Options granted during the year | - | - |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | 653 | 402.00 |
| Options exercised during the year | 8,423 | 402.00 |
| **Options outstanding as at 31 March 2026** | **6,369** | **402.00** |
| Exercisable at the end of the year | - | - |

## (e) Fair value on the grant date- Tranche 4 ( 31 March 2026 )

| Description | Number of options | Weighted average exercise price ₹ |
|---|---|---|
| **Outstanding as on 01 April 2025** | **-** | |
| Options granted during the year | 13,827 | 4,490.00 |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | - | - |
| Options exercised during the year | - | - |
| **Options outstanding as at 31 March 2026** | **13,827** | **4,490.00** |
| Exercisable at the end of the year | - | - |

* Refer above

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

## 50 Group Information

The Parent's subsidiary at 31 March 2026 and 31 March 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.

| Name of the Entity | Principal Activities | Country of Incorporation | Ownership interest held by the Group | | Ownership interest held by Non-controlling interest | |
|---|---|---|---|---|---|---|
| | | | 31 March 2026 % | 31 March 2025 % | 31 March 2026 % | 31 March 2025 % |
| Aerolloy Technologies Limited | Manufacture of Metal and Components for critical and super critical applications | India | 100 | 100 | - | - |
| Trac Holdings Limited | Manufacture of Metal and Components for critical and super critical applications | United Kingdom | 100 | 100 | - | - |

## 51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

**As on 31 March 2026**

| Name of the Entity | Share in 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 & Loss | Amount (₹) | As % of Consolidated other comprehensive income | Amount (₹) | As % of Consolidated total comprehensive income | Amount (₹) |
| **Parent** | | | | | | | | |
| PTC Industries Limited | 90.52% | 1,36,418.26 | 32.44% | 3,294.78 | 1.26% | 16.37 | 28.91% | 3,311.15 |
| **Subsidiary** | | | | | | | | |
| Aerolloy Technologies Limited | 53.78% | 81,045.14 | 66.91% | 6,795.03 | 0.51% | 6.65 | 59.39% | 6,801.68 |
| Trac Holding Limited | 9.47% | 14,265.32 | 0.65% | 66.06 | 98.23% | 1,273.98 | 11.70% | 1,340.04 |
| Add/(Less) : Intra group eliminations | -53.76% | -81017.85 | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **1,50,710.97** | | **10,155.88** | | **1,297.00** | | **11,452.87** |

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**As on 31 March 2025**

| Name of the Entity | Share in 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 & Loss | Amount (₹) | As % of Consolidated other comprehensive income | Amount (₹) | As % of Consolidated total comprehensive income | Amount (₹) |
| **Parent** | | | | | | | | |
| PTC Industries Limited | 95.94% | 1,33,037.63 | 57.42% | 3,503.56 | -9.02% | (24.74) | 54.56% | 3,478.82 |
| **Subsidiary** | | | | | | | | |
| Aerolloy Technologies Limited | 33.10% | 45,894.63 | 37.81% | 2,306.87 | -0.12% | (0.32) | 36.17% | 2,306.55 |
| Trac Holding Limited | 8.94% | 12,403.43 | 4.78% | 291.42 | 109.13% | 299.48 | 9.27% | 590.90 |
| Add/(Less) : Intra group eliminations | -37.98% | (52,669.77) | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **1,38,666.02** | | **6,101.85** | | **274.42** | | **6,376.27** |

**52** (a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**53** The Holding Company has raised ₹ 69,999.99 lakhs from allotment of 5,30,315 equity shares of face value ₹ 10 cach at a price of ₹ 13,199.70 per Equity Share, including a premium of ₹ 13,189.70 per equity share on 03 September 2024 to qualified institutional buyers pursuant to Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, Section 42 and Section 62 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 made thereunder, as amended ("Companies Act"), the special resolution of the shareholders of the Company passed on August 08, 2024 authorising the issue of Equity Shares and the placement agreement dated September 02, 2024.

**54** The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Company has fully repaid the borrowings in respect of which the Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course.

**55** The Group has not revalued any property, plant and equipment and intangible assets during the year ended 31 March 2026 and 31 March 2025.

**56** There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026 and 31 March 2025.

# Notes to the consolidated financial statements

for the year ended 31st March 2026
(All amounts in ₹ lakhs, unless stated otherwise)

**57** The group did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 during the year ended 31 March 2026 and 31 March 2025.

**58** The Group does not have any transaction/balances with struck off companies during the year ended 31 March 2026 and 31 March 2025.

**59** The group does not have any transaction/balances with struck off companies during the year ended 31 March 2026 and 31 March 2025.

**60** The Group is in compliance 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.

**61** The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the year ended 31 March 2026 and 31 March 2025.

**62** The Group maintains the books of account electronically and it's back-up on a server located outside of India. These data are accessible in India at all times. The Company is in the process of evaluating the options to comply with the rules.

**63** The Group has used an accounting software for maintaining its books of account for the financial year ended 31 March 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

**64** The figures for the previous period have been re-grouped / re-classified wherever necessary, the impact of such restatements / regroupings are not material to Consolidated Financial Statements.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2026

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Technical & Quality)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agrawal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2026

# Independent Auditor's Report

To
The Members of
**PTC Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **PTC Industries Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiaries together are referred to as "the Group") and its joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and summary of material accounting policies information and other explanatory information (the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Group and joint venture as at 31 March 2025, and its consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| 1. | **Inventory Valuation:**<br><br>(Refer Note 4(e) and 14 of the consolidated financial statements)<br><br>Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation.<br><br>Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS- 2, Inventories.<br><br>Further, at the end of each reporting period, the management of the Holding Company and subsidiary also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. | **Principal audit procedures performed:**<br><br>• Obtained an understanding of the management's process of valuation of inventory. We evaluated the design, implementation and operating effectiveness (wherever applicable) of key internal controls over recognition of revenue.<br><br>• Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items.<br><br>• Evaluated the appropriateness of the Group's accounting policy and valuation method of inventory in accordance with the applicable accounting standards.<br><br>• Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress. |

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | In addition to the above, the complexities and judgement involved in inventory valuation includes:<br><br>Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory.<br><br>Estimate involved in allocation of expenses through various stages of production.<br><br>Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to Inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been determined to be as a key audit matter for the current year audit. | • Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value.<br><br>• Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Group.<br><br>• Evaluated the appropriateness and adequacy of the disclosures made by the Group in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013. |

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

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

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including Indian accounting standards specified under section 133 of the Act. The respective board of directors of the companies included in the group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Management and board of directors of the companies included in the group and its joint venture are responsible for assessing the ability of the Group and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless board of directors 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 and its joint venture are also responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint venture 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.

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

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

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

## Other Matter

We did not audit the consolidated financial statements and other financial information, in respect of a subsidiaries, whose financial statements include total assets of Rs.16,970.74 lakhs as at 31 March 2025, total revenues of Rs. 5,924.01 lakhs and net cash inflows of Rs.1379.81 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These consolidated financial statements and other consolidated financial information 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based on the report of such auditors and the procedures performed by us are as stated Auditor's Responsibility section above.

In respect of a joint venture, whose financial statements has not been considered in the consolidated financial statements, according to the information and explanations given to us by the management, the joint venture has not started its operation till 31 March 2025 and accordingly, is not material to the Group.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of holding company and subsidiaries incorporated in India, we report the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi) Qualifications or adverse remarks by the respective auditors of the Company and its associates incorporated in India, in the Companies (Auditor's Report) Order (CARO) reports of such Company and its associates included in the Consolidated Financial Statements, are given below:

| S. No | Name | CIN | Holding company/ Subsidiary | Clause number of the CARO report which is qualified or adverse |
|---|---|---|---|---|
| 1 | PTC Industries Limited | L27109UP1963PLC002931 | Holding Company | iii |
| 2 | Aerolloy Technologies Limited | U27200UP2020PLC127120 | Subsidiary Company | iii |

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

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

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

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

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

e) On the basis of the written representations received from the directors of Holding Company and subsidiary company as on 31 March 2025 taken on record by the Board of Directors of Holding Company and subsidiary company, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

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

g) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and its joint venture incorporated in india, and the operating effectiveness of such controls, refer to our separate report in Annexure A.

h) The remuneration including commission paid by the Holding Company to its directors is in accordance with the approval of the shareholders in a general meeting in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures. (Refer Note 44(ii) to the consolidated financial statements)

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. (Refer Note 11(b) to the consolidated financial statements)

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary and joint ventures incorporated in India. (Refer Note 59 to the consolidated financial statements)

iv. (a). On the basis of representation received from the directors of the holding company and subsidiary company incorporated in India as on 31 March 2025, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 52(a) to the consolidated financial statements)

(b). On the basis of representation received from the directors of the holding company and its subsidiary incorporated in India as on 31 March 2025, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 52(b) to the consolidated financial statements)

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

v. The Holding Company or the subsidiary incorporated in India has not declared or paid any dividend during the year and has not proposed final dividend during the year.

vi. Based on our examination which included test checks, the Holding Company and its subsidiary incorporated in India has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that we were not provided with the Independent auditor's report of service organization which specifically cover the maintenance of audit trail from 05 February 2025 to 31 March 2025. Therefore, we are not able to report whether the feature of recording audit trial (edit log) facility was enabled at the database level of the accounting software supported by service provider which are used for maintaining the books of account or whether there were any instances of the audit trail feature been tampered with and whether the audit trail has been preserved by the Company as per the statutory requirements for record retention. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail to the extent it was enabled as stated above, has been preserved by the Holding Company and its subsidiary incorporated in India as per the statutory requirements for record retention.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974
UDIN: 25077974BMOBLH6999

Place: Gurugram
Date: 30 May 2025

# Annexure "A" to the Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated financial statements of the holding company as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of PTC Industries Limited ("the Holding Company") and its subsidiary and joint venture, which are companies incorporated in India, as of that date.

## Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the respective company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary and joint venture as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Holding Company and its subsidiary as aforesaid.

## Meaning of Internal Financial Controls with reference to consolidated Financial Statements

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

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on financial statements.

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2025, based on the criteria for internal financial control with reference to financial statements 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 Matter

In respect of a joint venture, whose financial statements has not been considered in the consolidated financial statements, according to the information and explanations given to us by the management, the joint venture has not started its operation till 31 March 2025 and accordingly, is not material to the Group.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974
UDIN: 25077974BMOBLH6999

Place: Gurugram
Date: 30 May 2025

# Consolidated Balance Sheet as at 31 March 2025

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Notes | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 38,283.80 | 23,015.03 |
| Capital work-in-progress | 6 | 18,487.81 | 15,868.42 |
| Investment property | 7 | 168.15 | 171.69 |
| Goodwill on consolidation | | 6,306.32 | - |
| Other intangible assets | 8 | 169.19 | 91.42 |
| Financial assets | | | |
| (i) Investments | 9(a) | 273.70 | 0.50 |
| (ii) Other financial assets | 11(a) | 547.96 | 2,383.16 |
| Non current tax assets (net) | 12 | 367.98 | 373.87 |
| Other non current assets | 13 | 11,213.14 | 6,106.53 |
| **Total non-current assets** | | **75,818.05** | **48,010.62** |
| **Current assets** | | | |
| Inventories | 14 | 20,816.21 | 7,448.06 |
| Financial assets | | | |
| (i) Investments. | 9(b) | 9.99 | 9.09 |
| (ii) Trade receivables | 15 | 14,381.31 | 11,085.79 |
| (iii) Cash and cash equivalents | 16 | 18,954.81 | 13,430.10 |
| (iv) Bank balances other than(iii) above | 17 | 19,228.08 | 2,346.90 |
| (v) Loans | 10 | 54.49 | 101.87 |
| (vi) Others financial assets | 11(b) | 2,205.02 | 3,588.44 |
| Other current assets | 18 | 6,915.72 | 3,547.70 |
| **Total current assets** | | **82,565.63** | **41,557.95** |
| **TOTAL ASSETS** | | **1,58,383.68** | **89,568.57** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 19 | 1,498.41 | 1,444.09 |
| Other equity | 20 | 1,37,167.61 | 63,115.88 |
| **Total equity** | | **1,38,666.02** | **64,559.97** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 21(a) | 4,667.52 | 8,100.12 |
| (ii) Other financial liabilities | 22 | 7.90 | 46.25 |
| Provisions. | 23 | 99.57 | 107.62 |
| Deferred tax liabilities (net) | 24 | 2,044.18 | 1,696.96 |
| Other non-current liabilities | 25 | 701.67 | 768.36 |
| **Total non-current liabilities** | | **7,520.84** | **10,719.31** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 21(b) | 1,415.83 | 10,089.01 |
| (ii) Trade payables | 26 | | |
| total outstanding dues of micro enterprises and small enterprises | | 3,003.73 | 438.86 |
| total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,868.71 | 1,101.12 |
| (iii) Other financial liabilities | 27 | 4,127.79 | 1,105.98 |
| Other current liabilities | 28 | 1,644.71 | 1,420.75 |
| Provisions | 23 | 99.23 | 56.79 |
| Current tax liabilities (net) | 29 | 36.82 | 76.78 |
| **Total current liabilities** | | **12,196.82** | **14,289.29** |
| **TOTAL EQUITY AND LIABILITIES** | | **1,58,383.68** | **89,568.57** |

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Balance Sheet referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2025

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2025

# Consolidated Statement of Profit and Loss for the year ended 31 March 2025

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Notes | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 30 | 30,807.40 | 25,687.92 |
| Other income | 31 | 3,415.27 | 1,337.92 |
| **Total income** | | **34,222.67** | **27,025.84** |
| **Expenses** | | | |
| Cost of materials consumed | 32 | 8,905.49 | 5,682.02 |
| Changes in inventories of finished goods and work-in-progress | 33 | (3,567.23) | 494.93 |
| Employee benefits expense | 34 | 5,659.15 | 3,159.83 |
| Other expenses | 35 | 12,283.79 | 9,086.55 |
| **Total expenses** | | **23,281.20** | **18,423.33** |
| **Profit before finance cost, depreciation and amortisation and tax** | | **10,941.47** | **8,602.51** |
| Finance costs | 37 | 889.50 | 1,524.79 |
| Depreciation and amortisation expense | 38 | 2,130.63 | 1,662.93 |
| **Profit before exceptional item and tax** | | **7,921.34** | **5,414.79** |
| Exceptional items | | 93.87 | - |
| **Profit before tax** | | **7,827.47** | **5,414.79** |
| **Tax expense:** | 39 | | |
| Current tax - current year | | 1,470.48 | 1,014.34 |
| Current tax - earlier years | | - | - |
| Deferred tax charge | | 255.14 | 178.87 |
| **Total tax expenses** | | **1,725.62** | **1,193.21** |
| **Profit for the year** | | **6,101.85** | **4,221.58** |
| **Other comprehensive income** | | | |
| A) Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurement of defined benefit plan | | (33.28) | (34.53) |
| ii) Income tax relating to items that will not be reclassified to profit or loss | | 8.22 | 7.99 |
| B) Items that will be reclassified to profit or loss | | | |
| (i) Exchange differences in translating the financial statement of foreign operation | | 400.20 | - |
| ii) Income tax relating to items that will be reclassified to profit or loss | | (100.72) | - |
| **Other comprehensive income for the year (net of tax)** | | **274.42** | **(26.54)** |
| **Total comprehensive income for the year** | | **6,376.27** | **4,195.04** |
| **Earnings per equity share [Nominal value ₹10]** | 40 | | |
| Basic (₹) | | 41.37 | 30.83 |
| Diluted (₹) | | 41.33 | 30.35 |

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2025

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2025

# Consolidated Statement of Cash Flows for the year ended 31st March 2025

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **A Cash flow from operating activities** | | |
| Net profit before tax | 7,921.34 | 5,414.79 |
| Less: prior period adjustments | | |
| **Net profit before tax after period period** | | |
| **Adjustment for:** | | |
| Exceptional item | (93.87) | |
| Foreign currency transition reserve | (299.48) | |
| Depreciation and amortisation expense | 1,854.85 | 1,662.93 |
| Unrealised foreign exchange fluctuation loss (gain) | 163.47 | (38.96) |
| (Gain)/loss on disposal/discard of property plant and equipment (net) | - | 11.05 |
| Amortisation of deferred income- government grant | (66.67) | (66.67) |
| (Gain)/loss on MTM foreign exchange fluctuation | (0.90) | (244.20) |
| Interest expense | 604.30 | 1,342.63 |
| Share based payment expense | 92.95 | 133.95 |
| Remeasurement of defined benefit plan | (33.22) | (34.53) |
| (Gain)/loss on investment at fair value through profit or loss (net) | - | (1.91) |
| Interest from assets valued at amortised cost | (2,652.98) | (431.21) |
| **Operating profit before working capital changes (current and non- current)** | **7,489.79** | **7,747.87** |
| **Inflow and outflow on account of :** | | |
| Changes in trade receivables | 305.10 | (4,478.41) |
| Changes in inventories | (5,793.62) | 324.14 |
| Changes in other financial assets | 3,218.62 | (10,632.45) |
| Changes in other assets | (3,072.40) | (1,498.37) |
| Changes in financial assets-loans | 47.38 | (42.01) |
| Changes in provisions | 34.38 | 42.33 |
| Changes in trade and other payables | 817.22 | (563.16) |
| Changes in other financial liabilities | 213.57 | (251.38) |
| Changes in other liabilities | (396.89) | 757.95 |
| **Cash generated from/ (used in) operations before tax** | **2,863.15** | **(8,593.49)** |
| Income taxes paid (net) | (1,504.56) | (1,034.45) |
| **Net cash generated from/ (used in) operating activities [A]** | **1,358.59** | **(9,627.94)** |
| **B Cash flow from investing activities** | | |
| Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods] | (18,998.45) | (11,652.52) |
| Proceeds from sale of property plant and equipments | 45.70 | 11.20 |
| Investments made | (17,011.62) | - |
| Interest received | 2,652.98 | 431.21 |
| Other bank balances not considered as cash and cash equivalents (net) | (16,881.18) | 5,165.60 |
| **Net cash used in investing activities [B]** | **(50,192.57)** | **(6,044.51)** |

# Consolidated Statement of Cash Flows for the year ended 31st March 2025

(All amounts in ₹ lakhs, unless stated otherwise)

| | Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|---|
| C | **Cash flow from financing activities** | | |
| | Proceeds from long-term borrowings | 2,656.34 | 146.57 |
| | Repayment of long-term borrowings | (8,109.90) | (1,264.60) |
| | Proceed / Repayment of Short-term borrowings (net) | (7,177.52) | 1,342.98 |
| | Repayment of lease liability | (42.78) | (33.77) |
| | Finance cost paid | (604.30) | (1,342.63) |
| | Proceeds from issue of equity shares (net of cost issuance expenses) | 67,636.85 | 29,564.53 |
| | **Net cash generated from financing activities [C]** | **54,358.69** | **28,413.08** |
| D | **Net (decrease)/increase in cash and cash equivalents [A+B+C]** | **5,524.71** | **12,740.63** |
| E | Cash and cash equivalents at the beginning of the year | 13,430.10 | 689.47 |
| | **Closing balance of cash and cash equivalent [D+E]** | **18,954.81** | **13,430.10** |

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Components of cash and cash equivalents (refer note 16):** | | |
| Balances with banks | 1,462.73 | 140.23 |
| Cash on hand | 5.42 | 8.37 |
| Balance in deposit account with original maturity upto three months | 17,486.66 | 13,281.50 |
| | **18,954.81** | **13,430.10** |

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2025

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2025

# Consolidated statement of Changes in Equity as at 31st March 2025

(All amounts in ₹ lakhs, unless stated otherwise)

## A Equity share capital

| | No. of shares | Amount |
|---|---|---|
| **Balance as at 1 April 2023** | 1,33,82,257 | 1,338.23 |
| Changes in equity share capital during the year | 10,58,616 | 105.86 |
| **Balance as at 1 April 2024** | **1,44,40,873** | **1,444.09** |
| Changes in equity share capital during the year | 5,43,253 | 54.32 |
| **Balance as at 31st March 2025** | **1,49,84,126** | **1,498.41** |

## B Other equity

| | Reserves and Surplus | | | | Other reserve | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Share Based payment Reserve Account | Exchange difference on translating the financial statements of foreign operations | Equity instruments through other comprehensive income | Money received against Share warrants | Total |
| **Balance as at 1 April 2023** | **1.75** | **10,677.52** | **4,624.17** | **10,112.19** | **207.16** | **-** | **0.01** | **3,705.40** | **29,328.20** |
| Profit for the year | - | - | - | 4,221.58 | - | - | - | - | 4,221.58 |
| Remeasurement of defined benefit plan | - | - | - | (26.54) | - | - | - | - | (26.54) |
| Money received against Share warrants | - | - | - | - | - | - | - | 11,097.29 | 11,097.29 |
| Share Warrants converted into Equity Share | - | - | - | - | - | - | - | (14,802.69) | (14,802.69) |
| Securities premium (Net of share issue expenses) | - | 33,164.10 | - | - | - | - | - | - | 33,164.10 |
| Share Based payment expense | - | - | - | - | 133.94 | - | - | - | 133.94 |
| **Balance as at 1 April 2024** | **1.75** | **43,841.62** | **4,624.17** | **14,307.23** | **341.10** | **-** | **0.01** | **-** | **63,115.88** |
| Profit for the year | - | - | - | 6,101.85 | - | | - | - | 6,101.85 |
| Share Based payment expense | - | - | - | - | 93.31 | - | - | - | 93.31 |
| Remeasurement of defined benefit plan | - | - | - | (25.06) | - | - | - | - | (25.06) |
| Foreign currency translation reserve | - | - | - | - | - | 299.48 | - | - | 299.48 |
| Securities premium | | 69,997.68 | - | - | - | - | - | - | 69,997.68 |
| Share Issue Expenses | - | (2,415.53) | - | - | - | - | - | - | (2,415.53) |
| **Balance as at 31st March 2025** | **1.75** | **1,11,423.77** | **4,624.17** | **20,384.02** | **434.41** | **299.48** | **0.01** | **-** | **1,37,167.61** |

Refer note 20 for nature of reserves.

**Notes 1 to 64 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2025

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2025

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 1. Group information

PTC Industries Limited (the 'Company') is a public limited Group incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

## 2. General information and statement of compliance with Ind AS

These consolidated financial statements of PTC Industries Limited ('the holding Company') and its subsidiary, Aerolloy Technologies Limited (the Holding company and its subsidiary together referred to as 'the Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements of the Group have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The consolidated financial statements of PTC Industries Limited as at and for the year ended 31 March 2025 were approved and authorised for issue by the Board of Directors on 30 May 2025.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

## 3. Basis of preparation and presentation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The consolidated financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

### Basis of consolidation

Subsidiary is the entity over which the holding Company has control. Control exists when the holding Company has power over the entity, is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the holding Company and the subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 -"Consolidated Financial Statements".

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement, consolidated statement of changes in equity and the summary of material accounting policies and other explanatory information that form an integral part thereof.

Consolidated subsidiary is having consistent reporting date of 31 March 2025.

Following are the details of the subsidiaries and Joint Venture consolidated in these financial statements.

| Name of the entity | Country of incorporation | Interest (in %) | |
|---|---|---|---|
| | | 31-03-2025 | 31-03-2024 |
| Aerolloy Technologies Limited (Wholly owned subsidiary) | India | 100% | 100% |
| Advance Material (Defence) Testing Foundation (Joint Venture) | India | 20% | None |
| Trac Holdings Limited (Wholly owned subsidiary) | United Kingdom | 100% | None |
| Trac Precision Solutions Limited (Step down subsidiary) | United Kingdom | 100% | None |
| Broomco Limited (Step down subsidiary) | United Kingdom | 100% | None |
| Trac Group Limited (Step down subsidiary) | United Kingdom | 100% | None |

## 4. Summary of material accounting policies

The consolidated financial statements have been prepared using the material accounting policies and measurement basis summarized below.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**a) Current/non-current classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realised in, or is intended to be sold or consumed in, the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is expected to be realised within twelve months after the reporting date; or

4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is due to be settled within twelve months after the reporting date; or

4) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**b) Property, plant and equipment**

**Recognition, measurement and de-recognition**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalized as per the policy stated in note 4(j) below.

**Subsequent expenditure**

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

**Depreciation**

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Based on technical assessment made by technical expert and management estimate, the Group have assessed the estimated useful lives of certain property, plant and equipment that 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.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

The estimated useful lives of items of property, plant and equipment are as follows:

| Particulars | Management estimate of useful life (years) |
|---|---|
| Factory and non-factory Buildings | 30 - 60 |
| Plant and machinery | 2 - 15 |
| Furniture and fixtures | 10 |
| Vehicles | 8 - 10 |
| Office equipment | 5 |
| Computers | 3 - 6 |
| Electrical installations | 10 |

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

**c) Capital work-in-progress**

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

**d) Intangible assets**

**Recognition, measurement and de-recognition**

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

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 recognised in the Statement of Profit and Loss when the asset is derecognised.

**Subsequent expenditure**

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

**Amortisation**

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

**e) Inventories**

Inventories are stated at the lower of cost and net realisable value.

**Raw materials, packing material, stores and spares and loose tools:** The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**Work-in-progress and manufactured finished goods:** Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

**f) Trade Receivables**

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

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**g) Foreign exchange transactions**

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. All

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

**h) Employee benefits**

**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**iii. Defined benefit plans**

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv. Other long-term employee benefits**

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

**i) Revenue**

**i. Sale of goods**

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Group follows a 5-step process:

(i) Identifying the contract with a customer

(ii) Identifying the performance obligations

(iii) Determining the transaction price

(iv) Allocating the transaction price to the performance obligations

(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

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, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

**ii. Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**iii. Income from power generation:**

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

**iv. Export benefits/incentives**

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**j) Borrowings**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

**k) Government grants**

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

**l) Right of use assets and lease liabilities**

For all existing and new contract, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

**The Group as a lessee**

**Classification of leases**

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

**Recognition and initial measurement**

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

**Subsequent measurement**

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

**The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

**m) Financial instruments**

**i. Recognition and initial measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

**ii. Subsequent measurement**

**Financial assets**

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above –Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

**De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

**Impairment of financial assets**

The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 41 details how the Group determines whether there has been a significant increase in credit risk.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Financial liabilities**

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**n) Fair value measurement**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2 :** inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable -inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**o) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash Management.

**p) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

**q) Provisions, contingent liabilities and contingent assets**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Group or a present obligation that arises from past

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings.

**r) Taxation**

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

**i. Current tax**

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Group's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Group expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's Board of Directors assesses the financial performance and position of the Group, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Group's business activity is organised and managed

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Group's primary business segment is reflected based on principal business activities carried on by the Group. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Group operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Group's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 45 for segment information presented.

**t) Derivative financial instruments**

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

**u) Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortisation expense, finance costs and tax expense.

**v) Recent accounting pronouncement**

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has not notified any new standards or amendments.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 5 Property, plant and equipment

| Particulars | Freehold land | Right of Use Assets Leasehold land | Factory building | Plant and machinery | Computers | Mould and dies | Vehicles | Furniture and fixtures | Office equipments | Research and development assets | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Plant and machinery | Computers | Mould and dies | Vehicles | |
| **Cost** | | | | | | | | | | | | | | |
| **As at 1 April 2023** | 1,600.32 | 1.61 | 4,732.61 | 23,966.98 | 261.45 | 2,137.66 | 409.30 | 182.79 | 209.62 | 255.03 | 1.18 | 111.77 | 6.35 | 33,876.67 |
| Additions | - | 1,696.04 | 18.90 | 179.46 | 19.31 | 150.55 | 42.27 | 3.49 | 17.82 | - | - | - | - | 2,127.84 |
| Add/(Less): Adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Disposals/assets written off | - | - | - | 219.37 | 8.68 | - | 27.05 | - | - | - | - | - | - | 255.10 |
| **Balance as at 31 March 2024** | **1,600.32** | **1,697.65** | **4,751.51** | **23,927.07** | **272.08** | **2,288.21** | **424.52** | **186.28** | **227.44** | **255.03** | **1.18** | **111.77** | **6.35** | **35,749.41** |
| Additions | - | 455.46 | 151.77 | 11,337.73 | 119.71 | 964.52 | 161.69 | 18.28 | 27.92 | - | - | - | - | 13,237.08 |
| On acquisition of subsidiary | - | - | 36.43 | 5,759.19 | - | - | - | - | - | - | - | - | - | 5,795.62 |
| Disposals/assets written off | - | - | - | 309.07 | - | - | 30.84 | - | - | - | - | - | - | 339.91 |
| Foreign currency transition reserve | - | - | 1.22 | 193.03 | - | - | - | - | - | - | - | - | - | 194.25 |
| **Balance as at 31st March 2025** | **1,600.32** | **2,153.11** | **4,940.93** | **40,907.95** | **391.79** | **3,252.73** | **555.37** | **204.56** | **255.36** | **255.03** | **1.18** | **111.77** | **6.35** | **54,636.45** |
| **Accumulated depreciation** | | | | | | | | | | | | | | |
| As at 1 April 2023 | - | - | 844.01 | 8,127.75 | 214.93 | 1,342.81 | 200.48 | 124.82 | 161.93 | 189.05 | 1.10 | 107.24 | 3.84 | 11,317.96 |
| Charge for the year | - | 10.09 | 136.06 | 1,279.19 | 12.83 | 143.05 | 36.50 | 10.32 | 14.19 | 6.51 | - | - | - | 1,648.74 |
| Adjustments for disposals | - | - | - | 198.42 | 8.25 | - | 25.65 | - | - | - | - | - | - | 232.32 |
| **Balance as at 31 March 2024** | **-** | **10.09** | **980.07** | **9,208.52** | **219.51** | **1,485.86** | **211.33** | **135.14** | **176.12** | **195.56** | **1.10** | **107.24** | **3.84** | **12,734.38** |
| Charge for the year | - | 24.79 | 143.27 | 1,688.27 | 29.01 | 180.80 | 41.49 | 9.79 | 14.28 | 1.63 | - | - | - | 2,133.33 |
| On acquisition of subsidiary | - | - | 13.66 | 1,799.10 | - | - | - | - | - | - | - | - | - | 1,812.76 |
| Adjustments for disposals | - | - | - | 293.61 | - | - | 29.30 | - | - | - | - | - | - | 322.91 |
| Foreign currency transition reserve | - | - | (0.03) | (4.88) | - | - | - | - | - | - | - | - | - | (4.91) |
| **Balance as at 31st March 2025** | **-** | **34.88** | **1,136.97** | **12,397.40** | **248.52** | **1,666.66** | **223.52** | **144.93** | **190.40** | **197.19** | **1.10** | **107.24** | **3.84** | **16,352.65** |
| **Net block as at 31 March 2024** | **1,600.32** | **1,687.56** | **3,771.44** | **14,718.55** | **52.57** | **802.35** | **213.19** | **51.14** | **51.32** | **59.47** | **0.08** | **4.53** | **2.51** | **23,015.03** |
| **Net block as at 31 March 2025** | **1,600.32** | **2,118.23** | **3,803.96** | **28,510.55** | **143.27** | **1,586.07** | **331.85** | **59.63** | **64.96** | **57.84** | **0.08** | **4.53** | **2.51** | **38,283.80** |

**Notes:**

a) Refer note 47 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 44(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 1,500 lakh, out of which ₹ 500 Lakhs was acquired under the Technology Development and Demonstration Programme (TDDP) project and ₹ 1000 Lakhs was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.

d) No proceeding has been initiated or pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

e) Refer note 43 for disclosure related to leases.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 6 Capital work-in-progress

| Particulars | Amount |
|---|---|
| **Balance as at 1 April 2023** | 6,663.86 |
| Additions | 9,277.74 |
| Capitalisation during the year | (73.18) |
| **Balance as at 31 March 2024** | **15,868.42** |
| Additions | 14,993.40 |
| On acquisition of subsidiary | 41.49 |
| Capitalisation during the year | (12,424.05) |
| Foreign currency translation | 8.55 |
| **Balance as at 31st March 2025** | **18,487.81** |

**Note:**

There has been no CWIP which is overdue or has exceeded its cost compared to its original plan.

(a) **Capital-work-in progress ageing schedule as at 31 March 2025**

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 13,807.45 | 3,511.04 | 906.11 | 263.21 | 18,487.81 |

**Capital-work-in progress ageing schedule as at 31st March 2024**

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 9,204.55 | 4,408.30 | 1,020.65 | 1,234.92 | 15,868.42 |

## 7 Investment Property

| Particulars | Freehold land | Factory building | Total |
|---|---|---|---|
| **Gross Block as on 01 April 2023** | **125.59** | **151.77** | **277.36** |
| Additions | - | - | - |
| **Gross Block as on 31 March 2024** | **125.59** | **151.77** | **277.36** |
| Additions | - | - | - |
| **Gross Block as on 31st March 2025** | **125.59** | **151.77** | **277.36** |
| **Accumulated depreciation** | | | |
| **As at 1 April 2023** | **-** | **97.84** | **97.84** |
| Charge for the year | - | 7.83 | 7.83 |
| **Balance as at 31 March 2024** | **-** | **105.67** | **105.67** |
| Depreciation charge for the year | - | 3.54 | 3.54 |
| **Balance as at 31st March 2025** | **-** | **109.21** | **109.21** |
| **Net block as at 31 March 2024** | **125.59** | **46.10** | **171.69** |
| **Net block as at 31st March 2025** | **125.59** | **42.56** | **168.15** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**Notes:**

**(i) Amount recognised in statement of profit and loss for investment property**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Rental income | 53.40 | 53.10 |
| Less: Depreciation and amortisation expense | 3.54 | 7.83 |
| **Profit from leasing of investment property** | **49.86** | **45.27** |

(ii) The aforementioned investment property is leased to a tenant under short term operating lease agreement with rentals payable monthly. However, lease can be terminated by either of the parties during the term, hence considered as cancellable and accordingly no lease disclosure given, as required by Ind AS 116 "Leases".

**(iii) Fair value of investment property**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Fair value | 1,534.00 | 1,531.95 |

The Group obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

## 8 Other intangible assets

| Particulars | Software | Licenses | Research and development asset - Software | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 April 2023 | 258.25 | 39.70 | 4.72 | 302.67 |
| Additions | 22.35 | - | - | 22.35 |
| **Balance as at 31 March 2024** | **280.60** | **39.70** | **4.72** | **325.02** |
| Additions | 101.23 | - | - | 101.23 |
| **Balance as at 31st March 2025** | **381.83** | **39.70** | **4.72** | **426.25** |
| **Accumulated amortisation** | | | | |
| At 1 April 2023 | 173.02 | 39.70 | 4.44 | 217.16 |
| Charge for the year | 16.44 | - | - | 16.44 |
| **Balance as at 31 March 2024** | **189.46** | **39.70** | **4.44** | **233.60** |
| Charge for the year | 23.46 | - | - | 23.46 |
| **Balance as at 31st March 2025** | **212.92** | **39.70** | **4.44** | **257.06** |
| **Net block as at 31 March 2024** | **91.14** | **-** | **0.28** | **91.42** |
| **Net block as at 31st March 2025** | **168.91** | **-** | **0.28** | **169.19** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 9(a) Non-current investments

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Unquoted equity shares** | | |
| **Investment in equity instruments (at cost)** | | |
| Instrumentation Automation Surveillance & Communication Sector Skill Council Equity Fund 5,000 units of ₹ 10 each | 0.50 | 0.50 |
| Advanced Materials (Defence) Testing Foundation (27,320 equity shares of Rs. 1,000/- each) | 273.20 | - |
| | **273.70** | **0.50** |
| Aggregate amount of unquoted investments | 273.70 | 0.50 |

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 9(b) Current investments

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Quoted instruments** | | |
| **Investment in mutual fund (at fair value through profit or loss)** | | |
| 5,000 units (31 March 2023: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI) | 9.99 | 9.09 |
| | **9.99** | **9.09** |
| Aggregate book value of quoted investments and market value thereof | 9.99 | 9.09 |

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 10 Current financial assets - loans

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| *Unsecured, considered good* | | |
| Loan to employees* | 54.49 | 101.87 |
| | **54.49** | **101.87** |

* No loans and advances provided to promoters, directors & KMP.

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 11(a) Non-current financial assets - others

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Deposits with banks with maturity more than 12 months* | 316.08 | 2,196.41 |
| Security deposits | 231.88 | 186.75 |
| | **547.96** | **2,383.16** |

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

**Note:**

Refer note 41 for disclosure of fair values in respect of financial assets measured at cost.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 11(b) Current financial assets - others

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Export incentives receivable* | 196.42 | 289.78 |
| Receivable against forward contract | 55.41 | 125.35 |
| Deposits with banks with original maturity more than 12 months# | 1,953.19 | 3,173.31 |
| | **2,205.02** | **3,588.44** |

***Export Incentive receivable movement summary**

| Particulars | Amount |
|---|---|
| **Balance as at 1 April 2023** | 181.02 |
| Income during the year | 473.14 |
| Amount utilised/refund received during the year | (364.38) |
| **Balance as at 31 March 2024** | **289.78** |
| Income during the year | 419.19 |
| Amount utilised/refund received during the year | (512.55) |
| **Balance as at 31 March 2025** | **196.42** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial assets measured at cost.

# The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

## 12 Income tax assets (net)

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Advance income-tax (net of provision for taxation) | 367.98 | 373.87 |
| | **367.98** | **373.87** |

## 13 Other non-current assets

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Capital advances | 11,213.14 | 6,068.53 |
| Prepaid expenses | - | 38.00 |
| | **11,213.14** | **6,106.53** |

## 14 Inventories

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| *(Valued at lower of cost or net realisable value)* | | |
| Raw materials | 6,444.96 | 2,633.00 |
| Work-in-progress | 12,537.00 | 3,614.58 |
| Finished good | 196.35 | 45.02 |
| Stores and spares | 1,543.89 | 1,036.67 |
| Loose tools | 94.01 | 118.79 |
| | **20,816.21** | **7,448.06** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 15 Trade receivables

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Unsecured, considered good | 14,381.31 | 11,085.79 |
| Unsecured, considered doubtful | 22.59 | 22.59 |
| | **14,403.90** | **11,108.38** |
| Less: Provision for expected credit loss | (22.59) | (22.59) |
| | **14,381.31** | **11,085.79** |

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

*Refer note-41 for ageing schedule of Trade receivables.

## 16 Cash and cash equivalents

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Balances with banks | 1,462.73 | 140.23 |
| Cash on hand | 5.42 | 8.37 |
| Balances in deposit account with original maturity upto 3 months* | 17,486.66 | 13,281.50 |
| | **18,954.81** | **13,430.10** |

*There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

## 17 Other bank balances

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Deposits with original maturity more than 3 months but remaining less than 12 months* | 18,313.93 | 2,174.06 |
| Interest accrued on deposits | 914.15 | 172.84 |
| | **19,228.08** | **2,346.90** |

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

## 18 Other current assets

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Prepaid expenses | 398.03 | 217.20 |
| Balances with statutory and government authorities | 4,773.91 | 2,075.43 |
| Gratuity asset | - | 8.31 |
| Advance to suppliers | 1,597.51 | 1,196.44 |
| MEIS Licence Purchase | 101.22 | - |
| Other loans and advances | 45.05 | 50.32 |
| | **6,915.72** | **3,547.70** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 19 Equity share capital

| Particulars | As at 31 March 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorised:** | | | | |
| Equity shares of ₹ 10 each | 2,00,00,000 | 2,000.00 | 2,00,00,000 | 2,000.00 |
| | **2,00,00,000** | **2,000.00** | **2,00,00,000** | **2,000.00** |
| **Issued, subscribed and fully paid up:** | | | | |
| Equity shares of ₹ 10 each | 1,44,40,873 | 1,444.09 | 1,44,40,873 | 1,444.09 |
| Addition | 5,43,253 | 54.32 | - | - |
| | **1,49,84,126** | **1,498.41** | **1,44,40,873** | **1,444.09** |

### a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

| Particulars | For the year ended 31 March 2025 | | For the year ended 31 March 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Outstanding at the beginning of the year | 1,44,40,873 | 1,444.09 | 1,33,82,257 | 1,338.23 |
| Add: Shares issued during the year | | | | |
| i) Right issue of equity shares of ₹ 10 each | 5,30,315 | 53.03 | - | - |
| ii) Preferential issue of equity shares of ₹ 10 Each | - | - | 4,15,415 | 41.54 |
| iii) Conversion of warrants in equity shares of ₹ 10 Each | - | - | 6,30,170 | 63.02 |
| iv) ESOP issue of equity shares of ₹ 10 Each | 12,938 | 1.29 | 13,031 | 1.30 |
| **Outstanding at the end of the year** | **1,49,84,126** | **1,498.41** | **1,44,40,873** | **1,444.09** |

### b) Terms and rights attached to equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c) Details of shareholders holding more than 5% of the equity share capital:

| Particulars | For the year ended 31 March 2025 | | For the year ended 31 March 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Sachin Agarwal | 28,55,491 | 19.06% | 28,55,491 | 19.77% |
| Mapple Commerce Private Limited | 15,99,985 | 10.68% | 15,99,985 | 11.08% |
| Nirala Merchants Private Limited | 11,77,818 | 7.86% | 11,77,818 | 8.16% |
| Priya Ranjan Agarwal | 9,87,914 | 6.59% | 9,87,914 | 6.84% |

### d) Information regarding issue of shares in the last five years

i) The Group has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

*Refer note-49 for details of Employee Stock Option Plan of the Company.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**e) Disclosure of Shareholding of Promoters**

| Shares held by promoters at the end of the year as on 31st March,2025 | | | |
|---|---|---|---|
| **Promoter Name** | **No. of Share's** | **% of Total** | **% Change during the year** |
| Sachin Agarwal | 28,55,491 | 19.06% | 0.00% |
| Mapple Commerce Private Limited | 15,99,985 | 10.68% | 0.00% |
| Nirala Merchants Private Limited | 11,77,818 | 7.86% | 0.00% |
| Priya Ranjan Agarwal | 9,87,914 | 6.59% | 0.00% |
| Sachin Agarwal HUF | 6,70,297 | 4.47% | 0.00% |
| Alok Agarwal | 5,45,799 | 3.64% | 0.04% |
| Viven Advisory Services Private Limited | 4,33,325 | 2.89% | 0.00% |
| Smita Agarwal | 3,35,276 | 2.24% | 0.00% |
| Anshoo Agarwal | 1,59,448 | 1.06% | 0.00% |
| Kanchan Agarwal | 48,860 | 0.33% | 0.04% |
| Satish Chandra Agarwal HUF | 35,805 | 0.24% | 0.00% |
| Manu Agarwal | 25,593 | 0.17% | 0.00% |
| Ritika Agarwal | 25,593 | 0.17% | 0.00% |
| Satvik Agarwal | 21,000 | 0.14% | 0.00% |
| Soham Agarwal | 21,000 | 0.14% | 0.00% |
| Reena Agarwal | 10,237 | 0.07% | 0.00% |
| Homelike Motels and Resorts Private Limited | - | - | - |
| Precision Overseas Private Limited | - | - | - |
| **Total** | **89,53,441** | **59.75%** | **0.08%** |

Ms. Bina Agrawal, Mr. Arun Jwala Prasad, and Mrs. Kiran Arun Prasad have been reclassified from the promoter group to the public category pursuant to the approval of the Stock Exchanges on August 02, 2024.

| Shares held by promoters at the end of the year as on 31st March,2024 | | | |
|---|---|---|---|
| **Promoter Name** | **No. of Share's** | **% of Total** | **% Change during the year** |
| Sachin Agarwal | 28,55,491 | 19.77% | 0.00% |
| Mapple Commerce Private Limited | 15,99,985 | 11.08% | 0.00% |
| Nirala Merchants Private Limited | 11,77,818 | 8.16% | 0.00% |
| Priya Ranjan Agarwal | 9,87,914 | 6.84% | 0.00% |
| Sachin Agarwal HUF | 6,70,297 | 4.64% | 0.00% |
| Alok Agarwal | 5,51,799 | 3.82% | 0.00% |
| Viven Advisory Services Private Limited | 4,33,325 | 3.00% | 0.00% |
| Smita Agarwal | 3,35,276 | 2.32% | 0.00% |
| Anshoo Agarwal | 1,59,448 | 1.10% | 0.00% |
| Satish Chandra Agarwal HUF | 35,805 | 0.25% | -0.30% |
| Bina Agrawal | 71,483 | 0.50% | 0.00% |
| Kanchan Agarwal | 54,258 | 0.38% | 0.00% |
| Kiran Arun Prasad | 49,139 | 0.34% | 0.00% |
| Manu Agarwal | 25,593 | 0.18% | 0.00% |
| Ritika Agarwal | 25,593 | 0.18% | 0.00% |
| Satvik Agarwal | 21,000 | 0.15% | 0.15% |
| Soham Agarwal | 21,000 | 0.15% | 0.15% |
| Reena Agarwal | 10,237 | 0.07% | 0.00% |
| Arun Jwala Prasad | 5,119 | 0.04% | 0.00% |
| Homelike Motels and Resorts Private Limited | - | 0.00% | 0.00% |
| Precision Overseas Private Limited | - | 0.00% | 0.00% |
| **Total** | **90,90,580** | **62.97%** | |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 20 Other equity

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **a. Capital reserve** | | |
| Balance at the beginning of the year | 1.75 | 1.75 |
| Add: Additions during the year | - | - |
| Balance at the end of the year | **1.75** | **1.75** |
| **b. Securities premium** | | |
| Balance at the beginning of the year | 43,841.62 | 10,677.52 |
| Add: Additions during the year | | |
| i) Preferential issue of equity shares | - | 18,583.38 |
| ii) Conversion of warrants in equity shares | - | 14,739.68 |
| iii) ESOP issue of equity shares | - | 51.08 |
| iv) Qualified Institutional Placement (QIP) | 69,997.68 | - |
| Less: Share issue expenses | (2,415.53) | (210.04) |
| Balance at the end of the year | **1,11,423.77** | **43,841.62** |
| **c. General reserve** | | |
| Balance at the beginning of the year | 4,624.17 | 4,624.17 |
| Add: Additions during the year | - | - |
| Balance at the end of the year | **4,624.17** | **4,624.17** |
| **d. Retained earnings** | | |
| Balance at the beginning of the year | 14,307.23 | 10,112.19 |
| Add: Additions during the year | 6,101.85 | 4,221.58 |
| Add: Remeasurement of defined benefit plan | (25.06) | (26.54) |
| Balance at the end of the year | **20,384.02** | **14,307.23** |
| **e. Other comprehensive income** | | |
| Balance at the beginning of the year | 0.01 | 0.01 |
| Add: Additions during the year | - | - |
| Balance at the end of the year | **0.01** | **0.01** |
| **f. Share based payment reserve** | | |
| Balance at the beginning of the year | 341.10 | 207.16 |
| Add: Additions during the year | 93.31 | 133.94 |
| Less: Transfer to General reserve | - | - |
| Less: Transfer to Securities premium | - | - |
| Balance at the end of the year | 434.41 | 341.10 |
| **g. Share warrants (Refer note 58)** | | |
| Balance at the beginning of the year | - | 3,705.40 |
| Add: Amount received during the year | - | 11,097.29 |
| Less: Share Warrants converted into Equity Share | - | (14,802.69) |
| Balance at the end of the year | **-** | **-** |
| **h. Exchange difference on translating the financial statements of foreign operations** | | |
| Balance at the beginning of the year | - | - |
| Add: Additions during the year | 299.48 | - |
| Less: Transfer to General reserve | - | - |
| Balance at the end of the year | **299.48** | **-** |
| **Total** | **1,37,167.61** | **63,115.88** |

**Nature and purpose of other reserves:**

**(a) Capital reserve**

Capital reserve was created in respect of proceeds of forfeited shares.

**(b) Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

### (d) Retained earnings

Retained earnings refer to the net profit retained by the company for its core business activities.

### (e) Share Based Payment Reserve(SBP)

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

### (f) Share Warrants

Fully convertible warrants allotted to persons belonging to Non-Promoter category convertible into equivalent number of Equity Shares within a period of 13 months from the date of allotment.

### (g) Exchange difference on translating the financial statements of foreign operations

Group's subsidiary Trac Holdings Limited has determined its functional currency as GBP (£). Exchange differences in translating the financial statements from functional currency GBP (£) to presentation currency INR (Rs.) is recognised as an item of Other Comprehensive Income that will be reclassified to profit or loss.

## 21(a) Non-current borrowings

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Secured** | | |
| Term loans from banks | 3,923.29 | 9,489.01 |
| Vehicle loans from banks and financial institutions | 260.92 | 148.77 |
| **Un-secured** | | |
| Lease Liability (Refer Note 43) | 686.20 | 267.22 |
| Total Borrowings | 4,870.41 | 9,905.00 |
| Less: Current maturities of long term borrowings (refer note 21(b)) | (202.89) | (1,804.88) |
| | **4,667.52** | **8,100.12** |

**Notes:**

1. Term loans from banks and financial institutions carrying interest rate ranging from 10.12% to 11.35% pa ( P.Y. 9.50% to 11.35% p.a).
2. Term loans from banks are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company .
3. Further the term loans from banks are secured by way of personal guarantee of Certain Directors of the Company.
4. Vehicle loans carry interest rates ranging from 7.15 % to 9.40 % p.a ( P.Y 8.50% to 9.00% p.a p.a) and are secured by way of absolute charge on respective assets thus purchased.
5. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 21(b) Current borrowings

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Secured** | | |
| Loans repayable on demand- from banks | 213.87 | 7,419.67 |
| Current maturity of Long term debts | 202.89 | 1,804.88 |
| **Un-Secured** | | |
| Bill Discounted | 956.29 | 832.28 |
| Lease Liability (refer note 43) | 42.78 | 32.18 |
| | **1,415.83** | **10,089.01** |

**Notes:**

1. Working capital facilities from banks carry interest rates ranging from 6 % to 9.90 % p.a.(P.Y 6.38% to 10.95% p.a.) and are repayable on demand.These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) of the Company.

2. Further the cash credit facilities and letter of credit facility are secured by way of personal guarantee of Certain Directors of the Company.

3. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

4. The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**5. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:**

| Particulars | Non-current borrowings | Current borrowings | Interest accrued |
|---|---|---|---|
| **As at 1 April 2023** | **10,755.80** | **6,908.98** | **-** |
| Add: Non cash changes due to- | | | |
| - Interest expense debited to statement of profit and loss | - | - | 1,342.63 |
| - Proceeds from non-current borrowings | 146.57 | - | - |
| Less: Cash outflow during the year | | | |
| - Repayment of non-current borrowings | (1,264.59) | - | - |
| - Repayment of current borrowings | - | 1,342.98 | - |
| - Interest paid | - | | (1,342.63) |
| **As at 1 April 2024** | **9,637.78** | **8,251.96** | **-** |
| Add: Non cash changes due to- | | | |
| - Interest expense debited to statement of profit and loss | - | - | 604.30 |
| Add: Cash inflows during the year | | | |
| - Proceeds from non-current borrowings | 2,656.34 | - | - |
| Less: Cash outflow during the year | | | |
| - Repayment of non-current borrowings | (8,109.90) | - | - |
| - Repayment of current borrowings | - | (7,177.52) | - |
| - Interest paid | - | - | (604.30) |
| - Others | (202.90) | 298.61 | - |
| **Closing balance as on 31 March 2025** | **3,981.32** | **1,373.05** | **-** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 22 Other financial liabilities

| Particular | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Security deposit | 7.90 | 7.90 |
| TDDP Grant (Non-current)* | - | 38.35 |
| | **7.90** | **46.25** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR).

## 23 Provisions

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2025 | As at 31 March 2024 | As at 31 March 2025 | As at 31 March 2024 |
| **Provision for employees benefits** | | | | |
| - Provision for gratuity | - | - | 74.59 | 35.37 |
| - Provision for compensated absences | 87.72 | 89.27 | 24.64 | 21.42 |
| - Provision for CSR* | 11.85 | 18.35 | - | - |
| | **99.57** | **107.62** | **99.23** | **56.79** |

*represents for previous year ended 31 March 2024

## 24 Deferred tax liabilities (net)

| Particular | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Deferred tax liability arising on account of:** | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,991.30 | 1,720.50 |
| Exchange differences in translating the financial statement of foreign operation | 100.72 | - |
| | **2,092.02** | **1,720.50** |
| **Deferred tax asset arising on account of:** | | |
| Provision for employee benefits | 56.11 | 47.02 |
| (Loss)/ Gain - Forward contracts | (13.95) | (29.16) |
| Provision for doubtful debts | 5.68 | 5.68 |
| | **47.84** | **23.54** |
| Minimum alternate tax credit entitlement | - | - |
| **Net deferred tax liability** | **2,044.18** | **1,696.96** |

### (A) Movement in deferred tax liabilities:

| Particulars | As at 1 April 2023 | Recognised in statement of profit and loss | Recognised in other comprehensive income | As at 31 March 2024 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of:** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,601.45 | 119.05 | - | 1,720.50 |
| | **1,601.45** | **119.05** | **-** | **1,720.50** |
| **Deferred tax asset arising on account of:** | | | | |
| Provision for employee benefits | 37.39 | 1.64 | 7.99 | 47.02 |
| Provision for doubtful debts | 5.68 | - | - | 5.68 |
| Tax impact on allowance under tax exemptions/deductions | 32.30 | (61.46) | - | (29.16) |
| | **75.37** | **(59.82)** | **7.99** | **23.54** |
| **Net deferred tax liability** | **1,526.08** | **178.87** | **(7.99)** | **1,696.96** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**Movement in deferred tax liabilities:**

| Particulars | As at 1 April 2024 | Recognised in statement of profit and loss | Recognised in other comprehensive income | As at 31 March 2025 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of:** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,720.50 | 270.80 | - | 1,991.30 |
| Exchange differences in translating the financial statement of foreign operation | - | - | 100.72 | 100.72 |
| | **1,720.50** | **270.80** | **100.72** | **2,092.02** |
| **Deferred tax asset arising on account of:** | | | | |
| Provision for employee benefits | 47.02 | 0.87 | 8.22 | 56.11 |
| Provision for doubtful debts | 5.68 | - | - | 5.68 |
| (Loss)/ Gain - Forward contracts | (29.16) | 15.21 | - | (13.95) |
| | **23.54** | **16.08** | **8.22** | **47.84** |
| Minimum alternate tax credit entitlement | - | - | - | - |
| **Net deferred tax liability** | **1,696.96** | **254.72** | **92.50** | **2,044.18** |

**(B) Unrecognised deferred tax assets**

| Particulars | As at 31 March 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Gross amount | Tax effect | Gross amount | Tax effect |
| Brought forward long term capital losses | 61.67 | 15.52 | 61.67 | 15.52 |
| | **61.67** | **15.52** | **61.67** | **15.52** |

## 25 Other non-current liabilities

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Deferred Government grant | 701.67 | 768.36 |
| | **701.67** | **768.36** |
| **(i) Reconciliation of deferred income** | | |
| Opening balance as at the beginning of the year | 768.36 | 835.00 |
| Less: Transferred to the Statement of Profit and Loss | (66.67) | (66.67) |
| Add: Others | (0.02) | 0.03 |
| Closing balance as at the end of the year | **701.67** | **768.36** |

## 26 Trade payables

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Due to : | | |
| Total outstanding dues of micro enterprises and small enterprises* | 3,003.73 | 438.86 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,868.71 | 1,101.12 |
| | **4,872.44** | **1,539.98** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Group pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year | 3,003.73 | 438.86 |
| The amount of interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

**Trade Payables ageing schedule as at 31 March 2025**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 3,003.73 | - | - | - | 3,003.73 |
| (ii) Others | 1,795.30 | 21.08 | 18.83 | 33.50 | 1,868.71 |
| **Total** | **4,799.03** | **21.08** | **18.83** | **33.50** | **4,872.44** |

* There are no disputed payables

**Trade Payables ageing schedule as at 31 March 2024**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 438.86 | - | - | - | 438.86 |
| (ii) Others | 1,042.22 | 24.72 | 23.94 | 10.24 | 1,101.12 |
| **Total** | **1,481.08** | **24.72** | **23.94** | **10.24** | **1,539.98** |

* There are no disputed payables

## 27 Current financial liabilities- others

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **TDDP Grant (Current)*** | - | 72.18 |
| Others | | |
| - towards creditors for capital goods | 3,160.78 | 471.71 |
| - towards employee related payables (Refer note 46) | 468.93 | 341.43 |
| - expenses payables | 498.08 | 220.66 |
| | **4,127.79** | **1,105.98** |

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR).

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 28 Other current liabilities

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Advance from customers | 1,171.17 | 1,208.52 |
| Statutory dues payable | 473.54 | 212.23 |
| | **1,644.71** | **1,420.75** |

## 29 Current tax liabilities (net)

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Current years Liabilities net of advance tax on TDS | 36.82 | 76.78 |
| | **36.82** | **76.78** |

## 30 Revenue from operations

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Sale of products | 30,338.50 | 25,159.43 |
| Other operating revenues (refer (a) below) | 468.90 | 528.49 |
| **Revenue from operations** | **30,807.40** | **25,687.92** |
| **(a) Other operating revenues (Point in Time)** | | |
| Export incentives | 419.19 | 473.14 |
| Income from power generation | 49.71 | 55.35 |
| **Total** | **468.90** | **528.49** |
| **Reconciliation of revenue recognised with contract price:** | | |
| Gross Revenue | 30,807.40 | 25,687.92 |
| Less: Rate difference adjustment | - | |
| | **30,807.40** | **25,687.92** |

## 31 Other income

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Interest | | |
| - from bank deposits valued at amortised cost | 2,652.98 | 431.21 |
| Rent income from investment property and property plant equipment* | 56.00 | 53.10 |
| Supply of services | - | - |
| Gain on foreign exchange fluctuation (net) | 617.43 | 387.36 |
| Fair value gain/(loss) on investment at fair value through profit or loss (net) | 1.83 | 1.91 |
| Mark to market gain on forward contracts measured at Fair value through PL | - | 244.20 |
| Amortisation of deferred income (refer note-25) | 66.67 | 66.67 |
| Profit on sale of assets | 6.39 | - |
| Liabilities no longer required written back | - | 136.24 |
| Miscellaneous income | 13.97 | 17.23 |
| | **3,415.27** | **1,337.92** |

*refer note 46

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 32 Cost of materials consumed

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Raw materials at the beginning of the year | 2,633.00 | 2,488.53 |
| Add: Inventory on Acquisition of Trac | 555.79 | - |
| Add: Purchases | 12,161.66 | 5,826.49 |
| Less: Closing stock | 6,444.96 | 2,633.00 |
| **Cost of material consumed** | **8,905.49** | **5,682.02** |

## 33 Changes in inventories of finished goods and work-in-progress

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Inventories at the beginning of the year | | |
| Work-in-progress | 3,614.58 | 4,109.51 |
| Finished goods | 45.02 | 45.02 |
| | **3,659.60** | **4,154.53** |
| Add-Inventory on Acquisition of Trac | 5,506.52 | |
| | **9,166.12** | **4,154.53** |
| Inventories at the end of the year | | |
| Work-in-progress | 12,537.00 | 3,614.58 |
| Finished goods | 196.35 | 45.02 |
| | **12,733.35** | **3,659.60** |
| **Changes in inventories of finished goods and work-in-progress** | **(3,567.23)** | **494.93** |

## 34 Employee benefits expense

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Salaries, wages and bonus | 4,961.36 | 2,702.96 |
| Contribution to provident and other funds | 464.96 | 185.78 |
| Gratuity expense (refer note 42) | 57.21 | 47.14 |
| Staff welfare expenses | 82.67 | 90.01 |
| Employee stock option payment expenses | 92.95 | 133.94 |
| | **5,659.15** | **3,159.83** |

* The remuneration including commission paid by the Holding Company to its director is in accordance with the approval of the shareholders in a general meeting in terms of the provisions of Section 197 read with Schedule V of the companies Act, 2013

## 35 Other expenses

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Manufacturing expenses** | | |
| Stores and spares consumed | 4,465.87 | 3,016.61 |
| Power and fuel | 1,677.46 | 1,486.88 |
| Repairs and maintenance | - | - |
| - plant and machinery | 804.42 | 490.60 |
| - building | 80.71 | 40.13 |
| Packing and general consumables | 324.79 | 246.83 |
| Processing and work charges | 643.69 | 1,024.79 |
| Freight Expenses | 32.65 | 35.53 |
| Outsourced services | 485.61 | 271.78 |
| Testing and inspection charges | 854.98 | 519.13 |
| **Sub-total (A)** | **9,370.18** | **7,132.28** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Administrative, selling and other expenses | | |
| Rent | 132.22 | 25.40 |
| Rates and taxes | 71.50 | 20.03 |
| Insurance expenses | 200.37 | 100.00 |
| Security expenses | 127.67 | 112.95 |
| Legal and professional expenses | 495.37 | 431.59 |
| Payment to Auditors [refer note 36 (a)] | 48.19 | 36.50 |
| Travelling and conveyance | 421.08 | 305.96 |
| Vehicle running and maintenance | 175.36 | 146.47 |
| Communication expenses | 34.61 | 32.44 |
| Printing and stationery | 53.93 | 31.06 |
| Training and Recruitment | 70.78 | 37.13 |
| Seminar, Conferences and Exhibitions | 25.84 | 12.75 |
| Financial instruments measured at fair value | 60.47 | - |
| Gain/(loss) on foreign exchange fluctuation (net) | 38.13 | - |
| Freight and clearing | 198.62 | 192.00 |
| Sales commission | - | 3.77 |
| Work Charges - Customer end | 283.02 | 131.73 |
| Late Delivery charges | 0.15 | 2.56 |
| Advertisement and promotion | 13.25 | 2.30 |
| Donation and charity | 0.05 | 0.05 |
| Loss on sale of assets (net) | - | 11.05 |
| Computer expenses | 112.38 | 82.47 |
| Corporate social responsibility expenses | 69.89 | 42.62 |
| Bad debts written off | 6.54 | 0.09 |
| Business promotion expenses | 115.24 | 57.68 |
| Office upkeep and maintenance charges | 77.76 | 59.94 |
| Miscellaneous expenses | 81.19 | 75.73 |
| **Sub-total (B)** | **2,913.61** | **1,954.27** |
| **Grand total (C=A+B)** | **12,283.79** | **9,086.55** |

## 36 Payment to auditors

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **As auditor:** | | |
| - Statutory audit (including limited reviews)* | 43.43 | 27.50 |
| **In other capacity:** | | |
| - Certification | 11.00 | 0.80 |
| - Tax | 3.00 | - |
| - Out of pocket expenses** | 0.88 | 8.20 |
| | **58.31** | **36.50** |

* Certification fees include ₹10.12 lakhs related to the Qualified Institutional Placement (QIP), which have been charged to share issue expenses.

## 37 Finance costs

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Interest expense on borrowings measured at amortised cost | | |
| - on working capital loans | 415.70 | 617.68 |
| - on term loans | 210.60 | 681.16 |
| Interest on others | 43.96 | 43.78 |
| Bank charges | 219.24 | 182.17 |
| | **889.50** | **1,524.79** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 38 Depreciation and amortisation expense

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Depreciation on property, plant and equipment | 2,103.63 | 1,638.66 |
| Depreciation on investment property | 3.54 | 7.83 |
| Amortisation on intangible assets | 23.46 | 16.44 |
| | **2,130.63** | **1,662.93** |

## 39 Tax expense

### (a) Income tax expenses recognised in profit and loss

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Current tax:** | | |
| Current tax | 1,470.48 | 1,014.34 |
| Current tax - earlier years | - | - |
| | **1,470.48** | **1,014.34** |
| **Deferred tax:** | | |
| In respect of current year origination and reversal of temporary differences | 255.14 | 178.87 |
| | **255.14** | **178.87** |
| **Total tax expense recognised in profit and loss** | **1,725.62** | **1,193.21** |

### (b) Income tax expenses recognised in other comprehensive income

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Deferred tax:** | | |
| Re-measurement of defined benefit obligations | 8.22 | 7.99 |
| Exchange differences in translating the financial statement of foreign operation | (100.72) | - |
| **Total tax expense recognised in other comprehensive income** | **(92.50)** | **7.99** |

### (c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the holding company at 25.17% (31 March 2025: 25.17%) and for the Indian subsidiary company at 17.16% (31 March 2024: 17.16%) the reported tax expense in the statement of profit and loss are as follows:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Accounting profit before income-tax** | **7,827.47** | **5,414.79** |
| At India's statutory income-tax rate | 1,673.19 | 1,185.50 |
| **Tax effect of amounts which are not deductible (taxable) in calculating taxable income:** | | |
| Tax incentive and concession | 52.43 | 7.71 |
| Non deductible expenses | - | - |
| Tax on income at different rates | - | - |
| Tax earlier years | - | - |
| | **1,725.62** | **1,193.21** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 40 Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Profit for the year attributable to equity shareholders | 6,101.85 | 4,221.58 |
| Weighted average number of equity shares (nos. in Lakhs) | 147.51 | 136.94 |
| Nominal value per share (₹) | 10.00 | 10.00 |
| Earnings per share - basic (₹) | 41.37 | 30.83 |
| Weighted average number of equity shares for Diluted (nos. in Lakhs) | 147.51 | 136.94 |
| Add:- Protential Dilutive No. | 0.14 | 2.15 |
| **Total Diluted Equity Share** | **147.65** | **139.09** |
| Earnings per share - diluted (₹) | 41.33 | 30.35 |

The Company have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company are as above.

## 41 Financial instrument and risk review

### (A) Financial instruments

#### (i) Capital management

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 21(a) and 21(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the holding company. The Group is not subject to externally imposed capital requirements. The Board of holding company reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

**The following table summarises the capital of the Group:**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Equity** | **1,38,666.02** | **64,559.97** |
| **Liquid assets (cash and cash equivalent and current investments) (a)** | **18,964.80** | **13,439.19** |
| Current borrowings [note 21(b)] | 1,415.83 | 10,089.01 |
| Non- current borrowings [note 21(a)] | 4,667.52 | 8,100.12 |
| **Total debt (b)** | **6,083.35** | **18,189.13** |
| **Net debt (c=(b) - (a))** | **(12,881.45)** | **4,749.94** |
| **Total capital (equity + net debt)** | **1,25,784.57** | **69,309.91** |
| **Gearing ratio** | | |
| Debt to equity ratio | 0.04 | 0.28 |
| Net debt to equity ratio | (0.09) | 0.07 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (ii) Category of financial instruments

| Particulars | Note no. | As at 31 March 2025 | | | | As at 31 March 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Amortised cost | FVTPL | FVOCI | At Cost | Amortised cost | FVTPL | FVOCI | At Cost |
| **Financial assets** | | | | | | | | | |
| Investments* | 9(a),9(b) | - | 9.99 | - | 273.70 | - | 9.09 | - | 0.50 |
| Loans | 10 | 54.49 | - | - | - | 101.87 | - | - | - |
| Trade receivables | 15 | 14,381.31 | - | - | - | 11,085.79 | - | - | - |
| Cash and cash equivalents | 16 | 18,954.81 | - | - | - | 13,430.10 | - | - | - |
| Other bank balances | 17 | 19,228.08 | - | - | - | 2,346.90 | - | - | - |
| Other financial assets | 11(a),11(b) | 2,697.57 | 55.41 | - | - | 5,846.25 | 125.35 | - | - |
| **Total financial assets** | | **55,316.26** | **65.40** | **-** | **273.70** | **32,810.91** | **134.44** | **-** | **0.50** |
| **Financial liabilities** | | | | | | | | | |
| Borrowings | 21(a),21(b) | 6,083.35 | - | - | - | 18,189.13 | - | - | - |
| Trade payables | 26 | 4,872.44 | - | - | - | 1,539.98 | - | - | - |
| Other financial liabilities | 22, 27 | 4,135.69 | - | - | - | 1,152.23 | - | - | - |
| **Total financial liabilities** | | **15,091.48** | **-** | **-** | **-** | **20,881.33** | **-** | **-** | **-** |

Cash and cash equivalents, investments, loans, other bank balances, other financial assets, trade receivables, trade payables, borrowings, other payables and other financial liabilities: approximate their carrying amounts largely due to the short-term maturities of these instruments.

### (iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

| Particulars | As at 31 March 2025 | | | As at 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial assets- measured at fair value** | | | | | | |
| *Financial investment at FVTPL* | | | | | | |
| - Forward contract | - | 55.41 | - | - | 125.35 | - |
| - Quoted mutual fund | 9.99 | - | - | 9.09 | - | - |
| **Financial liabilities- measured at fair value** | | | | | | |
| *Financial investment at FVTPL* | | | | | | |
| - Forward contract | - | - | - | - | - | - |
| | **9.99** | **55.41** | **-** | **9.09** | **125.35** | **-** |

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

**Level 3:** This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2025 and 31 March 2024.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**Valuation techniques and significant unobservable inputs:**

Financial instruments measured at fair value

| Type | Valuation technique |
|---|---|
| Mutual funds | Quoted closing NAV as at the reporting period |
| Foreign exchange forward contract | Basis the valuation received from the bank as at the reporting period. |

**Fair value of financial assets and liabilities measured at amortised cost**

| Particulars | As at 31 March 2025 | | | As at 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Level | Carrying Value | Fair Value | Level | Carrying Value | Fair Value |
| **Financial assets** | | | | | | |
| Loans | Level 3 | 54.49 | 54.49 | Level 3 | 101.87 | 101.87 |
| Trade receivables | Level 3 | 14,381.31 | 14,381.31 | Level 3 | 11,085.79 | 11,085.79 |
| Cash and cash equivalents | Level 3 | 18,954.81 | 18,954.81 | Level 3 | 13,430.10 | 13,430.10 |
| Other bank balances | Level 3 | 19,228.08 | 19,228.08 | Level 3 | 2,346.90 | 2,346.90 |
| Other financial assets | Level 3 | 2,697.57 | 2,697.57 | Level 3 | 5,846.25 | 5,846.25 |
| **Total financial assets** | | **55,316.26** | **55,316.26** | | **32,810.91** | **32,810.91** |
| **Financial liabilities** | | | | | | |
| Borrowings | Level 3 | 6,083.35 | 6,083.35 | Level 3 | 18,189.13 | 18,189.13 |
| Trade payables | Level 3 | 4,872.44 | 4,872.44 | Level 3 | 1,539.98 | 1,539.98 |
| Other financial liabilities | Level 3 | 4,135.69 | 4,135.69 | Level 3 | 1,152.23 | 1,152.23 |
| **Total financial liabilities** | | **15,091.48** | **15,091.48** | | **20,881.33** | **20,881.33** |

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

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

## (B) Financial risk management

In the course of its business, the Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

### (i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Group is exposed to credit risk from trade receivables, loans and advances and other financial instruments.

**Trade receivables**

The Group primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Group has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

The Group does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

**Loans and advances**

The Group provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Group considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)** | | |
| Other non-current financial assets | 231.88 | 186.75 |
| Current loans | 54.49 | 101.87 |
| Other current financial assets | 196.42 | 289.78 |
| | **482.79** | **578.40** |
| **Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)** | | |
| Trade receivables | 14,381.31 | 11,085.79 |
| | **14,381.31** | **11,085.79** |

**Provision for expected credit losses**

*(a) Financial assets for which loss allowance is measured using 12 month expected credit losses*

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

*(b) Financial assets for which loss allowance is measured using life time expected credit losses*

The Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Group has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Group.

**Movement in the provision for expected credit loss**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Balance at the beginning of the year | 22.59 | 22.59 |
| Add: Allowance provided during the year | - | - |
| **Balance at the end of the year** | **22.59** | **22.59** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**Trade Receivables - Expected Credit Loss as at 31 March 2025**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 8,864.23 | 777.26 | 4,322.27 | 383.76 | 55.67 | 0.71 | 14,403.90 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | | | | | | |
| **Gross Carrying amount - Trade Receivables** | **8,864.23** | **777.26** | **4,322.27** | **383.76** | **55.67** | **0.71** | **14,403.90** |
| Expected Credit Loss rate | - | | | | 39.31% | 100.00% | |
| Expected Credit Loss - Trade Receivables | - | - | - | - | 21.88 | 0.71 | 22.59 |
| **Net Carrying amount - Trade Receivables** | **8,864.23** | **777.26** | **4,322.27** | **383.76** | **33.79** | **-** | **14,381.31** |

**Trade Receivables - Expected Credit Loss as at 31 March 2024**

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 5,982.75 | 4,440.25 | 319.07 | 214.77 | 142.27 | 9.27 | 11,108.38 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | | | | | | |
| **Gross Carrying amount - Trade Receivables** | **5,982.75** | **4,440.25** | **319.07** | **214.77** | **142.27** | **9.27** | **11,108.38** |
| Expected Credit Loss rate | - | | | | 9.36% | 100.00% | |
| Expected Credit Loss - Trade Receivables | - | - | - | - | 13.32 | 9.27 | 22.59 |
| **Net Carrying amount - Trade Receivables** | **5,982.75** | **4,440.25** | **319.07** | **214.77** | **128.95** | **-** | **11,085.79** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (ii) Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due.

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

As at 31 March 2025, the Group had a working capital of ₹ 70,368.81 lakhs including cash and cash equivalents of ₹ 18,954.81 lakhs. As at 31 March 2024, the Group had a working capital of ₹ 27,268.66 lakhs including cash and cash equivalents of ₹ 13,430.10 lakhs.

**Maturities of financial liabilities**

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

**31 March 2025**

| Particulars | Contractual cash flows | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 1,415.83 | 4,632.72 | 34.80 | 6,083.35 |
| Provisions | 99.23 | 99.57 | - | 198.80 |
| Tax Liabilities | 36.82 | - | - | 36.82 |
| Other Liabilities | 1,644.71 | 701.67 | - | 2,346.38 |
| Trade payables | 4,872.44 | - | - | 4,872.44 |
| Other financial liabilities | 4,127.79 | 7.90 | - | 4,135.69 |
| | **12,196.82** | **5,441.86** | **34.80** | **17,673.48** |

**31 March 2024**

| Particulars | Contractual cash flows | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 10,089.01 | 7,482.75 | 617.37 | 18,189.13 |
| Provisions | 56.79 | 107.62 | - | 164.41 |
| Other Liabilities | 1,420.75 | 768.36 | - | 2,189.11 |
| Trade payables | 1,539.98 | - | - | 1,539.98 |
| Other financial liabilities | 1,105.98 | 46.25 | - | 1,152.23 |
| | **14,212.51** | **8,404.98** | **617.37** | **23,234.86** |

### (iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. The Group exports finished goods which are denominated in the currency other than the functional currency of the Group which exposes it to foreign currency risk. In order to minimise the risk, the Group executes forward contracts w.r.t sale made in currency other than functional currency.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**(a) Currency risk**

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed by the holding company within approved policy parameters utilising foreign exchange forward contracts. Below table represents the consolidated exposure of the group:

| Particulars | Currency | In foreign currency | | In ₹ | |
|---|---|---|---|---|---|
| | | As at 31 March 2025 | As at 31 March 2024 | As at 31 March 2025 | As at 31 March 2024 |
| **Financial assets(Gross)*** | | | | | |
| Trade receivables | USD | 45.22 | 29.75 | 3848.45 | 2456.52 |
| | EURO | 56.54 | 58.57 | 5193.81 | 5198.65 |
| | GBP | 0.49 | 2.07 | 53.18 | 214.47 |
| | NZD | 0.66 | 0.37 | 31.47 | 18.32 |
| **Financial liabilities(Gross)*** | | | | | |
| Trade payables | USD | (0.53) | (0.36) | (45.84) | (29.95) |
| | EURO | (0.53) | (0.10) | (50.42) | (9.34) |
| | GBP | (0.48) | (0.17) | (53.90) | (18.41) |
| | CNY | (0.02) | - | (0.26) | - |
| Capital creditors | USD | (2.20) | - | (188.43) | - |
| | EURO | (0.06) | (0.03) | (5.90) | (2.74) |
| | GBP | (3.76) | (0.61) | (421.36) | (65.38) |
| Foreign currency derivative contracts (Sell foreign currency-Forward contracts) | EURO | 22.57 | 36.50 | 2,073.63 | 3,239.74 |
| Net Foreign currency receivable/ (payable)** | USD | 42.49 | 29.39 | 3,614.18 | 2,426.57 |
| | EURO | 33.37 | 21.94 | 3,063.87 | 1,946.83 |
| | GBP | (3.75) | 1.29 | (422.07) | 130.68 |
| | CNY | (0.02) | - | (0.26) | - |
| | NZD | 0.66 | 0.37 | 31.47 | 18.32 |

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are nett-of the exposure covered through forward contracts.

*Sensitivity analysis*

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY, GBPand NZD to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

| Particulars | Change in currency exchange rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31 March 2025 | As at 31 March 2024 |
| USD | 5% | 180.71 | 121.33 |
| | (5%) | (180.71) | (121.33) |
| EURO | 5% | 153.19 | 97.34 |
| | (5%) | (153.19) | (97.34) |
| GBP | 5% | (21.10) | 6.53 |
| | 5% | 21.10 | (6.53) |
| NZD | 5% | 1.57 | 0.92 |
| | (5%) | (1.57) | (0.92) |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**(b) Interest rate risk**

The Group is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Group's interest-bearing financial liabilities is as follows:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Variable rate instruments** | | |
| Term loan from banks | 3,923.29 | 9,489.01 |
| Working capital loan | 213.87 | 7,419.67 |
| **Fixed rate instruments** | | |
| Vehicle loan | 260.92 | 148.77 |
| Bills Discounted | 956.29 | 832.28 |
| | **5,354.37** | **17,889.73** |

*Sensitivity analysis*

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below :

| Particulars | Change in interest rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31 March 2025 | As at 31 March 2024 |
| Borrowings | 0.50% | (20.69) | (84.54) |
| | (0.50%) | 20.69 | 84.54 |

**(c) Price risk**

Group's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

*Sensitivity analysis*

Group's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Group's profit for the year with all other variables held constant and the investment moved in line with the index.

| Particulars | Change in market index | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31 March 2025 | As at 31 March 2024 |
| Investment in mutual fund | 5% | 0.50 | 0.45 |
| | (5%) | (0.50) | (0.45) |

Profit for the year would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 42 Employee benefits

### (i) Defined benefit plan

#### Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed for 15/26 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Group makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

#### Risk exposure:

**(a)** **Discount rate:** A decrease in discount rate in subsequent valuations can increase the plan's liability.

**(b)** **Mortality rate:** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**(c)** **Investment risk:** In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

**(d)** **Attrition:** Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

#### Details of the Group's defined benefit plans are as follows:

**A. Changes in the present value of obligations**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 614.53 | 561.86 |
| Recognised in profit and loss | | |
| - Interest cost | 44.55 | 42.14 |
| - Current service cost | 53.79 | 45.45 |
| Recognised in other comprehensive income | | |
| Remeasurement gains / (losses) | | |
| - Actuarial (gain)/loss from changes in financial adjustments and experience adjustments | 30.72 | 29.12 |
| Benefits paid | (63.60) | (64.04) |
| **Present value of the obligation at the end of the year** | **679.99** | **614.53** |

**B. Changes in the fair value of planned assets:**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Fair value of plan assets at the beginning of the year | 587.47 | 560.74 |
| Expected return on plan assets | 41.13 | 40.90 |
| Contributions | 42.96 | 52.01 |
| Benefits paid | (63.60) | (64.04) |
| Actuarial gain/(loss) on plan assets | (2.56) | (5.41) |
| Others | - | 3.27 |
| **Fair value of plan asset at the end of the year** | **605.40** | **587.47** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**C. Net asset/(liability) recognised in the balance sheet**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Present value of the obligation at the end of the year | 679.99 | 614.53 |
| Fair value of plan assets at end of year | 605.40 | 587.47 |
| **Net liability/(asset) recognised in balance sheet (refer note 18 and 23)** | **74.59** | **27.06** |

**D. Bifurcation of net liability**

| Particulars | For the year ended | |
|---|---|---|
| | 31 March 2025 | 31 March 2024 |
| Current Liability (Short Term) | 74.59 | 27.06 |
| **Total Liability (refer note 23)** | **74.59** | **27.06** |

**E. Reconciliation of liability in balance sheet**

| Particulars | For the year ended | |
|---|---|---|
| | 31 March 2025 | 31 March 2024 |
| Opening net defined benefit liability/(asset) | 27.06 | 1.12 |
| Expenses to be recognized in P&L | 57.21 | 46.69 |
| OCI - Actuarial (gain)/loss - Total current period | 33.28 | 34.53 |
| Employer Contribution | (42.96) | (52.01) |
| Other adjustments | - | (3.27) |
| **Closing net defined benefit liability/(asset)** | **74.59** | **27.06** |

**F. Expenses recognised in profit and loss**

| Particulars | For the year ended | |
|---|---|---|
| | 31 March 2025 | 31 March 2024 |
| Interest cost | 44.55 | 42.14 |
| Current service cost | 53.79 | 45.45 |
| Expected return on plan asset | (41.13) | (40.90) |
| **Amount recognised in profit and loss (refer note 34)** | **57.21** | **46.69** |

**G. Expenses recognised in other comprehensive income**

| Particulars | For the year ended | |
|---|---|---|
| | 31 March 2025 | 31 March 2024 |
| Actuarial (gain)/loss on obligation | 30.72 | 29.12 |
| Actuarial (gain)/loss on plan assets | 2.56 | 5.41 |
| **(Gain)/Loss** | **33.28** | **34.53** |

**H. Major category of plan asset as a % of total plan assets**

| Category of asset (% allocation) | As at 31 March 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | (%) | Amount | (%) | Amount |
| Insurance policy - PTC Industries Limited | 100 | 530.03 | 100 | 516.95 |
| Insurance policy - Aerolloy Technologies Limited | 100 | 75.37 | 100 | 70.52 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## I. Actuarial assumptions

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Discount rate | 7.00% | 7.25% |
| Salary growth rate | 5.75% | 6.00% |
| Withdrawal rate (per annum) | | |
| 18 - 30 years | 10.00% | 5.00% |
| 31 - 44 years | 5.00% | 3.00% |
| 45 - 58 years | 2.00% | 2.00% |
| Normal retirement age (years) | 58 | 58 |
| Mortality | IALM 2012-14 | IALM 2012-14 |

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

## J. Sensitivity analysis

| Particulars | As at 31 March 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Change in assumption | Effect on obligation | Change in assumption | Effect on obligation |
| Discount rate | 1.00% | (33.79) | 1.00% | (34.49) |
| | (1.00%) | 38.26 | (1.00%) | 39.28 |
| Salary growth rate | 1.00% | 38.35 | 1.00% | 39.37 |
| | (1.00%) | (34.47) | (1.00%) | (35.19) |
| Withdrawal rate | 1.00% | 2.55 | 1.00% | 2.71 |
| | (1.00%) | (2.83) | (1.00%) | (3.02) |

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

## K. Expected maturity profile of defined benefit obligation (undiscounted cash flows)

| Period | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Less than 1 year | 92.53 | 44.03 |
| Between 1-2 years | 49.35 | 35.81 |
| Between 2-5 years | 101.70 | 125.55 |
| Over 5 years | 436.42 | 409.15 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2024 is 10 years).

Expected contribution to defined benefit plans in the next year is ₹66.68 lakhs (31 March 2024: ₹53.84 lakhs).

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (ii) Other long-term benefits

#### (A) Compensated absences- unfunded

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Amounts recognised in balance sheet** | | |
| Current (refer note 23) | 24.64 | 21.42 |
| Non-current (refer note 23) | 87.72 | 89.27 |
| | **112.36** | **110.69** |

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Amounts recognised in statement of profit and loss** | | |
| Interest cost | 8.02 | 8.31 |
| Current service cost | 15.58 | 11.36 |
| Actuarial loss | 28.72 | 1.46 |
| | **52.33** | **21.13** |
| **Changes in benefit obligations** | | |
| Present value of the obligation at the beginning of the year | 110.70 | 110.87 |
| Interest cost | 8.03 | 8.32 |
| Current service cost | 15.58 | 11.36 |
| Benefits paid | (50.66) | (21.31) |
| Actuarial loss | 28.72 | 1.45 |
| **Present value of the obligation at the end of the year** | **112.37** | **110.69** |

**Actuarial assumptions**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Discount rate | 7.00% | 7.25% |
| Salary growth rate | 5.75% | 6.00% |
| Withdrawal rate (per annum) | | |
| 18 - 30 years | 10.00% | 5.00% |
| 31 - 44 years | 5.00% | 3.00% |
| 45 - 58 years | 2.00% | 2.00% |
| Normal retirement age (years) | 58 | 58 |

### (iii) Defined contribution plan

The Group makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

The Group recognised ₹ 173.16 Lakhs (31 March 2024: ₹ 185.78 Lakhs) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in ""Employee benefits expense"" in note 34. The contribution payable to these plans by the Group is at rates specified in the rules of the schemes.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 43 Leases

### The Group as a lessee

The Group's leases primarily consists of leases for land. Generally, the contracts are made for fixed period and does not have a purchase option at the end of lease term. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group applies the 'short-term lease' recognition exemptions for these leases with lease terms of 12 months or less.

### (i) Amount recognised in the Balance sheet

The balance sheet shows the following amounts relating to the leases:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Carrying amount of right-of-use assets:** | | |
| Land | 2,119.46 | 1,685.95 |
| **Total** | **2,119.46** | **1,685.95** |

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Carrying amount of lease liability:** | | |
| Current | 42.78 | 32.18 |
| Non-current | 686.20 | 267.23 |
| **Total** | **728.98** | **299.41** |

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Additions to right-of-use assets:** | | |
| Land | 455.46 | 1,696.04 |
| **Total** | **455.46** | **1,696.04** |

**Maturity analysis of lease liabilities**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Within one year | 42.78 | 32.18 |
| Later than one year but less than five years | 171.12 | 93.40 |
| Later than five years | 180.65 | 173.83 |
| **Total** | **728.98** | **299.41** |

### (ii) The amount recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to the leases:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Depreciation charge of right of use of assets:** | | |
| Land | 24.79 | 10.09 |
| **Total** | **24.79** | **10.09** |

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Interest expense on lease liabilities (included in finance cost) | 49.56 | 1.84 |
| Expenses relating to short term and low value leases (included in other expenses) | 132.22 | 25.40 |
| The total cash outflow for leases for the year ended were | 32.18 | 2.56 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (iii) Extension and termination option

Extension and termination options are included in various leases executed by the group. These are used to maximise operational feasibility in terms of managing the assets used in group's operations. Generally, these options are exercisable mutually by both the lessor and lessee.

### (iv) The Group do not have any operating leases that are non-cancellable.

**The Group as a lessor**

The Holding Company has entered into operating leases for part of its premises at Plant 1 and AMTC plant, Lucknow; that is renewable and is cancellable at either party's option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 56.00 lakhs (31 March 2024: ₹ 53.10 lakhs).

## 44 Contingent liabilities and commitments

**(i) Capital commitment:**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 12,647.68 | 13,725.06 |

**(ii) Contingent liabilities**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Other contingent liabilities** | | |
| Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 16.59 lakhs (previous year ₹ 16.59 lakh)]* | 16.59 | 16.59 |

*In respect of the GST cases pending at appellate authority represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the Group believes that it has a good chance of success in all the above mentioned cases.

**(iii) Guarantees excluding financial guarantees:**

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| In respect of non fund-based working capital facilities from banks: | | |
| - Bank guarantees | 3089.52 | 2699.27 |

## 45 Segment information

The Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Group which is "Engineering and allied activities", hence no specific disclosures have been made.

**Entity wide disclosures:**

### (a) Information about products and services

The Group is engaged in the business of manufacturing and selling of high precision metal castings. Group operates in one product line, therefore product wise revenue disclosure is not applicable.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (b) Information about geographical area

The Group's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Group's revenue from customers domiciled in India and outside India:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| **Revenue from external customers** | | |
| - domiciled in India | 4,369.95 | 4,017.99 |
| - domiciled outside India | 25,968.55 | 21,141.44 |
| | **30,338.50** | **25,159.43** |

### (c) Information about major customers (On standalone level of holding company)

Revenues of ₹ 7,807.37 lakhs, ₹ 3,190.14 lakhs and ₹ 2,344.80 lakhs (31 March 2024: ₹ 5,605.78 lakhs, ₹ 5,486.51 lakhs and ₹ 2,455.68 lakhs) are derived from three external customers.

## 46 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

### (i) Name of the related parties and description of relationship:

| Relationship | Name of related party |
|---|---|
| Entities controlled by KMPs and/or their relatives | Sachin Agarwal HUF |
| | Alphasine Technologies Private Limited |
| | PTC Foundation |
| Key Management Personnel ("KMP") | Mr. Sachin Agarwal, Chairman and Managing Director |
| | Mr. Priya Ranjan Agarwal , Director |
| | Mr. Alok Agarwal, Director |
| | Mr. Ashok Kumar Shukla, Director* |
| | Ms. Smita Agarwal, Director and Chief Financial Officer |
| | Mr. Brij Lal Gupta, Independent Director* |
| | Mr. Ajay Kashyap, Independent Director* |
| | Mr. Rakesh Shukla , Independent Director* |
| | Mr. Krishna Das Gupta, Independent Director* |
| | Mr. Vishal Mehrotra, Independent Director* |
| | Mrs. Prashuka Jain, Independent Woman Director |
| | Mrs.Pragati Gupta Agarwal,Company Secretary |
| | Mr. Kamesh Gupta , Independent Director* |
| Relatives of Key Management Personnel | Ms. Kanchan Agarwal |
| | Mrs. Anshoo Agarwal |
| | Mrs. Reena Agarwal |
| | Mrs. Sangita Shukla |

**Note-***

1- Mr. Ashok Kumar Shukla has been resigned w.e.f. September 01, 2024 due to personal reason.

2- During the year, Mr. Ajay Kashyap, and Mr. Krishna Das Gupta, retired upon completing their second term effective from 1st day of October 2024

3- Mr. Brij Lal Gupta retired upon completing their second terms effective from 23rd January 2025.

4- To maintain an effective balance of Executive Directors, Non-Executive Directors, and Independent Directors, Mr. Kamesh Gupta and Mr. Rakesh Shukla have been appointed as Independent Directors with the effect from 1st day of October 2024 and February 20, 2025 respectively.

5- Additionally, Mr. Vishal Mehrotra has been re-appointed as an Independent Director after completing his first term.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### (ii) Disclosure of related parties transactions#:

| Particulars | As at 31 March 2025 | | | As at 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Key management personnel (KMP) | Relatives of KMPs | Enterprises controlled by KMP/ relatives | Key management personnel (KMP) | Relatives of KMPs | Enterprises controlled by KMP/ relatives |
| **Transactions during the year** | | | | | | |
| 1. Rent paid | - | 9.00 | - | - | 9.00 | - |
| 2. Rent received | - | - | 2.60 | - | - | 2.85 |
| **Amounts paid during the year to KMP's and relatives of KMP's** | | | | | | |
| 1. Managerial remuneration * | 547.60 | - | - | 534.26 | - | - |
| 2. Salary and allowances | 2.07 | 50.43 | - | 2.07 | 66.25 | - |
| 3. Sitting fees to independent directors | 8.02 | - | - | 2.99 | - | - |

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

#All the transactions with the related party are at Arm's length price.

### (iii) Balance outstanding at the year end:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Outstanding balance (Amount payable)** | | |
| **Key management personnel** | | |
| Managerial remuneration | 297.84 | 105.23 |
| Salary and allowances | 0.15 | 0.15 |
| **Relative of KMP's** | | |
| Salary and allowances | 4.77 | 12.01 |
| Rent | 0.68 | 0.68 |

### (iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---|---|
| Short-term employee benefits (refer note a) | 546.11 | 525.90 |
| Post-employment benefits | | |
| - Defined contribution plan (refer note b) | 11.59 | 13.43 |
| - Defined benefit plan | *refer note (c) | *refer note (c) |
| - Other long-term benefits | *refer note (c) | *refer note (c) |
| | **557.70** | **539.33** |

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 47 Assets pledged as security:

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|---|---|---|
| **Non-current borrowings:** | | |
| *Equitable mortgage* | | |
| Land | 2,116.62 | 2,940.20 |
| Building | 108.53 | 3,650.53 |
| *First charge* | | |
| Other movable property, plant and equipment | 9,538.30 | 15,206.82 |
| *Second charge* | | |
| Current assets* | 15,258.77 | 41,557.95 |
| | **27,022.22** | **63,355.50** |
| **Current borrowings:** | | |
| *First charge* | | |
| Current assets* | 69,581.80 | 41,557.95 |
| Land | 2,116.62 | 1,685.95 |
| Building | 108.53 | |
| Other movable property, plant and equipment | 9,224.55 | 353.64 |
| *Second charge* | | |
| Land | 626.40 | 1,254.25 |
| Building | 3,564.01 | 3,650.53 |
| Other movable property, plant and equipment | 313.75 | 14,853.18 |
| | **85,535.66** | **63,355.50** |
| | **1,12,557.88** | **1,26,711.00** |

## 48 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

### a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

| Revenue from operations | As at 31 March 2025 | | | As at 31 March 2024 | | |
|---|---|---|---|---|---|---|
| | Goods | Other operating revenues | Total | Goods | Other operating revenues | Total |
| Revenue by geography | | | | | | |
| Domestic | 4,369.95 | 49.71 | 4,419.66 | 4,017.99 | 55.35 | 4,073.34 |
| Export | 25,968.55 | 419.19 | 26,387.74 | 21,141.44 | 473.14 | 21,614.58 |
| **Total** | **30,338.50** | **468.90** | **30,807.40** | **25,159.43** | **528.49** | **25,687.92** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**b) Assets and liabilities related to contracts with customers**

| Particulars | As at 31 March 2025 | | As at 31 March 2024 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Trade receivables | - | 14,381.31 | - | 11,085.79 |
| Revenue received in advance | - | 1,171.17 | - | 1,208.52 |
| **Total** | **-** | **15,552.48** | **-** | **12,294.31** |

## 49 Share based payments

**(a) Scheme details**

During the financial year 2021-22, the Company had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on September 28, 2019, and obtained an in-principal approval from BSE limited on 7 September 2021 for 1,57,170 Equity shares of Rs. 10/- each. The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on September 15, 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Company, upon exercise) (Tranche-1) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option.

During the financial year 2022-23, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on 11 June 2022 had approved grant of 2,255 (convertible into 2,255 Equity shares of the Company, upon exercise) (Tranche-2) to certain Eligible Employees in pursuance of the ESOS Plan.

On 30 August 2022, The Compensation Committee (Nomination & Remuneration Committee) at its meeting had approved the adjustment in the plan, pursuant to the right issue of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of Company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 lakh on a rights basis to the eligible equity shareholders of Company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of Company on the record date, that is, on July 22, 2022, in the following manner:

| Details | Existing | Adjustment pursuant to the Rights Issue | Total Employees Stock Option after adjustment |
|---|---|---|---|
| Total Pool | 1,57,170 | 2,35,755 | 3,92,925 |
| Exercise price* | 990/- | 402/- | 402/- |

*The exercise price shall be adjusted to ₹ 402/- per share instead of ₹ 990/- per share on account of rights issue of equity shares.

The Compensation committee had also approved the below mentioned adjustments in respect of previous grants:

(i) Adjustment in number of options granted

| Options | Existing | Adjusted pursuant to the Rights Issue | Total Employees Stock Option after adjustment |
|---|---|---|---|
| Tranche -1 | 10,965 | 16,448 | 27,413 |
| Tranche -2 | 2,255 | 3,382 | 5,637 |

(ii) Adjustment in Exercise price: The exercise price shall be adjusted to ₹ 402/- per share.

(iii) Other terms: other terms shall remain same.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

Further on 30 August 2022, the Compensation Committee had approved grant of 12,500 (convertible into 12,500 Equity shares of the Company, upon exercise) to certain Eligible Employee in pursuance of the ESOS Plan at the exercise price of ₹ 402/- per share.

| Particulars | Number of options Granted* (Refer above) | Grant date | Vesting date | Exercise period | Exercise price ( Refer above) | Fair value on grant date |
|---|---|---|---|---|---|---|
| Tranche -1 | 11,799 | 15-Sep-21 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 750.88 |
| | 11,799 | 15-Sep-21 | 15-Oct-24 | | 402.00 | 785.08 |
| | 3,161 | 15-Sep-21 | 15-Oct-25 | | 402.00 | 821.35 |
| | 650 | 15-Sep-21 | 14-Sep-26 | | 402.00 | 857.56 |
| Tranche -2 | 1,619 | 11-Jun-22 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 1,239.93 |
| | 1,584 | 11-Jun-22 | 15-Oct-24 | | 402.00 | 1,274.36 |
| | 1,840 | 11-Jun-22 | 15-Oct-25 | | 402.00 | 1,305.81 |
| | 598 | 11-Jun-22 | 14-Sep-26 | | 402.00 | 1,334.60 |
| Tranche -3 | 2,083 | 30-Aug-22 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 1,909.19 |
| | 2,083 | 30-Aug-22 | 15-Oct-24 | | 402.00 | 1,936.51 |
| | 3,125 | 30-Aug-22 | 15-Oct-25 | | 402.00 | 1,967.29 |
| | 5,209 | 30-Aug-22 | 14-Sep-26 | | 402.00 | 1,994.69 |

*The number of options mentioned includes 6933 stock options respectively which were granted to the employees of the wholly owned subsidiary company i.e. Aerolloy Technologies Limited.

During the year, the Nomination & Remuneration Committee (Compensation Committee) of the Board of Directors, in its meeting held on November 23, 2024, allotted 12,938 Equity Shares with a face value of ₹ 10 each. These shares were issued under the PTC Employee Stock Option Scheme 2019 (PTC-ESOS 2019 or 'Scheme') to eligible employees following the exercise of stock options at an exercise price of ₹ 402 per share.

### (b) Compensation expenses arising on account of the share based payments

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Expenses arising from equity – settled share-based payment transactions | 92.95 | 133.94 |
| **Total** | **92.95** | **133.94** |

### (c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. The following inputs were used to determine the fair value for options granted on September 15,2021, on June 11, 2022 and on August 30, 2022.

**Options granted as on 15 September 2021**

| Description | Vest 1 | Vest 2 | Vest 3 # | Vest 4 # |
|---|---|---|---|---|
| Number of options outstanding | 11,799.00 | 11,799.00 | 3,161.00 | 650.00 |
| Grant date | 15-Sep-21 | 15-Sep-21 | 15-Sep-21 | 15-Sep-21 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 2,755.95 | 2,755.95 | 2,755.95 | 2,755.95 |
| Expected life (in years) | 2.1 | 3.1 | 4.1 | 5 |
| Price volatility of company's share * | 60.36% | 59.18% | 60.51% | 62.85% |
| Risk free interest rate | 4.39% | 4.88% | 5.28% | 5.61% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 750.88 | 785.08 | 821.35 | 857.56 |

# Revised option count pursuant to the vesting period extension: 3,618 (Vest-3) and 1,055 (Vest-4).

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

### Options granted as on 11 June 2022

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 1,619 | 1,584 | 1,840 | 598 |
| Grant date | 11-Jun-22 | 11-Jun-22 | 11-Jun-22 | 11-Jun-22 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 3,794.05 | 3,794.05 | 3,794.05 | 3,794.05 |
| Expected life (in years) | 1.3 | 2.3 | 3.3 | 4 |
| Price volatility of company's share * | 46.22% | 56.96% | 55.75% | 56.10% |
| Risk free interest rate | 5.94% | 6.47% | 6.82% | 7.07% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 1,239.93 | 1,274.36 | 1,305.81 | 1,334.60 |

### Options granted as on 30 August 2022

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 2,083.00 | 2,083.00 | 3,125.00 | 5,209.00 |
| Grant date | 30-Aug-22 | 30-Aug-22 | 30-Aug-22 | 30-Aug-22 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 2,238.40 | 2,238.40 | 2,238.40 | 2,238.40 |
| Expected life (in years) | 1.1 | 2.1 | 3.1 | 4 |
| Price volatility of company's share * | 48.25% | 53.29% | 56.37% | 56.92% |
| Risk free interest rate | 5.95% | 6.44% | 6.74% | 6.92% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 1,909.19 | 1,936.51 | 1,967.29 | 1,994.69 |

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

### (d) Fair value on the grant date

| Description | Number of options | Weighted average exercise price ₹ |
|---|---|---|
| **Outstanding as on 01 April 2023** | **45,550** | **402.00** |
| Options granted during the year | - | |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | 2,470 | 402.00 |
| Options exercised during the year | 13,031 | 402.00 |
| **Options outstanding as at 31 March 2024 ^#** | **30,049** | **402.00** |
| Exercisable at the end of the year | - | - |
| **Outstanding as on 01 April 2024** | **30,049** | **402.00** |
| Options granted during the year | - | - |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | 1,666 | 402.00 |
| Options exercised during the year | 12,938 | 402.00 |
| **Options outstanding as at 31 March 2025 ^#** | **15,445** | **402.00** |
| Exercisable at the end of the year | - | - |

* Refer above

^ The weighted average remaining contractual life of the share options outstanding at the end of current year is 1.93 years (previous year 1.22 years).

# The weighted average fair value of share options outstanding at the end of current year is ₹ 1511.77 per share option (previous year ₹ 1271.49).

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

## 50 Group Information

The Parent's subsidiary at 31 March 2025 and 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.

| Name of the Entity | Principal Activities | Country of Incorporation | Ownership interest held by the Group | | Ownership interest held by Non-controlling interest | |
|---|---|---|---|---|---|---|
| | | | 31 March 2025 % | 31 March 2024 % | 31 March 2025 % | 31 March 2024 % |
| Aerolloy Technologies Limited | Manufacture of Metal and Components for critical and super critical applications | India | 100 | 100 | - | - |
| Trac Holdings Limited | Manufacture of Metal and Components for critical and super critical applications | United Kingdom | 100 | - | - | - |

## 51 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

**As on 31 March 2025**

| Name of the Entity | Share in 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 & Loss | Amount (₹) | As % of Consolidated other comprehensive income | Amount (₹) | As % of Consolidated total comprehensive income | Amount (₹) |
| **Parent** | | | | | | | | |
| PTC Industries Limited | 95.94% | 1,33,037.63 | 57.42% | 3,503.56 | -9.02% | (24.74) | 54.56% | 3,478.82 |
| **Subsidiary** | | | | | | | | |
| Aerolloy Technologies Limited | 33.10% | 45,894.63 | 37.81% | 2,306.87 | -0.12% | (0.32) | 36.17% | 2,306.55 |
| Trac Holdings Limited | 8.94% | 12,403.43 | 4.78% | 291.42 | 109.13% | 299.48 | 9.27% | 590.90 |
| Add/(Less) : Intra group eliminations | (37.98%) | (52,669.77) | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **1,38,666.02** | | **6,101.85** | | **274.42** | | **6,376.27** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**As on 31 March 2024**

| Name of the Entity | Share in 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 & Loss | Amount (₹) | As % of Consolidated other comprehensive income | Amount (₹) | As % of Consolidated total comprehensive income | Amount (₹) |
| **Parent** | | | | | | | | |
| PTC Industries Limited | 95.77% | 61,828.90 | 56.45% | 2,382.98 | 72.61% | (19.27) | 56.33% | 2,363.71 |
| **Subsidiary** | | | | | | | | |
| Aerolloy Technologies Limited | 33.44% | 21,591.14 | 43.55% | 1,838.60 | 27.39% | (7.27) | 43.66% | 1,831.38 |
| Add/(Less) : Intra group eliminations | -29.21% | (18,860.07) | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **64,559.97** | | **4,221.58** | | **(26.54)** | | **4,195.09** |

**52** (a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**53** The Holding Company has raised Rs.69,999.99 lakhs from allotment of 5,30,315 equity shares of face value Rs. 10 each at a price of Rs. 13,199.70 per Equity Share, including a premium of Rs. 13,189.70 per equity share on 03 September 2024 to qualified institutional buyers persuant to Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, Section 42 and Section 62 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 made thereunder, as amended ("Companies Act"), the special resolution of the shareholders of the Company passed on August 08, 2024 authorizing the issue of Equity Shares and the placement agreement dated September 02, 2024.

**54** The Group does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period. In some cases, the Company has fully repaid the borrowings in respect of which the Company is in the process of preparation and submission of necessary forms for satisfaction of such charges and expects to complete the process in due course.

**55** The Group has not revalued any property, plant and equipment and intangible assets during the year ended 31 March 2025 and 31 March 2024.

**56** There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025 and 31 March 2024.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2025

**57** The Group did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 during the year ended 31 March 2025 and 31 March 2024.

**58** The Group has not traded or invested in Crypto currency or Virtual currency anytime during the year ended 31 March 2025 and 31 March 2024.

**59** The Group does not have any transaction/balances with struck off companies during the year ended 31 March 2025 and 31 March 2024.

**60** The Group is in compliance 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.

**61** The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the year ended 31 March 2025 and 31 March 2024.

**62** The Group maintains the books of account electronically and it's back-up on a server located in India. These data are accessible in India at all times.

**63** The Group has used an accounting software for maintaining its books of account for the financial year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

**64** The figures for the previous period have been re-grouped / re-classified wherever necessary, the impact of such restatements / regroupings are not material to Consolidated Financial Statements.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

Place: Lucknow
Date: 30 May 2025

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

Place: Lucknow
Date: 30 May 2025

# Independent Auditor's Report

To
The Members of
**PTC Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of PTC Industries Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together are referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and summary of material accounting policies information and other explanatory information (the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31 March 2024, and its consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr.No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| 1. | **Inventory Valuation:**<br>(Refer Note 4(e) and 14 of the consolidated financial statements)<br>Determination of cost of inventory involves allocation of various production and administration overheads incurred to bring the inventory to its present location and condition, which involves management judgement and estimation.<br>Amongst the other overheads, fixed production overheads are allocated to the costs of conversion based on the normal capacity of the production facilities in accordance with the principles of Ind AS- 2, Inventories.<br>Further, at the end of each reporting period, the management of the Holding Company and subsidiary also assesses whether there is any objective evidence that net realisable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realisable value in accordance with Ind AS 2, Inventories. | **Principal audit procedure performed:**<br>• Obtained an understanding of the management's process of valuation of inventory. We evaluated the design, implementation and operating effectiveness (wherever applicable) of key internal controls over recognition of revenue.<br>• Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion and overhead computations and determination of net realizable value of inventory items.<br>• Evaluated the appropriateness of the Group's accounting policy and valuation method of inventory in accordance with the applicable accounting standards.<br>• Verified the expenses considered as cost of conversion including estimates for apportionment of the conversion on the different classes of finished goods and work in progress and recomputed the arithmetical accuracy thereof for calculating the conversion cost considered as part of the finished goods and work in progress. |

| Sr.No. | Key Audit Matter | Auditor's Response |
|---|---|---|
| | In addition to the above, the complexities and judgement involved in inventory valuation includes:<br>Estimate involved in computing input-output ratio used for computing the average rate of overheads which is to be added to the cost of inventory.<br>Estimate involved in allocation of expenses through various stages of production.<br>Inventory valuation was considered a risk of material misstatement because variable and fixed costs are allocated to Inventory. Considering the aforesaid complexities, significant management judgements, and estimates involved and materiality of the amounts involved, this matter has been determined to be as a key audit matter for the current year audit. | • Recomputed the net realisable value of the finished goods and reviewed the management assessment for carrying inventory at lower of cost and net realisable value.<br>• Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Group.<br>• Evaluated the appropriateness and adequacy of the disclosures made by the Group in accordance with the requirements as specified in the Ind AS-2 'Inventories' and Schedule III of the Companies Act, 2013. |

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

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

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Indian accounting standards specified under section 133 of the Act. The respective board of directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the group are responsible for assessing the Group'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 board of directors 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 Group's financial reporting process.

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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.

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

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

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

## Other Matter

The comparative financial information of the Group as at and for the year ended 31 March 2023 included in the consolidated financial statements have been audited by the predecessor auditor, who expressed an unmodified opinion on the consolidated financial statements vide their report dated 30 May 2023.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of holding company and subsidiaries incorporated in India, we report the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:

(xxi) Qualifications or adverse remarks by the respective auditors of the Company and its associates incorporated in India, in the Companies (Auditor's Report) Order (CARO) reports of such Company and its associates included in the Consolidated Financial Statements, are given below:

| S. No | Name | CIN | Holding company/ Subsidiary | Clause number of the CARO report which is qualified or adverse |
|---|---|---|---|---|
| 1 | PTC Industries Limited | L27109UP1963PLC002931 | Holding Company | iii |
| 2 | Aerolloy Technologies Limited | U27200UP2020PLC127120 | Subsidiary Company | iii |

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

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books, except for keeping backup on daily basis of such books of account maintained in electronic mode in a server physically located in India (refer Note 66 to the Consolidated Financial Statements).

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

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

e) On the basis of the written representations received from the directors of Holding Company and subsidiary company as on 31 March 2024 taken on record by the Board of Directors of Holding Company and subsidiary company, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act.

g) With respect to the adequacy of internal financial controls with reference to financial statements of companies incorporated in India and included in the Group, and the operating effectiveness of such controls with respect to holding company and its subsidiaries, refer to our separate report in Annexure A.

h) The remuneration including commission paid by the Holding Company to its directors is in accordance with the approval of the shareholders in a general meeting in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

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

i. The Group has disclosed the impact of pending litigations on its consolidated financial statements. (Refer Note 44(ii) to the consolidated financial statements)

ii. The Group has made provision, as required under applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. (Refer Note 11(b) to the consolidated financial statements)

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group. (Refer Note 59 to the consolidated financial statements)

iv. (a). On the basis of representation received from the directors of the holding company and subsidiary company as on 31 March 2024, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 52(a) to the consolidated financial statements)

(b). On the basis of representation received from the directors of the holding company and its subsidiary as on 31 March 2024, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 52(b) to the consolidated financial statements)

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

v. The Holding Company or the subsidiary has not declared or paid any dividend during the year.

vi. Based on our examination which included test checks, the Holding Company and its subsidiary has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024, 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.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Holding Company and its subsidiary only w.e.f. 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974
UDIN:

Place: Gurugram
Date: 28 May 2024

# Annexure "A" to the Independent Auditor's Report

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

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

In conjunction with our audit of the consolidated financial statements of the holding company as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of PTC Industries Limited ("the Holding Company") and its subsidiary, which are companies incorporated in India, as of that date.

## Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements criteria established by the holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the respective company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Holding Company and its subsidiary as aforesaid.

## Meaning of Internal Financial Controls with reference to consolidated Financial Statements

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

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on financial statements.

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the

risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to financial statements 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.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm's Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974
UDIN:

Place: Gurugram
Date: 28 May 2024

# Consolidated Balance Sheet as at 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Notes | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 23,015.03 | 22,558.72 |
| Capital work-in-progress | 6 | 15,868.42 | 6,663.86 |
| Investment property | 7 | 171.69 | 179.52 |
| Other intangible assets | 8 | 91.42 | 85.51 |
| Financial assets | | | |
| (i) Investments | 9(a) | 0.50 | 0.50 |
| (ii) Other financial assets | 11(a) | 2,383.16 | 348.89 |
| Non current tax assets (net) | 12 | 373.87 | 364.81 |
| Other non current assets | 13 | 6,106.53 | 5,453.84 |
| **Total non-current assets** | | **48,010.62** | **35,655.65** |
| **Current assets** | | | |
| Inventories | 14 | 7,448.06 | 7,772.20 |
| Financial assets | | | |
| (i) Investments | 9(b) | 9.09 | 7.18 |
| (ii) Trade receivables | 15 | 11,085.79 | 6,568.73 |
| (iii) Cash and cash equivalents | 16 | 13,430.10 | 689.47 |
| (iv) Bank balances other than(iii) above | 17 | 2,346.90 | 2,321.74 |
| (v) Loans | 10 | 101.87 | 59.86 |
| (vi) Others financial assets | 11(b) | 3,588.44 | 181.02 |
| Other current assets | 18 | 3,547.70 | 2,035.40 |
| **Total current assets** | | **41,557.95** | **19,635.60** |
| **TOTAL ASSETS** | | **89,568.57** | **55,291.25** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 19 | 1,444.09 | 1,338.23 |
| Other equity | 20 | 63,115.88 | 29,328.19 |
| **Total equity** | | **64,559.97** | **30,666.42** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 21(a) | 8,100.12 | 9,638.44 |
| (ii) Other financial liabilities | 22 | 46.25 | 239.78 |
| Provisions | 23 | 107.62 | 90.54 |
| Deferred tax liabilities (net) | 24 | 1,696.96 | 1,526.08 |
| Other non-current liabilities | 25 | 768.36 | 835.00 |
| **Total non-current liabilities** | | **10,719.31** | **12,329.84** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 21(b) | 10,089.01 | 8,026.34 |
| (ii) Trade payables | 26 | | |
| total outstanding dues of micro enterprises and small enterprises | | 438.86 | 610.32 |
| total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,101.12 | 1,493.22 |
| (iii) Other financial liabilities | 27 | 1,105.98 | 1,138.79 |
| Other current liabilities | 28 | 1,420.75 | 906.95 |
| Provisions | 23 | 56.79 | 31.54 |
| Current tax liabilities (net) | 29 | 76.78 | 87.83 |
| **Total current liabilities** | | **14,289.29** | **12,294.99** |
| **TOTAL EQUITY AND LIABILITIES** | | **89,568.57** | **55,291.25** |
| **Notes 1 to 68 form an integral part of these consolidated financial statements** | | | |

This is the Consolidated Statement of Balance Sheet referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Place:** Gurugram
**Date:** 28 May 2024

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

**Place:** Lucknow
**Date:** 28 May 2024

# Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 30 | 25,687.92 | 21,926.21 |
| Other income | 31 | 1,337.92 | 747.27 |
| **Total income** | | **27,025.84** | **22,673.48** |
| **Expenses** | | | |
| Cost of materials consumed | 32 | 5,682.02 | 5,475.50 |
| Changes in inventories of finished goods and work-in-progress | 33 | 494.93 | (36.30) |
| Employee benefits expense | 34 | 3,159.83 | 2,621.84 |
| Other expenses | 35 | 9,086.55 | 8,001.92 |
| **Total expenses** | | **18,423.33** | **16,062.96** |
| **Profit before finance cost, depreciation and amortisation and tax** | | **8,602.51** | **6,610.52** |
| Finance costs | 37 | 1,524.79 | 1,577.74 |
| Depreciation and amortisation expense | 38 | 1,662.93 | 1,666.92 |
| **Profit before tax** | | **5,414.79** | **3,365.86** |
| **Tax expense:** | 39 | | |
| Current tax - current year | | 1,014.34 | 661.22 |
| Current tax - earlier years | | - | (29.93) |
| Deferred tax charge | | 178.87 | 153.06 |
| **Total tax expenses** | | **1,193.21** | **784.35** |
| **Profit for the year** | | **4,221.58** | **2,581.51** |
| **Other comprehensive income** | | | |
| A) Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurement of defined benefit plan | | (34.53) | (10.31) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | 7.99 | 2.56 |
| **Other comprehensive (loss) for the year (net of tax)** | | **(26.54)** | **(7.75)** |
| **Total comprehensive income for the year** | | **4,195.04** | **2,573.76** |
| **Earnings per equity share [Nominal value ₹10]** | 40 | | |
| Basic (₹) | | 30.83 | 19.60 |
| Diluted (₹) | | 30.35 | 19.54 |
| **Notes 1 to 68 form an integral part of these consolidated financial statements** | | | |

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Place:** Gurugram
**Date:** 28 May 2024

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

**Place:** Lucknow
**Date:** 28 May 2024

# Consolidated Statement of Cash Flows for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **A Cash flow from operating activities** | | |
| Net profit before tax | 5,414.79 | 3,365.86 |
| **Adjustment for:** | | |
| Depreciation and amortisation expense | 1,662.93 | 1,666.92 |
| Unrealised foreign exchange fluctuation loss (gain) | (38.96) | (55.49) |
| (Gain)/loss on disposal/discard of property plant and equipment (net) | 11.05 | (5.46) |
| Amortisation of deferred income- government grant | (66.67) | (66.67) |
| Dividend income | - | (0.02) |
| (Gain)/loss on MTM foreign exchange fluctuation | (244.20) | 156.37 |
| Interest expense | 1,342.63 | 1,410.97 |
| Share based payment expense | 133.95 | 164.31 |
| Remeasurement of defined benefit plan | (34.53) | - |
| (Gain)/loss on investment at fair value through profit or loss (net) | (1.91) | - |
| Interest from assets valued at amortised cost | (431.21) | (71.69) |
| **Operating profit before working capital changes (current and non- current)** | **7,747.87** | **6,565.10** |
| **Inflow and outflow on account of :** | | |
| Changes in trade receivables | (4,478.41) | (366.43) |
| Changes in inventories | 324.14 | (1,291.45) |
| Changes in other financial assets | (10,632.45) | 148.12 |
| Changes in other assets | (1,498.37) | (396.68) |
| Changes in financial assets-loans | (42.01) | 8.70 |
| Changes in provisions | 42.33 | (8.79) |
| Changes in trade and other payables | (563.16) | 232.65 |
| Changes in other financial liabilities | (251.38) | (3.43) |
| Changes in other liabilities | 757.95 | 360.53 |
| **Cash generated from/ (used in) operations before tax** | **(8,593.49)** | **5,248.32** |
| Income taxes paid (net) | (1,034.45) | (568.31) |
| **Net cash generated from/ (used in) operating activities [A]** | **(9,627.94)** | **4,680.01** |
| **B Cash flow from investing activities** | | |
| Purchase of property, plant and equipment and intangible assets [including capital advances and creditors for capital goods] | (11,652.52) | (9,622.30) |
| Proceeds from sale of property plant and equipments | 11.20 | 47.82 |
| Investments made | - | (0.50) |
| Interest received | 431.21 | 71.69 |
| Other bank balances not considered as cash and cash equivalents (net) | 5,165.60 | (2,061.33) |
| Dividend received | - | 0.06 |
| **Net cash used in investing activities [B]** | **(6,044.51)** | **(11,564.56)** |

# Consolidated Statement of Cash Flows for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| C | **Cash flow from financing activities** | | |
| | Proceeds from long-term borrowings | 146.57 | 4,836.15 |
| | Repayment of long-term borrowings | (1,264.60) | (5,745.22) |
| | Proceed / Repayment of Short-term borrowings (net) | 1,342.98 | (1,049.38) |
| | Repayment of lease liability | (33.77) | |
| | Finance cost paid | (1,342.63) | (1,678.80) |
| | Proceeds from issue of equity shares (net of cost issuance expenses) | 29,564.53 | 7,371.11 |
| | Proceeds from issue of share warrants | - | 3,705.40 |
| | **Net cash generated from financing activities [C]** | **28,413.08** | **7,439.26** |
| D | **Net (decrease)/increase in cash and cash equivalents [A+B+C]** | **12,740.63** | **554.71** |
| E | Cash and cash equivalents at the beginning of the year | 689.47 | 134.76 |
| | **Closing balance of cash and cash equivalent [D+E]** | **13,430.10** | **689.47** |

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Components of cash and cash equivalents (refer note 16):** | | |
| Balances with banks | 140.23 | 179.76 |
| Cash on hand | 8.37 | 9.63 |
| Balance in deposit account with original maturity upto three months | 13,281.50 | 500.08 |
| | **13,430.10** | **689.47** |

**Notes 1 to 68 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Cash Flow Statement referred to in our report of even date.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Place:** Gurugram
**Date:** 28 May 2024

**For and on behalf of the Board of Directors of PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

**Place:** Lucknow
**Date:** 28 May 2024

# Consolidated Statement of Changes in Equity as at 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## A Equity share capital

| | No. of shares | Amount |
|---|---|---|
| **Balance as at 1 April 2022** | **52,39,063** | **523.91** |
| Changes in equity share capital during the year | 81,43,194 | 814.32 |
| **Balance as at 1 April 2023** | **1,33,82,257** | **1,338.23** |
| Changes in equity share capital during the year | 10,58,616 | 105.86 |
| **Balance as at 31 March 2024** | **1,44,40,873** | **1,444.09** |

## B Other equity

| | Reserves and Surplus | | | | Other reserve | | | |
|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Securities premium | General reserve | Retained earnings | Share Based payment Reserve Account | Equity instruments through other comprehensive income | Money received against Share warrants | Total |
| **Balance as at 1 April 2022** | **1.75** | **4,120.72** | **4,624.17** | **7,538.41** | **43.21** | **0.01** | **-** | **16,328.28** |
| Profit for the year | - | - | - | 2,581.51 | - | | - | 2,581.51 |
| Remeasurement of defined benefit plan | - | - | - | (7.75) | - | - | - | (7.75) |
| Money received against Share warrants | - | - | - | - | - | - | 3,705.40 | 3,705.40 |
| Securities premium | - | 6,556.80 | - | - | - | - | - | 6,556.80 |
| Share Based payment expense | - | - | - | - | 163.95 | - | - | 163.95 |
| **Balance as at 1 April 2023** | **1.75** | **10,677.52** | **4,624.17** | **10,112.17** | **207.16** | **0.01** | **3,705.40** | **29,328.19** |
| Profit for the year | - | - | - | 4,221.58 | - | | - | 4,221.58 |
| Share Based payment expense | - | - | - | - | 133.94 | - | - | 133.94 |
| Remeasurement of defined benefit plan | - | - | - | (26.53) | - | - | - | (26.53) |
| Money received against Share warrants | - | - | - | - | - | - | 11,097.29 | 11,097.29 |
| Share Warrants converted into Equity Share | - | - | - | - | - | - | (14,802.69) | (14,802.69) |
| Securities premium (Net of share issue expenses) | - | 33,164.10 | - | - | - | - | - | 33,164.10 |
| **Balance as at 31 march 2024** | **1.75** | **43,841.62** | **4,624.17** | **14,307.22** | **341.10** | **0.01** | **-** | **63,115.88** |

Refer note 20 for nature of reserves.

**Notes 1 to 68 form an integral part of these consolidated financial statements**

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Place:** Gurugram
**Date:** 28 May 2024

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

**Place:** Gurugram
**Date:** 28 May 2024

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 1. Group information

PTC Industries Limited (the 'Company') is a public limited Group incorporated in India. The registered office and corporate office of the Company is situated in Lucknow, Uttar Pradesh, India. The Company is a leading manufacturer of metal components for critical and super critical applications. The Company's shares are listed on the Bombay Stock Exchange (BSE) in India.

## 2. General information and statement of compliance with Ind AS

These consolidated financial statements of PTC Industries Limited ('the holding Company') and its subsidiary, Aerolloy Technologies Limited (the Holding company and its subsidiary together referred to as 'the Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements of the Group have been prepared in accordance with Ind AS notified by the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')), as amended and other relevant provisions of the Act. The consolidated financial statements of PTC Industries Limited as at and for the year ended 31 March 2024 were approved and authorised for issue by the Board of Directors on 28 May 2024.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

## 3. Basis of preparation and presentation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The consolidated financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value.
- Defined benefit liabilities are measured at present value of defined benefit obligation.

**Basis of consolidation**

Subsidiary is the entity over which the holding Company has control. Control exists when the holding Company has power over the entity, is exposed, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the holding Company and the subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intragroup balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 -"Consolidated Financial Statements".

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Consolidated financial statements include consolidated balance sheet, consolidated statement of profit and loss, consolidated cash flow statement, consolidated statement of changes in equity and the summary of material accounting policies and other explanatory information that form an integral part thereof.

Consolidated subsidiary is having consistent reporting date of 31 March 2024.

Following are the details of the subsidiary consolidated in these financial statements.

| Name of the entity | Country of incorporation | Principal Activities | Interest (in %) | |
|---|---|---|---|---|
| | | | 31-03-2024 | 31-03-2023 |
| Aerolloy Technologies Limited | India | Manufacturer of metal components | 100% | 100% |

## 4. Summary of material accounting policies

The consolidated financial statements have been prepared using the material accounting policies and measurement basis summarized below.

**a) Current/non-current classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

1) It is expected to be realised in, or is intended to be sold or consumed in, the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is expected to be realised within twelve months after the reporting date; or

4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the Group's normal operating cycle;

2) It is held primarily for the purpose of being traded;

3) It is due to be settled within twelve months after the reporting date; or

4) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

## b) Property, plant and equipment

### Recognition, measurement and de-recognition

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Foreign currency exchange differences are capitalized as per the policy stated in note 4(h) below.

### Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

### Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

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

The estimated useful lives of items of property, plant and equipment are as follows:

| Particulars | Management estimate of useful life (years) |
|---|---|
| Factory and non-factory Buildings | 30 - 60 |
| Plant and machinery | 2 - 15 |
| Furniture and fixtures | 10 |
| Vehicles | 8 - 10 |
| Office equipment | 5 |
| Computers | 3 - 6 |
| Electrical installations | 10 |

Leasehold improvements are amortised over the period of lease or their useful lives, whichever is shorter.

## c) Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises of purchase cost, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**d) Intangible assets**

**Recognition, measurement and de-recognition**

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any). Cost related to technical assistance for new projects are capitalised.

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 recognised in the Statement of Profit and Loss when the asset is derecognised.

**Subsequent expenditure**

Subsequent expenditure related to an item of intangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

**Amortisation**

Intangible assets include software that are amortised over the useful economic life of 6 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

**e) Inventories**

Inventories are stated at the lower of cost and net realisable value.

**Raw materials, packing material, stores and spares and loose tools:** The cost of inventories is calculated on first in and first out basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**Work-in-progress and manufactured finished goods:** Cost includes raw material costs and an appropriate share of fixed production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item by item basis/contract basis depending on the nature of work.

**f) Trade Receivables**

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

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**g) Foreign exchange transactions**

Transactions in foreign currencies are initially recorded by the Group at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

All exchange differences relating to foreign currency items are dealt with in the Statement of Profit and Loss in the year in which they arise.

**h) Employee benefits**

**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

### ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### iii. Defined benefit plans

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

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### iv. Other long-term employee benefits

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed/encashed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulation. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

## i) Revenue

### i. Sale of goods

Revenue arises mainly from the sale of goods. To determine whether to recognise revenue, the Group follows a 5-step process:

(i) Identifying the contract with a customer
(ii) Identifying the performance obligations
(iii) Determining the transaction price
(iv) Allocating the transaction price to the performance obligations
(v) Recognising revenue when/as performance obligation(s) are satisfied.

The Group considers the terms of the contract and its customary business practices to determine the transaction price. 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, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

### ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**iii. Income from power generation:**

Income from power generation from windmill located in district Kutch is recognised on the basis of the terms of the contract.

**iv. Export benefits/incentives**

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**j) Borrowings**

Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds and also include exchange differences to the extent regarded as an adjustment to the same. Borrowing costs directly attributable to the acquisition and/ or construction of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

**k) Government grants**

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received.

Grants related to assets is recognized as deferred income which is recognized in the Statement of Profit and Loss on systematic basis over the useful life of the assets.

**l) Right of use assets and lease liabilities**

For all existing and new contract, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

**The Group as a lessee**

**Classification of leases**

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

**Recognition and initial measurement**

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

**Subsequent measurement**

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.

**The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

**m) Financial instruments**

**i. Recognition and initial measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

### ii. Subsequent measurement

**Financial assets**

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above –Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

**De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

**Impairment of financial assets**

The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Financial liabilities**

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

**De-recognition of financial liabilities**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## n) Fair value measurement

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable -inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### o) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the cash Management.

### p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

### q) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings.

### r) Taxation

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

#### i. Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

The Group's ability to recover the deferred tax assets is assessed by the management at the close of each financial year which depends upon the forecasts of the future results and taxable profits that Group expects to earn within the period by which such brought forward losses may be adjusted against the taxable profits as governed by the Income-tax Act, 1961. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset deferred tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle deferred tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

**s) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's Board of Directors assesses the financial performance and position of the Group, and makes strategic decision. The Board has been identified as the chief operating decision maker. The Group's business activity is organised and managed separately according to the nature of the products, with each segment representing a strategic business unit that offers different products and serves different market. The Group's primary business segment is reflected based on principal business activities carried on by the Group. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules, 2015, the Group operates in one reportable business segment i.e., manufacturing and selling of metal components for critical and super critical applications. The geographical information analyses the Group's revenue and trade receivables from such revenue in India and other countries. In presenting the geographical information, segment revenue and receivables has been based on the geographic location of customers. Refer note 47 for segment information presented.

**t) Derivative financial instruments**

The Group holds derivative financial instruments in the form of future contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. The counterparty for these contracts are scheduled commercial banks / regulated brokerage firms. Although these derivatives constitute hedges from an economic perspective, they do not qualify for hedge accounting under Ind AS 109 'Financial Instruments' and consequently are categorized as financial assets or financial liabilities at fair value through profit or loss. The resulting exchange gain or loss is included in other income / expenses and attributable transaction costs are recognized in the Statement of Profit and Loss when incurred.

**u) Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956 (now Schedule III of Companies Act, 2013), the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Group does not include depreciation and amortisation expense, finance costs and tax expense.

**v) Recent accounting pronouncement**

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments.

(All amounts in ₹ lakhs, unless stated otherwise)

## 5 Property, plant and equipment

| Particulars | Freehold land | Leasehold land (Right of Use Assets) | Factory building | Plant and machinery | Computers | Mould and dies | Vehicles | Furniture and fixtures | Office equipments | Research and development assets | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | Plant and machinery | Computers | Mould and dies | Vehicles | |
| **Cost** | | | | | | | | | | | | | | |
| As at 1 April 2022 | 1,204.23 | - | 4,724.35 | 24,000.31 | 246.04 | 1,964.23 | 359.50 | 182.73 | 197.83 | 255.03 | 1.18 | 111.77 | 6.35 | 33,253.56 |
| Additions | 397.70 | - | 8.26 | 125.95 | 15.42 | 173.43 | 66.46 | 0.06 | 11.79 | - | - | - | - | 799.09 |
| Add/(Less): Adjustment | (1.61) | 1.61 | - | - | - | - | - | - | - | - | - | - | - | - |
| Less: Disposals/assets written off | - | - | - | 159.32 | - | - | 16.66 | - | - | - | - | - | - | 175.99 |
| **Balance as at 31 March 2023** | **1,600.32** | **1.61** | **4,732.61** | **23,966.94** | **261.45** | **2,137.66** | **409.30** | **182.79** | **209.62** | **255.03** | **1.18** | **111.77** | **6.35** | **33,876.67** |
| Additions | - | 1,696.04 | 18.90 | 179.47 | 19.31 | 150.55 | 42.27 | 3.49 | 17.82 | - | - | - | - | 2,127.84 |
| Disposals/assets written off | - | - | - | 219.37 | 8.68 | - | 27.05 | - | - | - | - | - | - | 255.10 |
| Classified as held for sale | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Balance as at 31 march 2024** | **1,600.32** | **1,697.65** | **4,751.51** | **23,927.04** | **272.09** | **2,288.21** | **424.52** | **186.28** | **227.44** | **255.03** | **1.18** | **111.77** | **6.35** | **35,749.41** |
| **Accumulated depreciation** | | | | | | | | | | | | | | |
| As at 1 April 2022 | - | - | 702.46 | 6,953.19 | 200.83 | 1,218.90 | 185.89 | 113.61 | 140.02 | 182.56 | 1.08 | 107.24 | 3.78 | 9,809.56 |
| Charge for the year | - | - | 141.55 | 1,292.33 | 14.10 | 123.91 | 30.42 | 11.21 | 21.92 | 6.49 | 0.02 | - | 0.06 | 1,642.02 |
| Adjustments for disposals | - | - | - | 117.79 | - | - | 15.83 | - | - | - | - | - | - | 133.62 |
| **Balance as at 31 March 2023** | **-** | **-** | **844.01** | **8,127.73** | **214.93** | **1,342.81** | **200.48** | **124.82** | **161.93** | **189.05** | **1.10** | **107.24** | **3.84** | **11,317.96** |
| Charge for the year | - | 10.09 | 136.06 | 1,279.19 | 12.83 | 143.05 | 36.50 | 10.32 | 14.19 | 6.51 | - | - | - | 1,648.74 |
| Adjustments for disposals | - | - | - | 198.42 | 8.25 | - | 25.65 | - | - | - | - | - | - | 232.32 |
| **Balance as at 31 march 2024** | **-** | **10.09** | **980.07** | **9,208.50** | **219.51** | **1,485.86** | **211.33** | **135.14** | **176.12** | **195.56** | **1.10** | **107.24** | **3.84** | **12,734.37** |
| **Net block as at 31 March 2023** | **1,600.32** | **1.61** | **3,888.60** | **15,839.21** | **46.53** | **794.85** | **208.82** | **57.97** | **47.70** | **65.98** | **0.08** | **4.53** | **2.51** | **22,558.72** |
| **Net block as at 31 March 2024** | **1,600.32** | **1,687.56** | **3,771.44** | **14,718.54** | **52.57** | **802.35** | **213.19** | **51.14** | **51.33** | **59.48** | **0.08** | **4.53** | **2.51** | **23,015.03** |

**Notes:**

a) Refer note 47 "Assets pledged as security" for details regarding property, plant and equipment pledged as security.

b) Refer note 44(i) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c) Plant and machinery includes assets amounting to ₹ 1,500 lakh, out of which ₹ 500 Lakhs was acquired under the Technology Development and Demonstration Programme (TDDP) project and ₹ 1000 Lakhs was acquired under the Technology Acquisition and Fund Programme (TAFP) project. These assets have restricted use under their respective projects.

d) No proceeding has been initiated or pending against the company for holding any benami property under the Benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

e) Refer note 43 for disclosure related to leases.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 6 Capital work-in-progress

| Particulars | Amount |
|---|---|
| **Balance as at 1 April 2022** | **2,255.09** |
| Additions | 4,549.22 |
| Capitalisation during the year | (140.45) |
| **Balance as at 31 March 2023** | **6,663.86** |
| Additions | 9,277.74 |
| Capitalisation during the year | (73.18) |
| **Balance as at 31 march 2024** | **15,868.42** |

**Note:**

1. Additions to capital work in progress include interest and processing charges of ₹ 369.03 lakhs (31 March 2023: ₹ 365.25 lakhs)

2. There has been no CWIP which is overdue or has exceeded its cost compared to its original plan.

### (a) Capital-work-in progress ageing schedule as at 31 March 2024

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 9,204.55 | 4,408.30 | 1,020.65 | 1,234.92 | 15,868.42 |

**Capital-work-in progress ageing schedule as at 31 March 2023**

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 4,408.77 | 1,020.65 | 1,154.10 | 80.34 | 6,663.86 |

## 7 Investment Property

| Particulars | Freehold land | Factory building | Total |
|---|---|---|---|
| **Gross Block as on 01 April 2022** | **125.59** | **151.77** | **277.36** |
| Additions | - | - | - |
| **Gross Block as on 31 March 2023** | **125.59** | **151.77** | **277.36** |
| Additions | - | - | - |
| **Gross Block as on 31 March 2024** | **125.59** | **151.77** | **277.36** |
| **Accumulated depreciation** | | | |
| **As at 1 April 2022** | **-** | **94.30** | **94.30** |
| Charge for the year | - | 3.54 | 3.54 |
| **Balance as at 31 March 2023** | **-** | **97.84** | **97.84** |
| Depreciation charge for the year | - | 7.83 | 7.83 |
| **Balance as at 31 March 2024** | **-** | **105.67** | **105.67** |
| **Net block as at 31 March 2023** | **125.59** | **53.93** | **179.52** |
| **Net block as at 31 March 2024** | **125.59** | **46.10** | **171.69** |

**Notes:**

(i) Amount recognised in statement of profit and loss for investment property

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Rental income | 53.10 | 48.40 |
| Less: Depreciation and amortisation expense | 7.83 | 3.54 |
| Less: Direct operating expenses that generated rental income | - | - |
| **Profit from leasing of investment property** | **45.27** | **44.86** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

(ii) The aforementioned investment property is leased to a tenant under short term operating lease agreement with rentals payable monthly. However, lease can be terminated by either of the parties during the term, hence considered as cancellable and accordingly no lease disclosure given, as required by Ind AS 116 "Leases".

**(iii) Fair value of investment property**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Fair value | 1,531.95 | 1,464.00 |

The Group obtains independent valuations for its investment property. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources such as current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

## 8 Other intangible assets

| Particulars | Software | Licenses | Research and development asset - Software | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 April 2022 | 219.69 | 39.70 | 4.72 | 264.11 |
| Additions | 38.56 | | | 38.56 |
| **Balance as at 31 March 2023** | **258.25** | **39.70** | **4.72** | **302.67** |
| Additions | 22.35 | | | 22.35 |
| **Balance as at 31 march 2024** | **280.60** | **39.70** | **4.72** | **325.02** |
| **Accumulated amortisation** | | | | |
| At 1 April 2022 | 151.65 | 39.70 | 4.44 | 195.79 |
| Charge for the year | 21.37 | - | - | 21.37 |
| **Balance as at 31 March 2023** | **173.02** | **39.70** | **4.44** | **217.16** |
| Charge for the year | 16.44 | | | 16.44 |
| **Balance as at 31 march 2024** | **189.46** | **39.70** | **4.44** | **233.60** |
| **Net block as at 31 March 2023** | **85.23** | **-** | **0.28** | **85.51** |
| **Net block as at 31 March 2024** | **91.14** | **-** | **0.28** | **91.42** |

## 9(a) Non-current investments

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Unquoted equity shares** | | |
| **Investment in equity instruments (at cost)** | | |
| Instrumentation Automation Surveillance & Communication Sector Skill Council Equity Fund 5,000 units of ₹ 10 each | 0.50 | 0.50 |
| | **0.50** | **0.50** |
| Aggregate amount of unquoted investments | 0.50 | 0.50 |

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 9(b) Current investments

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Quoted instruments** | | |
| **Investment in mutual fund (at fair value through profit or loss)** | | |
| 5,000 units (31 March 2023: 5,000 units:) of ₹ 10 each of UTI Equity Fund (Prev. Mastergain1992 of UTI) | 9.09 | 7.18 |
| | **9.09** | **7.18** |
| Aggregate book value of quoted investments and market value thereof | 9.09 | 7.18 |

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 10 Current financial assets - loans

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| *Unsecured, considered good* | | |
| Loan to employees* | 101.87 | 59.86 |
| | **101.87** | **59.86** |

* No loans and advances provided to promoters, directors & KMP.

**Note:**

Refer note 41 for disclosure of fair values in respect of financials asset measured at cost.

## 11(a) Non-current financial assets - others

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Deposits with banks with maturity more than 12 months* | 2,196.41 | 178.94 |
| Security deposits | 186.75 | 163.33 |
| Interest Accrued on Deposit | - | 6.62 |
| | **2,383.16** | **348.89** |

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

**Note:**

Refer note 41 for disclosure of fair values in respect of financial assets measured at cost.

## 11(b) Current financial assets - others

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Export incentives receivable* | 289.78 | 181.02 |
| Receivable against forward contract | 125.35 | - |
| Deposits with banks with original maturity more than 12 months# | 3,173.31 | - |
| | **3,588.44** | **181.02** |

***Export Incentive receivable movement summary**

| Particulars | Amount |
|---|---|
| **Balance as at 1 April 2022** | **430.55** |
| Income during the year | 386.31 |
| Amount utilised/refund received during the year | (635.84) |
| **Balance as at 31 March 2023** | **181.02** |
| Income during the year | 473.14 |
| Amount utilised/refund received during the year | (364.38) |
| **Balance as at 31 March 2024** | **289.78** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial assets measured at cost.

# The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 12 Income tax assets (net)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Advance income-tax (net of provision for taxation) | 373.87 | 364.81 |
| | **373.87** | **364.81** |

## 13 Other non-current assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Capital advances | 6,068.53 | 5,401.92 |
| Prepaid expenses | 38.00 | 51.92 |
| | **6,106.53** | **5,453.84** |

## 14 Inventories

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| *(Valued at lower of cost or net realisable value)* | | |
| Raw materials | 2,633.00 | 2,488.53 |
| Work-in-progress | 3,614.58 | 4,109.50 |
| Finished goods | 45.02 | 45.02 |
| Stores and spares | 1,036.67 | 990.64 |
| Loose tools | 118.79 | 138.51 |
| | **7,448.06** | **7,772.20** |

## 15 Trade receivables

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unsecured, considered good | 11,085.79 | 6,568.73 |
| Unsecured, considered doubtful | 22.59 | 22.59 |
| | **11,108.38** | **6,591.32** |
| Less: Provision for expected credit loss | (22.59) | (22.59) |
| | **11,085.79** | **6,568.73** |

(i) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

*Refer note-41 for ageing schedule of Trade receivables.

## 16 Cash and cash equivalents

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balances with banks | 140.23 | 179.76 |
| Cash on hand | 8.37 | 9.63 |
| Balances in deposit account with original maturity upto 3 months | 13,281.50 | 500.08 |
| | **13,430.10** | **689.47** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 17 Other bank balances

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Deposits with original maturity more than 3 months but remaining less than 12 months* | 2,174.06 | 2,235.46 |
| Interest accrued on deposits | 172.84 | 86.28 |
| | **2,346.90** | **2,321.74** |

* The above balance includes margin money deposits which are pledged with banks for issuance of bank guarantees and letter of credits.

## 18 Other current assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Prepaid expenses | 217.20 | 195.87 |
| Balances with statutory and government authorities | 2,075.43 | 1,173.13 |
| Gratuity asset | 8.31 | 12.28 |
| Advance to suppliers | 1,196.44 | 634.01 |
| Other loans and advances | 50.32 | 20.11 |
| | **3,547.70** | **2,035.40** |

## 19 Equity share capital

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **Authorised:** | | | | |
| Equity shares of ₹ 10 each | 2,00,00,000 | 2,000.00 | 2,00,00,000 | 2,000.00 |
| | **2,00,00,000** | **2,000.00** | **2,00,00,000** | **2,000.00** |
| **Issued, subscribed and fully paid up:** | | | | |
| Equity shares of ₹ 10 each | 1,44,40,873 | 1,444.09 | 1,33,82,257 | 1,338.23 |
| | **1,44,40,873** | **1,444** | **1,33,82,257** | **1,338.23** |

### a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

| Particulars | For the year ended 31 March 2024 | | For the year ended 31 March 2023 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Outstanding at the beginning of the year | 1,33,82,257 | 1,338.23 | 52,39,063 | 523.91 |
| Add: Shares issued during the year | | | | |
| i) Right issue of equity shares of ₹ 10 each | - | - | 78,58,594 | 785.86 |
| ii) Preferential issue of equity shares of ₹ 10 Each | 4,15,415 | 41.54 | 2,84,600 | 28.46 |
| iii) Conversion of warrants in equity shares of ₹ 10 Each | 6,30,170 | 63.02 | - | - |
| iv) ESOP issue of equity shares of ₹ 10 Each | 13,031 | 1.30 | - | - |
| **Outstanding at the end of the year** | **1,44,40,873** | **1,444.09** | **1,33,82,257** | **1,338.23** |

### b) Terms and rights attached to equity shares

The Group has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**c) Details of shareholders holding more than 5% of the equity share capital:**

| Particulars | For the year ended 31 March 2024 | | For the year ended 31 March 2023 | |
|---|---|---|---|---|
| | Number | % of holding | Number | % of holding |
| Sachin Agarwal | 28,55,491 | 19.77% | 28,55,491 | 21.34% |
| Mapple Commerce Private Limited | 15,99,985 | 11.08% | 15,99,985 | 11.96% |
| Nirala Merchants Private Limited | 11,77,818 | 8.16% | 11,77,818 | 8.80% |
| Priya Ranjan Agarwal | 9,87,914 | 6.84% | 9,87,914 | 7.38% |
| Sachin Agarwal HUF | 6,70,297 | 4.64% | 6,70,297 | 5.01% |

**d) Information regarding issue of shares in the last five years**

i) The Group has not issued any shares without payment being received in cash in the last five years.

ii) There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

*Refer note-50 for details of Employee Stock Option Plan of the Company.

**e) Disclosure of Shareholding of Promoters**

| Shares held by promoters at the end of the year as on 31 March,2024 | | | |
|---|---|---|---|
| Promoter Name | No. of Shares | % of Total | % Change during the year |
| Sachin Agarwal | 28,55,491 | 19.77% | 0.00% |
| Mapple Commerce Private Limited | 15,99,985 | 11.08% | 0.00% |
| Nirala Merchants Private Limited | 11,77,818 | 8.16% | 0.00% |
| Priya Ranjan Agarwal | 9,87,914 | 6.84% | 0.00% |
| Sachin Agarwal HUF | 6,70,297 | 4.64% | 0.00% |
| Alok Agarwal | 5,51,799 | 3.82% | 0.00% |
| Viven Advisory Services Private Limited | 4,33,325 | 3.00% | 0.00% |
| Smita Agarwal | 3,35,276 | 2.32% | 0.00% |
| Anshoo Agarwal | 1,59,448 | 1.10% | 0.00% |
| Bina Agrawal | 71,483 | 0.50% | 0.00% |
| Kanchan Agarwal | 54,258 | 0.38% | 0.00% |
| Kiran Arun Prasad | 49,139 | 0.34% | 0.00% |
| Satish Chandra Agarwal HUF | 35,805 | 0.25% | -0.30% |
| Manu Agarwal | 25,593 | 0.18% | 0.00% |
| Ritika Agarwal | 25,593 | 0.18% | 0.00% |
| Satvik Agarwal | 21,000 | 0.15% | 0.15% |
| Soham Agarwal | 21,000 | 0.15% | 0.15% |
| Reena Agarwal | 10,237 | 0.07% | 0.00% |
| Arun Jwala Prasad | 5,119 | 0.04% | 0.00% |
| Homelike Motels and Resorts Private Limited | - | 0.00% | 0.00% |
| Precision overseas private limited | - | 0.00% | 0.00% |
| **Total** | **90,90,580** | **62.97%** | **-** |

| Shares held by promoters at the end of the year as on 31 March 2023 | | | |
|---|---|---|---|
| Promoter Name | No. of Shares | % of Total | % Change during the year |
| Sachin Agarwal | 28,55,491 | 21.34% | 155.94% |
| Mapple Commerce Private Limited | 15,99,985 | 11.96% | 155.94% |
| Nirala Merchants Private Limited | 11,77,818 | 8.80% | 155.94% |
| Priya Ranjan Agarwal | 9,87,914 | 7.38% | 155.94% |
| Sachin Agarwal HUF | 6,70,297 | 5.01% | 155.94% |
| Alok Agarwal | 5,51,799 | 4.12% | 155.94% |
| Viven Advisory Services Private Limited | 4,33,325 | 3.24% | 155.94% |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Shares held by promoters at the end of the year as on 31 March 2023 | | | |
|---|---|---|---|
| **Promoter Name** | **No. of Shares** | **% of Total** | **% Change during the year** |
| Smita Agarwal | 3,35,276 | 2.51% | 155.94% |
| Anshoo Agarwal | 1,59,448 | 1.19% | 155.94% |
| Satish Chandra Agarwal HUF | 77,805 | 0.58% | 155.94% |
| Bina Agrawal | 71,483 | 0.53% | 155.94% |
| Kanchan Agarwal | 54,258 | 0.40% | 155.93% |
| Kiran Arun Prasad | 49,139 | 0.37% | 155.93% |
| Manu Agarwal | 25,593 | 0.19% | 155.93% |
| Ritika Agarwal | 25,593 | 0.19% | 155.93% |
| Reena Agarwal | 10,237 | 0.08% | 155.93% |
| Arun Jwala Prasad | 5,119 | 0.04% | 155.95% |
| **Total** | **90,90,580** | **67.94%** | |

* The significant increase in % change in number of shares during the previous year is on account of issue of right shares during the previous year, in the ratio of three new equity shares for every two equity shares of the Holding Company held by the eligible shareholders on the record date.

## 20 Other equity

| **Particulars** | **As at 31 March 2024** | **As at 31 March 2023** |
|---|---|---|
| **a. Capital reserve** | | |
| Balance at the beginning of the year | 1.75 | 1.75 |
| Add: Additions during the year | - | - |
| **Balance at the end of the year** | **1.75** | **1.75** |
| **b. Securities premium** | | |
| Balance at the beginning of the year | 10,677.52 | 4,120.72 |
| Add: Additions during the year | - | 6,556.80 |
| i) Preferential issue of equity shares | 18,583.38 | - |
| ii) Conversion of warrants in equity shares | 14,739.68 | - |
| iii) ESOP issue of equity shares | 51.08 | - |
| Less: Share issue expenses | (210.04) | - |
| **Balance at the end of the year** | **43,841.62** | **10,677.52** |
| **c. General reserve** | | |
| Balance at the beginning of the year | 4,624.17 | 4,624.17 |
| Add: Additions during the year | - | - |
| **Balance at the end of the year** | **4,624.17** | **4,624.17** |
| **d. Retained earnings** | | |
| Balance at the beginning of the year | 10,112.18 | 7,538.42 |
| Add: Additions during the year | 4,221.59 | 2,581.51 |
| Less: Remeasurement of defined benefit plan | (26.53) | (7.75) |
| **Balance at the end of the year** | **14,307.24** | **10,112.18** |
| **e. Other comprehensive income** | | |
| Balance at the beginning of the year | 0.01 | 0.01 |
| Add: Additions during the year | - | - |
| **Balance at the end of the year** | **0.01** | **0.01** |
| **f. Share based payment reserve** | | |
| Balance at the beginning of the year | 207.16 | 43.21 |
| Add: Additions during the year | 133.94 | 163.95 |
| Less: Transfer to General reserve | - | - |
| Less: Transfer to Securities premium | - | - |
| **Balance at the end of the year** | **341.10** | **207.16** |
| **g. Share warrants (Refer note 58)** | | |
| Balance at the beginning of the year | 3,705.40 | - |
| Add: Amount received during the year | 11,097.29 | 3,705.40 |
| Less: Share Warrants converted into Equity Share | (14,802.69) | - |
| **Balance at the end of the year** | **-** | **3,705.40** |
| **Total** | **63,115.89** | **29,328.19** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**Nature and purpose of other reserves:**

**(a) Capital reserve**

Capital reserve was created in respect of proceeds of forfeited shares.

**(b) Securities premium**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

**(c) General reserve**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

**(d) Retained earnings**

Retained earnings refer to the net profit retained by the company for its core business activities.

**(e) Share Based Payment Reserve(SBP)**

This reserve has been created to meet the cost of Employee Stock Option Payment(ESOP) scheme.

**(f) Share Warrants**

Fully convertible warrants allotted to persons belonging to Non-Promoter category convertible into equivalent number of Equity Shares within a period of 13 months from the date of allotment.

## 21(a) Non-current borrowings

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Secured** | | |
| Term loans from banks | 9,489.01 | 10,414.17 |
| Term loans from financial institutions | - | 195.83 |
| Vehicle loans from banks and financial institutions | 148.77 | 145.80 |
| Un-Secured | | |
| **Lease Liability (Refer Note 43)** | **267.22** | **-** |
| Total Borrowings | 9,905.00 | 10,755.80 |
| Less: Current maturities of long term borrowings (refer note 21(b)) | (1,804.88) | (1,117.36) |
| | **8,100.12** | **9,638.44** |

**Notes:**

1. Term loans from banks and financial institutions carrying interest rate ranging from 9.50% to 11.35% p.a ( P.Y. 7.25% to 11.20% p.a).
2. Term loans from banks in the holding company are secured by way of equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) and first pari-passu charge on the plant and equipment of the Lucknow Plant 1,AMTC Plant (at village Sarai Shahajadi) of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company.
3. Term loans from banks in subsidiary are secured by way of equitable mortgage on first pari-passu basis on the entire fixed Assets (present & Future) created out of bank finance along with other lenders on Land and Building at Plot No F1 Defence Industrial Corridor Lucknow of the Company and second charge ranking pari-passu on the whole of the present and future current assets of the Company.
3. Further the term loans from banks and financial institutions are secured by way of personal guarantee of the certain Directors of the Company.
4. Vehicle loans carry interest rates ranging from 8.50% to 9% p.a ( P.Y 7.25% to 12.50% p.a) and are secured by way of absolute charge on respective assets thus purchased.
5. Term loan from financial institution carry interest rates nil ( P.Y 11.55% p.a).
6. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 21(b) Current borrowings

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Loans repayable on demand- from banks | 7,419.67 | 5,816.87 |
| Current maturity of Long term debts | 1,804.88 | 1,117.36 |
| **Un-Secured** | | |
| Bill Discounted | 832.28 | 1,092.11 |
| Lease Liability (refer note 43) | 32.18 | - |
| | **10,089.01** | **8,026.34** |

**Notes:**

1. Working capital facilities from banks in holding company carry interest rates ranging from 6.38% to 10.955% p.a.(P.Y 5.25% to 11.95% p.a) and are repayable on demand. These facilities are secured by way of first charge ranking pari-passu on the whole of the present and future current assets of the Company and further secured by second charge on equitable mortgage on pari-passu basis on the land and building of Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) and first second pari-passu charge on plant and equipment of the Lucknow Plant 1 and AMTC Plant (at village Sarai Shahajadi) of the Company.

2. Working capital loans from banks in subsidiary are secured by way of equitable mortgage on first pari-passu basis on the entire fixed Assets (present & Future) and Land & Building at Plot No F1 Defence Industrial Corridor Lucknow of the Company and first charge ranking pari-passu on the whole of the present and future current assets of the Company.

2. Cash credit facilities are secured by way of personal guarantee of the certain Directors of the Company.

3. Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

4. The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**5. Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:**

| Particulars | Non-current borrowings | Current borrowings | Interest accrued |
|---|---|---|---|
| **As at 1 April 2022** | **11,664.87** | **7,958.36** | **118.80** |
| Add: Non cash changes due to- | | | |
| - Interest expense debited to statement of profit and loss | - | - | 1,410.97 |
| - Interest expense capitalised to capital work-in-progress | - | - | 149.03 |
| Add: Cash inflows during the year | | | |
| - Proceeds from non-current borrowings | 4,836.15 | - | - |
| - Proceeds from current borrowings | - | - | - |
| Less: Cash outflow during the year | | | |
| - Repayment of non-current borrowings | (5,745.22) | - | - |
| - Repayment of current borrowings | - | (1,049.38) | - |
| - Interest paid | - | | (1,678.80) |
| **As at 1 April 2023** | **10,755.80** | **6,908.98** | **-** |
| Add: Non cash changes due to- | | | |
| - Interest expense debited to statement of profit and loss | - | - | 1,342.63 |
| - Interest expense capitalised to capital work-in-progress | - | - | - |
| Add: Cash inflows during the year | | | |
| - Proceeds from non-current borrowings | 146.57 | - | - |
| - Proceeds from current borrowings (Net) | - | 1,342.98 | - |
| Less: Cash outflow during the year | | | |
| - Repayment of non-current borrowings | (1,264.60) | - | - |
| - Repayment of current borrowings | - | - | - |
| - Interest paid | - | - | (1,342.63) |
| **Closing balance as on 31 March 2024** | **9,637.77** | **8,251.96** | **-** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 22 Other financial liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Security deposit | 7.90 | 7.50 |
| TDDP Grant (Non-current)* | 38.35 | 232.28 |
| | **46.25** | **239.78** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR). Refer note-54 for further details.

## 23 Provisions

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| **Provision for employees benefits** | | | | |
| - Provision for gratuity | - | - | 35.37 | 11.22 |
| - Provision for compensated absences | 89.27 | 90.54 | 21.42 | 20.32 |
| - Provision for CSR* | 18.35 | - | - | - |
| | **107.62** | **90.54** | **56.79** | **31.54** |

*represents for previous year ended 31 March 2023.

## 24 Deferred tax liabilities (net)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Deferred tax liability arising on account of:** | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,720.50 | 1,596.19 |
| | **1,720.50** | **1,596.19** |
| **Deferred tax asset arising on account of:** | | |
| Provision for employee benefits | 47.02 | 32.54 |
| (Loss)/ Gain - Forward contracts | (29.16) | 32.13 |
| Provision for doubtful debts | 5.68 | 5.44 |
| | **23.54** | **70.11** |
| **Net deferred tax liability** | **1,696.96** | **1,526.08** |

### (A) Movement in deferred tax liabilities:

| Particulars | As at 1 April 2022 | Recognised in statement of profit and loss | Recognised in other comprehensive income | As at 31 March 2023 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of:** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,418.76 | 182.69 | - | 1,601.45 |
| Tax impact on allowance under tax exemptions/deductions | - | - | - | - |
| Fair valuation of derivative contracts | - | - | - | - |
| | **1,418.76** | **182.69** | **-** | **1,601.45** |
| **Deferred tax asset arising on account of:** | | | | |
| Provision for employee benefits | 44.02 | (9.18) | 2.56 | 37.39 |
| Provision for doubtful debts | 5.68 | - | - | 5.68 |
| Tax impact on allowance under tax exemptions/deductions | (7.05) | 39.35 | - | 32.30 |
| Brought forward losses and unabsorbed depreciation | 0.55 | (0.55) | - | - |
| | **43.20** | **29.62** | **2.56** | **75.37** |
| **Net deferred tax liability** | **1,375.56** | **153.07** | **(2.56)** | **1,526.08** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**Movement in deferred tax liabilities:**

| Particulars | As at 1 April 2023 | Recognised in statement of profit and loss | Recognised in other comprehensive income | As at 31 March 2024 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of:** | | | | |
| Difference between book balance and tax balance of property, plant and equipment | 1,601.45 | 119.05 | - | 1,720.50 |
| | **1,601.45** | **119.05** | **-** | **1,720.50** |
| **Deferred tax asset arising on account of:** | | | | |
| Provision for employee benefits | 37.39 | 1.64 | 7.99 | 47.02 |
| Provision for doubtful debts | 5.68 | - | - | 5.68 |
| (Loss)/ Gain - Forward contracts | 32.30 | (61.46) | - | (29.16) |
| Brought forward losses and unabsorbed depreciation | - | - | - | - |
| | **75.37** | **(59.82)** | **7.99** | **23.54** |
| Minimum alternate tax credit entitlement | - | - | - | - |
| **Net deferred tax liability** | **1,526.08** | **178.87** | **(7.99)** | **1,696.96** |

**(B) Unrecognised deferred tax assets**

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Gross amount | Tax effect | Gross amount | Tax effect |
| Brought forward long term capital losses | 61.67 | 15.52 | 61.67 | 15.52 |
| | **61.67** | **15.52** | **61.67** | **15.52** |

## 25 Other non-current liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Deferred Government grant | 768.36 | 835.00 |
| | **768.36** | **835.00** |
| **(i) Reconciliation of deferred income** | | |
| Opening balance as at the beginning of the year | 835.00 | 901.66 |
| Less: Transferred to the Statement of Profit and Loss | (66.67) | (66.67) |
| Add: Others | 0.03 | - |
| **Closing balance as at the end of the year** | **768.36** | **835.00** |

## 26 Trade payables

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Due to : | | |
| Total outstanding dues of micro enterprises and small enterprises* | 438.86 | 610.32 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,101.12 | 1,493.22 |
| | **1,539.98** | **2,103.54** |

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

*Dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), to the extent identified and information available with the Group pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details are mentioned below:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year | 438.86 | 610.32 |
| The amount of interest paid by the Group in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |

**Trade Payables ageing schedule as at 31 March 2024***

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro enterprises and small enterprises | 438.86 | - | - | - | 438.86 |
| (ii) Others | 1042.22 | 24.72 | 23.94 | 10.24 | 1,101.12 |
| **Total** | **1,481.08** | **24.72** | **23.94** | **10.24** | **1,539.98** |

* There are no disputed payables

**Trade Payables ageing schedule as at 31 March 2023***

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 610.32 | - | - | - | 610.32 |
| (ii) Others | 1,440.93 | 43.54 | 8.75 | - | 1,493.22 |
| **Total** | **2,051.25** | **43.54** | **8.75** | **-** | **2,103.54** |

* There are no disputed payables

## 27 Current financial liabilities- others

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| TDDP Grant (Current)* | 72.18 | 101.11 |
| Others | | |
| - towards creditors for capital goods | 471.71 | 446.67 |
| - towards employee related payables (Refer note 46) | 341.43 | 280.89 |
| - expenses payables | 220.66 | 181.80 |
| Other financial liability** | - | 128.32 |
| | **1,105.98** | **1,138.79** |

* TDDP grant refers to grant received under "Technology Development and Demonstration Programme" from National Research Development Corporation (NRDC) an enterprise of Department of Scientific & Industrial Research(DSIR).

** Other financial liability includes the forward contracts

**Note:**

Refer note 41 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

## 28 Other current liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Advance from customers | 1,208.52 | 827.37 |
| Statutory dues payable | 212.23 | 79.58 |
| | **1,420.75** | **906.95** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 29 Current tax liabilities (net)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Current years Liabilities net of advance tax on TDS | 76.78 | 87.83 |
| | **76.78** | **87.83** |

## 30 Revenue from operations

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Sale of products | 25,159.43 | 21,501.76 |
| Other operating revenues (refer (a) below) | 528.49 | 424.45 |
| **Revenue from operations** | **25,687.92** | **21,926.21** |
| **(a) Other operating revenues (Point in Time)** | | |
| Export incentives | 473.14 | 386.31 |
| Income from power generation | 55.35 | 38.14 |
| **Total** | **528.49** | **424.45** |
| **Reconciliation of revenue recognised with contract price:** | | |
| Gross Revenue | 25,687.92 | 21,926.21 |
| Less: Rate difference adjustment | - | |
| | **25,687.92** | **21,926.21** |

## 31 Other income

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest | | |
| - from bank deposits valued at amortised cost | 431.21 | 71.69 |
| Rent income from investment property and property plant equipment | 53.10 | 49.40 |
| Supply of services | - | 3.42 |
| Gain on foreign exchange fluctuation (net) | 387.36 | 535.27 |
| Fair value gain/(loss) on investment at fair value through profit or loss (net) | 1.91 | - |
| Dividend income( on investments carried at Fair value through Profit & Loss) | - | 0.02 |
| Mark to market gain on forward contracts measured at Fair value through PL | 244.20 | - |
| Amortisation of deferred income (refer note-25) | 66.67 | 66.67 |
| Profit on sale of assets | - | 5.46 |
| Liabilities no longer required written back | 136.24 | - |
| Miscellaneous income | 17.23 | 15.34 |
| | **1,337.92** | **747.27** |

## 32 Cost of materials consumed

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Raw materials at the beginning of the year | 2,488.53 | 1,541.40 |
| Add: Purchases | 5,826.49 | 6,422.63 |
| Less: Closing stock | 2,633.00 | 2,488.53 |
| **Cost of material consumed** | **5,682.02** | **5,475.50** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 33 Changes in inventories of finished goods and work-in-progress

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Inventories at the beginning of the year | | |
| Work-in-progress | 4,109.50 | 4,073.20 |
| Finished goods | 45.02 | 45.02 |
| | **4,154.52** | **4,118.22** |
| Inventories at the end of the year | | |
| Work-in-progress | 3,614.58 | 4,109.50 |
| Finished goods | 45.02 | 45.02 |
| | **3,659.59** | **4,154.52** |
| **Changes in inventories of finished goods and work-in-progress** | **494.93** | **(36.30)** |

## 34 Employee benefits expense

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Salaries, wages and bonus* | 2,702.96 | 2,202.24 |
| Contribution to provident and other funds | 185.78 | 142.55 |
| Gratuity expense (refer note 42) | 47.14 | 42.01 |
| Staff welfare expenses | 90.01 | 70.73 |
| Employee stock option payment expenses | 133.94 | 164.31 |
| | **3,159.83** | **2,621.84** |

* The remuneration including commission paid by the Holding Company to its directors is in accordance with the approval of the shareholders in a general meeting in terms of the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

## 35 Other expenses

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Manufacturing expenses** | | |
| Stores and spares consumed | 3,016.61 | 2,697.85 |
| Power and fuel | 1,486.88 | 1,353.04 |
| Repairs and maintenance | - | |
| - plant and machinery | 490.60 | 287.72 |
| - building | 40.13 | 24.36 |
| Packing and general consumables | 246.83 | 209.58 |
| Processing and work charges | 1,024.79 | 972.34 |
| Freight Expenses | 35.53 | 41.43 |
| Outsourced services | 271.78 | 87.34 |
| Testing and inspection charges | 519.13 | 371.04 |
| **Sub-total (A)** | **7,132.28** | **6,044.70** |
| **Administrative, selling and other expenses** | | |
| Rent | 25.40 | 24.38 |
| Rates and taxes | 20.03 | 154.89 |
| Insurance expenses | 100.00 | 88.48 |
| Security expenses | 112.95 | 107.16 |
| Legal and professional expenses | 431.59 | 161.32 |
| Payment to Auditors [refer note 36] | 36.50 | 32.82 |
| Travelling and conveyance | 305.96 | 320.54 |
| Vehicle running and maintenance | 146.47 | 140.92 |
| Communication expenses | 32.44 | 30.33 |
| Printing and stationery | 31.06 | 17.19 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Training and Recruitment | 37.13 | 22.02 |
| Seminar, Conferences and Exhibitions | 12.75 | 31.35 |
| Financial instruments measured at fair value | - | 156.37 |
| Freight and clearing | 192.00 | 258.42 |
| Sales commission | 3.77 | - |
| Work Charges - Customer end | 131.73 | 259.71 |
| Late Delivery charges | 2.56 | 6.55 |
| Advertisement and promotion | 2.30 | 7.89 |
| Donation and charity | 0.05 | 0.05 |
| Loss on sale of assets (net) | 11.05 | - |
| Computer expenses | 82.47 | 43.64 |
| Corporate social responsibility expenses | 42.62 | 26.13 |
| Bad debts written off | 0.09 | - |
| Business promotion expenses | 57.68 | 22.77 |
| Office upkeep and maintenance charges | 59.94 | 31.45 |
| Miscellaneous expenses | 75.73 | 12.84 |
| **Sub-total (B)** | **1,954.27** | **1,957.22** |
| **Grand total (C=A+B)** | **9,086.55** | **8,001.92** |

## 36 Payment to auditors

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **As auditor:** | | |
| - Statutory audit (including limited reviews)* | 27.50 | 28.13 |
| **In other capacity:** | | |
| - Certification | 0.80 | 3.00 |
| - Out of pocket expenses** | 8.20 | 1.69 |
| | **36.50** | **32.82** |

* Including ₹ 4.50 lakhs paid to previous auditors.

** Including ₹ 7.83 lakhs w.r.t. previous auditors.

## 37 Finance costs

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest expense on borrowings measured at amortised cost | | |
| - on working capital loans | 617.68 | 552.55 |
| - on term loans | 681.16 | 803.17 |
| Interest on others | 43.78 | 55.25 |
| Bank charges | 182.17 | 166.77 |
| | **1,524.79** | **1,577.74** |

## 38 Depreciation and amortisation expense

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Depreciation on property, plant and equipment | 1,638.66 | 1,642.01 |
| Depreciation on investment property | 7.83 | 3.54 |
| Amortisation on intangible assets | 16.44 | 21.37 |
| | **1,662.93** | **1,666.92** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 39 Tax expense

### (a) Income tax expenses recognised in profit and loss

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Current tax:** | | |
| Current tax | 1,014.34 | 661.22 |
| Current tax - earlier years | - | (29.93) |
| | **1,014.34** | **631.29** |
| **Deferred tax:** | | |
| In respect of current year origination and reversal of temporary differences | 178.87 | 153.06 |
| | **178.87** | **153.06** |
| **Total tax expense recognised in profit and loss** | **1,193.21** | **784.35** |

### (b) Income tax expenses recognised in other comprehensive income

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Deferred tax:** | | |
| Re-measurement of defined benefit obligations | 7.99 | 2.56 |
| **Total tax expense recognised in other comprehensive income** | **7.99** | **2.56** |

### (c) Numerical reconciliation between average effective tax rate and applicable tax rate :

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the holding company at 25.17% (31 March 2023: 25.17%) and for the subsidiary company at 17.16% (31 March 2023: 17.16%) the reported tax expense in the statement of profit and loss are as follows:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Accounting profit before income-tax** | **5,414.79** | **3,365.86** |
| At India's statutory income-tax rate | 1,185.50 | 847.12 |
| **Tax effect of amounts which are not deductible (taxable) in calculating taxable income:** | | |
| Tax incentive and concession | 7.71 | - |
| Non deductible expenses | - | 21.95 |
| Tax on income at different rates | - | (54.79) |
| Tax earlier years | - | (29.93) |
| | **1,193.21** | **784.35** |

## 40 Earnings per share

Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Profit for the year attributable to equity shareholders | 4,221.58 | 2,581.51 |
| Weighted average number of equity shares (nos. in Lakhs) | 136.94 | 131.68 |
| Nominal value per share (₹) | 10.00 | 10.00 |
| Earnings per share - basic (₹) | 30.83 | 19.60 |
| Weighted average number of equity shares for Diluted (nos. in Lakhs) | 136.94 | 131.68 |
| Add:- Protential Dilutive No. | 2.15 | 0.44 |
| **Total Diluted Equity Share** | **139.09** | **132.12** |
| Earnings per share - diluted (₹) | 30.35 | 19.54 |

The Holding Company have dilutive have dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company are as above.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 41 Financial instrument and risk review

### (A) Financial instruments

#### (i) Capital management

The Group manages its capital to be able to continue as a going concern while maximising the returns to shareholders through optimisation of the debt and equity balance. The capital structure consists of debt which includes the borrowings as disclosed in note 21(a) and 21(b); cash and cash equivalents and current investments and equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. For the purpose of calculating gearing ratio, debt is defined as non-current and current borrowings (excluding derivatives). Equity includes all capital and reserves of the Group attributable to equity holders of the holding company. The Group is not subject to externally imposed capital requirements. The Board of holding company reviews the capital structure and cost of capital on an annual basis but has not set specific targets for gearing ratios. The risks associated with each class of capital are also considered as part of the risk reviews presented to the Audit Committee and the Board of Directors.

**The following table summarises the capital of the Group:**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Equity** | **64,559.97** | **30.666.42** |
| **Liquid assets (cash and cash equivalent and current investments) (a)** | **13,439.19** | **696.65** |
| Current borrowings [note 21(b)] | 10,089.01 | 8,026.34 |
| Non- current borrowings [note 21(a)] | 8,100.12 | 9,638.44 |
| **Total debt (b)** | **18,189.13** | **17,664.78** |
| **Net debt (c=(b) - (a))** | **4,749.94** | **16,968.12** |
| **Total capital (equity + net debt)** | **69,309.91** | **47,634.55** |
| **Gearing ratio** | | |
| Debt to equity ratio | 0.28 | 0.58 |
| Net debt to equity ratio | 0.07 | 0.55 |

#### (ii) Category of financial instruments

| Particulars | Note no. | As at 31 March 2024 | | | | As at 31 March 2023 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Amortised cost | FVTPL | FVOCI | At Cost | Amortised cost | FVTPL | FVOCI | At Cost |
| **Financial assets** | | | | | | | | | |
| Investments* | 9(a), 9(b) | - | 9.09 | - | 0.50 | - | 7.18 | - | 0.50 |
| Loans | 10 | 101.87 | - | - | - | 59.86 | - | - | - |
| Trade receivables | 15 | 11,085.79 | - | - | - | 6,568.73 | - | - | - |
| Cash and cash equivalents | 16 | 13,430.10 | - | - | - | 689.47 | - | - | - |
| Other bank balances | 17 | 2,346.90 | - | - | - | 2,321.74 | - | - | - |
| Other financial assets | 11(a), 11(b) | 5,846.25 | 125.35 | - | - | 529.91 | - | - | - |
| **Total financial assets** | | **32,810.91** | **134.44** | **-** | **0.50** | **10,169.71** | **7.18** | **-** | **0.50** |
| **Financial liabilities** | | | | | | | | | |
| Borrowings | 21(a), 21(b) | 18,189.13 | - | - | - | 17,664.78 | - | - | - |
| Trade payables | 26 | 1,539.98 | - | - | - | 2,103.54 | - | - | - |
| Other financial liabilities | 22, 27 | 1,152.23 | - | - | - | 1,250.25 | 128.32 | - | - |
| **Total financial liabilities** | | **20,881.34** | **-** | **-** | **-** | **21,018.57** | **128.32** | **-** | **-** |

Cash and cash equivalents, investments, loans, other bank balances, other financial assets, trade receivables, trade payables, borrowings, other payables and other financial liabilities: approximate their carrying amounts largely due to the short-term maturities of these instruments.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

### (iii) Fair value hierarchy:

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial assets- measured at fair value** | | | | | | |
| *Financial investment at FVTPL* | | | | | | |
| - Forward contract | - | 125.35 | - | - | - | - |
| - Quoted mutual fund | 9.09 | - | - | 7.18 | - | - |
| **Financial liabilities- measured at fair value** | | | | | | |
| *Financial investment at FVTPL* | | | | | | |
| - Forward contract | - | - | - | - | 128.32 | - |
| | **9.09** | **125.35** | **-** | **7.18** | **128.32** | **-** |

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** This hierarchy includes financial instruments for which inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) have been used.

**Level 3:** This hierarchy includes financial instruments for which inputs used are not based on observable market data (unobservable inputs).

There have been no transfers in either direction for the years ended 31 March 2024 and 31 March 2023.

**Valuation techniques and significant unobservable inputs:**

Financial instruments measured at fair value

| Type | Valuation technique |
|---|---|
| Mutual funds | Quoted closing NAV as at the reporting period |
| Foreign exchange forward contract | Basis the valuation received from the bank as at the reporting period. |

**Fair value of financial assets and liabilities measured at amortised cost**

| Particulars | As at 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | Level | Carrying Value | Fair Value | Level | Carrying Value | Fair Value |
| **Financial assets** | | | | | | |
| Loans | Level 3 | 101.87 | 101.87 | Level 3 | 59.86 | 59.86 |
| Trade receivables | Level 3 | 11,085.79 | 11,085.79 | Level 3 | 6,568.73 | 6,568.73 |
| Cash and cash equivalents | Level 3 | 13,430.10 | 13,430.10 | Level 3 | 689.47 | 689.47 |
| Other bank balances | Level 3 | 2,346.90 | 2,346.90 | Level 3 | 2,321.74 | 2,321.74 |
| Other financial assets | Level 3 | 5,846.25 | 5,846.25 | Level 3 | 529.91 | 529.91 |
| **Total financial assets** | | **32,810.91** | **32,810.91** | | **10,169.71** | **10,169.71** |
| **Financial liabilities** | | | | | | |
| Borrowings | Level 3 | 18,189.13 | 18,189.13 | Level 3 | 17,664.78 | 17,664.78 |
| Trade payables | Level 3 | 1,539.98 | 1,539.98 | Level 3 | 2,103.54 | 2,103.54 |
| Other financial liabilities | Level 3 | 1,152.23 | 1,152.23 | Level 3 | 1,250.25 | 1,250.25 |
| **Total financial liabilities** | | **20,881.34** | **20,881.34** | | **21,018.57** | **21,018.57** |

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

In respect of other long-term financial assets/liabilities stated above as measured at amortised cost, their carrying values are not considered to be materially different from their fair values.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## (B) Financial risk management

In the course of its business, the Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is not engaged in speculative treasury activities but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The use of any derivative is approved by the management, which provide guidelines on the acceptable levels of interest rate risk, credit risk, foreign exchange risk and liquidity risk and the range of hedging requirement against these risks.

### (i) Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Group is exposed to credit risk from trade receivables, loans and advances and other financial instruments.

**Trade receivables**

The Group primarily sells cast metal components to selected customers comprising mainly in engineering industry in India and outside India. The Group extends credits to customers in normal course of the business. The Group considers the factors such as credit track record in the market of each customer and past dealings for extension of credit to the customer. The Group monitors the payment track record of each customer and outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located at several jurisdiction and industries and operate in large independent markets.

Allowances against doubtful debts are recognised against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Group has a policy of accepting only credit worthy counter parties and defines credit limits for the customer which are reviewed periodically. The Group does not hold any collateral or other credit enhancements over any of its trade receivables nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

**Loans and advances**

The Group provides loans to its employees and furnishes security deposits to various parties for electricity, communication, etc. The Group considers that its loans have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations or its own employees from whom the risk of default is low.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date are:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)** | | |
| Other non-current financial assets | 186.75 | 163.33 |
| Current loans | 101.87 | 59.86 |
| Other current financial assets | 289.78 | 181.02 |
| | **578.40** | **404.21** |
| **Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL)** | | |
| Trade receivables | 11,085.79 | 6,568.73 |
| | **11,085.79** | **6,568.73** |

**Provision for expected credit losses**

*(a) Financial assets for which loss allowance is measured using 12 month expected credit losses*

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Hence, no impairment loss has been recognised during the reporting periods in respect of these assets.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

*(b) Financial assets for which loss allowance is measured using life time expected credit losses*

The Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectable in full. However, the Group has recognised allowance for expected credit loss on the basis of its assessment of the credit loss from the past trend available with the Group.

**Movement in the provision for expected credit loss**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balance at the beginning of the year | 22.59 | 22.59 |
| Add: Allowance provided during the year | - | - |
| **Balance at the end of the year** | **22.59** | **22.59** |

*Trade Receivables - Expected Credit Loss as at 31 March 2024*

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 5,982.75 | 4,440.25 | 319.07 | 214.77 | 142.27 | 9.27 | 11,108.38 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | | | | | | | |
| **Gross Carrying amount - Trade Receivables** | **5,982.75** | **4,440.25** | **319.07** | **214.77** | **142.27** | **9.27** | **11,108.38** |
| Expected Credit Loss rate | - | | | | 9.36% | 100.00% | |
| Expected Credit Loss - Trade Receivables | - | - | - | - | 13.32 | 9.27 | 22.59 |
| **Net Carrying amount - Trade Receivables** | **5,982.75** | **4,440.25** | **319.07** | **214.77** | **128.95** | **-** | **11,085.79** |

*Trade Receivables - Expected Credit Loss as at 31 March 2023*

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 4,320.31 | 1,933.65 | 169.04 | 159.05 | 2.04 | 7.23 | 6,591.32 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables–considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Gross Carrying amount - Trade Receivables** | **4,320.31** | **1,933.65** | **169.04** | **159.05** | **2.04** | **7.23** | **6,591.32** |
| Expected Credit Loss rate | - | - | - | 8.37% | 100.00% | 100.00% | |
| Expected Credit Loss - Trade Receivables | - | - | - | 13.32 | 2.04 | 7.23 | 22.59 |
| **Net Carrying amount - Trade Receivables** | **4,320.31** | **1,933.65** | **169.04** | **145.73** | **-** | **-** | **6,568.73** |

## (ii) Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due.

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, cash and cash equivalents and the cash flow that is generated from operations to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities so that it does not breach borrowing limits.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

As at 31 March 2024, the Company had a working capital of ₹ 27,268.66 lakhs including cash and cash equivalents of ₹ 13430.10 lakhs. As at 31 March 2023, the Company had a working capital of ₹ 7,340.61 lakhs including cash and cash equivalents of ₹ 689.47 lakhs.

**Maturities of financial liabilities**

The following are the contractual maturities of non-derivative financial liabilities, based on contractual undiscounted cash flows:

*31 March 2024*

| Particulars | Contractual cash flows | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 10,089.01 | 7,482.75 | 617.37 | 18,189.13 |
| Provisions | 56.79 | 107.62 | - | 164.41 |
| Other Liabilities | 1,420.75 | 768.36 | - | 2,189.11 |
| Trade payables | 1,539.98 | - | - | 1,539.98 |
| Other financial liabilities | 1,105.98 | 46.25 | - | 1,152.23 |
| | **14,212.51** | **8,404.98** | **617.37** | **23,234.86** |

*31 March 2023*

| Particulars | Contractual cash flows | | | |
|---|---|---|---|---|
| | Less than 1 year | 1 to 5 years | More than 5 years | Total |
| **Non-derivative financial liabilities** | | | | |
| Borrowings | 8,026.34 | 9,638.44 | | 17,664.78 |
| Provisions | 31.54 | 90.54 | - | 122.08 |
| Other Liabilities | 906.95 | 835.00 | - | 1,741.95 |
| Trade payables | 2,103.54 | - | - | 2,103.54 |
| Other financial liabilities | 1,138.79 | 239.78 | - | 1,378.57 |
| | **12,207.16** | **10,803.76** | **-** | **23,010.93** |

## (iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. The Group exports finished goods which are denominated in the currency other than the functional currency of the Group which exposes it to foreign currency risk. In order to minimise the risk, the Group executes forward contracts w.r.t sale made in currency other than functional currency.

### (a) Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuation arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. Exchange rate exposures are managed by the holding company within approved policy parameters utilising foreign exchange forward contracts. Below table represents the consolidated exposure of the group:

| Particulars | Currency | In foreign currency | | In ₹ | |
|---|---|---|---|---|---|
| | | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| **Financial assets(Gross)*** | | | | | |
| Trade receivables | USD | 29.75 | 36.91 | 2456.52 | 3003.70 |
| | EURO | 58.57 | 32.86 | 5198.65 | 2894.38 |
| | GBP | 2.07 | 0.02 | 214.47 | 2.00 |
| | NZD | 0.37 | | 18.32 | |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

| Particulars | Currency | In foreign currency | | In ₹ | |
|---|---|---|---|---|---|
| | | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| **Financial liabilities(Gross)*** | | | | | |
| Trade payables | USD | (0.36) | (1.10) | (29.95) | (91.05) |
| | EURO | (0.10) | (0.03) | (9.34) | (2.80) |
| | GBP | (0.17) | (0.28) | (18.41) | (29.00) |
| | JPY | - | (0.76) | - | (0.48) |
| Capital creditors | USD | - | (1.26) | - | (104.41) |
| | EURO | (0.03) | - | (2.74) | - |
| | GBP | (0.61) | (0.64) | (65.38) | (66.68) |
| Foreign currency derivative contracts (Sell foreign currency-Forward contracts) | USD | - | 55.00 | - | 4,475.35 |
| | EURO | 36.50 | 25.00 | 3,239.74 | 2,201.75 |
| Net Foreign currency receivable/ (payable)** | USD | 29.39 | 2.93 | 2,426.57 | 237.08 |
| | EURO | 21.94 | 7.83 | 1,946.83 | 689.82 |
| | GBP | 1.29 | (0.91) | 130.68 | (93.67) |
| | JPY | - | (0.76) | - | (0.48) |
| | NZD | 0.37 | - | 18.32 | - |

* The amounts disclosed are gross of the exposure covered through forward contracts.

** The amounts disclosed are nett-of the exposure covered through forward contracts.

*Sensitivity analysis*

The following table demonstrates the sensitivity of profit and equity in USD, EURO, JPY, GBPand NZD to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities are given below:

| Particulars | Change in currency exchange rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31 March 2024 | As at 31 March 2023 |
| USD | 5% | 121.33 | 11.85 |
| | (5%) | (121.33) | (11.85) |
| EURO | 5% | 97.34 | 34.49 |
| | (5%) | (97.34) | (34.49) |
| JPY | 5% | - | (0.02) |
| | (5%) | - | 0.02 |
| GBP | 5% | 6.53 | (4.68) |
| | 5% | (6.53) | 4.68 |
| NZD | 5% | 0.92 | - |
| | (5%) | (0.92) | - |

**(b) Interest rate risk**

The Group is exposed to interest rate risk arising mainly from non-current and current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Group's interest-bearing financial liabilities is as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Variable rate instruments** | | |
| Term loan from banks | 9,489.01 | 10,414.17 |
| Term loans from financial institutions | - | 195.83 |
| **Working capital loan** | 7,419.67 | 5,816.87 |
| Fixed rate instruments | | |
| Vehicle loan | 148.77 | 145.80 |
| Bills Discounted | 832.28 | 1,092.11 |
| | **17,889.73** | **17,664.78** |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

*Sensitivity analysis*

The following table demonstrates the sensitivity in the interest rate with all other variables held constant. The impact on the Group's profit before tax and other comprehensive income due to changes in the interest rates is given below :

| Particulars | Change in interest rate | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31 March 2024 | As at 31 March 2023 |
| Borrowings | 0.50% | (84.54) | (81.16) |
| | (0.50%) | 84.54 | 81.16 |

**(c) Price risk**

Group's exposure to price risk arises from mutual funds and classified in the balance sheet either as fair value through OCI or at fair value through profit and loss.

To manage the price risk from quoted investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

*Sensitivity analysis*

Company's major quoted investment consists of investment in mutual funds which are measured at fair value through profit and loss. Investments made by the mutual fund includes investment in diversified instruments of Companies included in the market index.

The table below summarises the impact of sensitivity in the market index on the Group's profit for the year with all other variables held constant and the investment moved in line with the index.

| Particulars | Change in market index | Effect on profit before tax | |
|---|---|---|---|
| | | As at 31 March 2024 | As at 31 March 2023 |
| Investment in mutual fund | 5% | 0.45 | 0.36 |
| | (5%) | (0.45) | (0.36) |

Profit for the year would increase/decrease as a result of gain/loss on investment classified as at fair value through profit and loss.

## 42 Employee benefits

**(i) Defined benefit plan**

**Gratuity**

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed for 15/26 days salary multiplied by the number of years of service. The gratuity plan is a funded plan and the Group makes contribution to recognised funds in India i.e. Life Insurance Corporation of India and Group Gratuity scheme.

**Risk exposure:**

**(a)** **Discount rate:** A decrease in discount rate in subsequent valuations can increase the plan's liability.

**(b)** **Mortality rate:** Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

**(c)** **Investment risk:** In case of funded plans, actual investment return on planned assets lower than the discount rate assumed at the last valuation date can impact the liability.

**(d)** **Attrition:** Actual withdrawals proving higher or lower than assumed withdrawals at subsequent valuations can impact plan's liability.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**Details of the Company's defined benefit plans are as follows:**

*A. Changes in the present value of obligations*

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 561.86 | 513.70 |
| Recognised in profit and loss | | |
| - Interest cost | 42.14 | 37.24 |
| - Current service cost | 45.45 | 41.11 |
| Recognised in other comprehensive income | | |
| Remeasurement gains / (losses) | | |
| - Actuarial (gain)/loss from changes in financial adjustments and experience adjustments | 29.12 | 5.03 |
| Benefits paid | (64.04) | (35.22) |
| **Present value of the obligation at the end of the year** | **614.53** | **561.86** |

*B. Changes in the fair value of planned assets:*

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Fair value of plan assets at the beginning of the year | 560.74 | 481.31 |
| Expected return on plan assets | 40.90 | 36.34 |
| Contributions | 52.01 | 83.59 |
| Benefits paid | (64.04) | (35.22) |
| Actuarial gain/(loss) on plan assets | (5.41) | (5.28) |
| Others | 3.27 | - |
| **Fair value of plan asset at the end of the year** | **587.47** | **560.74** |

*C. Net asset/(liability) recognised in the balance sheet*

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Present value of the obligation at the end of the year | 614.53 | 561.86 |
| Fair value of plan assets at end of year | 587.47 | 560.74 |
| **Net liability/(asset) recognised in balance sheet (refer note 18 and 23)** | **27.06** | **1.12** |

*D. Bifurcation of net liability*

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Current Liability (Short Term) | 27.06 | 1.12 |
| **Total Liability (refer note 23)** | **27.06** | **1.12** |

*E. Reconciliation of liability in balance sheet*

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Opening net defined benefit liability/(asset) | 1.12 | 32.39 |
| Expenses to be recognized in P&L | 46.69 | 42.01 |
| OCI - Actuarial (gain)/loss - Total current period | 34.53 | 10.31 |
| Employer Contribution | (52.01) | (83.59) |
| Other adjustments | (3.27) | |
| Closing net defined benefit liability/(asset) | 27.06 | 1.12 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

*F. Expenses recognised in profit and loss*

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest cost | 42.14 | 37.24 |
| Current service cost | 45.45 | 41.11 |
| Expected return on plan asset | (40.90) | (36.34) |
| **Amount recognised in profit and loss (refer note 34)** | **46.69** | **42.01** |

*G. Expenses recognised in other comprehensive income*

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Actuarial (gain)/loss on obligation | 29.12 | 5.03 |
| Actuarial (gain)/loss on plan assets | 5.41 | 5.28 |
| **(Gain)/Loss** | **34.53** | **10.31** |

*H. Major category of plan asset as a % of total plan assets*

| Category of asset (% allocation) | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | (%) | Amount | (%) | Amount |
| Insurance policy - PTC Industries Limited | 100 | 516.95 | 100 | 507.39 |
| Insurance policy - Aerolloy Technologies Limited | 100 | 70.52 | 100 | 56.62 |

*I. Actuarial assumptions*

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Discount rate | 7.25% | 7.50% |
| Salary growth rate | 6.00% | 6.00% |
| Withdrawal rate (per annum) | | |
| 18 - 30 years | 5.00% | 5.00% |
| 31 - 44 years | 3.00% | 3.00% |
| 45 - 58 years | 2.00% | 2.00% |
| Normal retirement age (years) | 58 | 58 |
| Mortality | IALM 2012-14 | IALM 2012-14 |

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

*J. Sensitivity analysis*

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Change in assumption | Effect on obligation | Change in assumption | Effect on obligation |
| Discount rate | 1.00% | (34.49) | 1.00% | (41.11) |
| | (1.00%) | 39.28 | (1.00%) | 47.04 |
| Salary growth rate | 1.00% | 39.37 | 1.00% | 47.27 |
| | (1.00%) | (35.19) | (1.00%) | (42.03) |
| Withdrawal rate | 1.00% | 2.71 | 1.00% | 3.92 |
| | (1.00%) | (3.02) | (1.00%) | (4.41) |

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the balance sheet.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

*K. Expected maturity profile of defined benefit obligation (undiscounted cash flows)*

| Period | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Less than 1 year | 44.03 | 59.71 |
| Between 1-2 years | 35.81 | 26.44 |
| Between 2-5 years | 125.55 | 112.22 |
| Over 5 years | 409.15 | 363.50 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (as at 31 March 2023 is 10 years). Expected contribution to defined benefit plans in the next year is ₹53.84 lakhs (31 March 2023: ₹50.17 lakhs).

**(ii) Other long-term benefits**

**(A) Compensated absences- unfunded**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Amounts recognised in balance sheet** | | |
| Current (refer note 23) | 21.42 | 20.32 |
| Non-current (refer note 23) | 89.27 | 90.54 |
| | **110.69** | **110.86** |

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Amounts recognised in statement of profit and loss** | | |
| Interest cost | 8.31 | 6.52 |
| Current service cost | 11.36 | 12.51 |
| Actuarial loss | 1.46 | 14.74 |
| | **21.13** | **33.77** |
| **Changes in benefit obligations** | | |
| Present value of the obligation at the beginning of the year | 110.87 | 89.99 |
| Interest cost | 8.32 | 6.53 |
| Current service cost | 11.36 | 12.51 |
| Benefits paid | (21.31) | (12.91) |
| Actuarial loss | 1.45 | 14.74 |
| **Present value of the obligation at the end of the year** | **110.69** | **110.86** |

**Actuarial assumptions**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Discount rate | 7.25% | 7.50% |
| Salary growth rate | 6.00% | 6.00% |
| Withdrawal rate (per annum) | | |
| 18 - 30 years | 5.00% | 5.00% |
| 31 - 44 years | 3.00% | 3.00% |
| 45 - 58 years | 2.00% | 2.00% |
| Normal retirement age (years) | 58 | 58 |

**(iii) Defined contribution plan**

The Group makes fixed contribution towards Employee provident fund and Employee state insurance(ESI) to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner and the Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. Similarly, the contribution is made in ESI at a specified percentage of payroll cost.

The Group recognised ₹ 185.78 Lakhs (31 March 2023: ₹ 142.55 Lakhs) in respect of provident fund contributions and ESI contribution in the Statement of Profit and Loss and included in ""Employee benefits expense"" in note 34. The contribution payable to these plans by the Group is at rates specified in the rules of the schemes.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 43 Leases

### The Group as a lessee

The Group's leases primarily consists of leases for land. Generally, the contracts are made for fixed period and does not have a purchase option at the end of lease term. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group applies the 'short-term lease' recognition exemptions for these leases with lease terms of 12 months or less.

### (i) Amount recognised in the Balance sheet

The balance sheet shows the following amounts relating to the leases:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Carrying amount of right-of-use assets:** | | |
| Land | 1,685.95 | - |
| **Total** | **1,685.95** | **-** |

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Carrying amount of lease liability:** | | |
| Current | 32.18 | - |
| Non-current | 267.23 | - |
| **Total** | **299.41** | **-** |

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Additions to right-of-use assets:** | | |
| Land | 1,696.04 | - |
| **Total** | **1,696.04** | **-** |

**Maturity analysis of lease liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Within one year | 32.18 | - |
| Later than one year but less than five years | 93.40 | - |
| Later than five years | 173.83 | - |
| **Total** | **299.41** | **-** |

### (ii) The amount recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to the leases:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Depreciation charge of right of use of assets:** | | |
| Land | 10.09 | - |
| **Total** | **10.09** | **-** |

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest expense on lease liabilities (included in finance cost) | 1.84 | - |
| Expenses relating to short term and low value leases (included in other expenses) | 25.40 | 24.38 |
| The total cash outflow for leases for the year ended were ₹ | 2.56 | - |

(iii) Extension and termination option

(iv) The Company do not have any operating leases that are non-cancellable.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

### The Group as a lessor

The Holding Company has entered into operating leases for part of its premises at Plant 1 and AMTC plant, Lucknow; that is renewable and is cancellable at either party's option. Total lease receipts recognised in the statement of profit and loss with respect to aforementioned premises is ₹ 53.10 lakhs (31 March 2023: ₹ 49.40 lakhs).

## 44 Contingent liabilities and commitments

**(i) Capital commitment:**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) | 13,725.06 | 6,382.76 |

**(ii) Contingent liabilities**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Other contingent liabilities** | | |
| Disputed amounts for goods and service tax [gross of amount paid under protest amounting to ₹ 16.59 lakhs (previous year ₹ 16.59 lakh)]* | 16.59 | 16.59 |

*In respect of the GST cases pending at appellate authority represents the demands received under the respective demand / show cause notices / legal claims, wherever applicable. Based on management assessment, the Group believes that it has a good chance of success in all the above mentioned cases

**(iii) Guarantees excluding financial guarantees:**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| In respect of non fund-based working capital facilities from banks: | | |
| - Bank guarantees | 2699.27 | 1,676.20 |

## 45 Segment information

The Chairman and Managing Director has been identified as the Chief Operating Decision Maker ('CODM') as they monitors the results for the purpose of making decisions about resource allocation and performance assessment and responsible for all major decisions w.r.t. preparation of budget, planning, expansion, alliance, joint venture, merger and acquisitions, and expansion of new facility. Accordingly, there is only one reportable segment for the Group which is "Engineering and allied activities", hence no specific disclosures have been made.

**Entity wide disclosures:**

### (a) Information about products and services

The Group is engaged in the business of manufacturing and selling of high precision metal castings. Group operates in one product line, therefore product wise revenue disclosure is not applicable.

### (b) Information about geographical area

The Group's sales to its customers includes sales to customers which are domiciled in India and outside India. Below is the details of Group's revenue from customers domiciled in India and outside India:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Revenue from external customers** | | |
| - domiciled in India | 4,017.99 | 1,716.60 |
| - domiciled outside India | 21,141.44 | 19,785.16 |
| | **25,159.43** | **21,501.76** |

### (c) Information about major customers (On standalone level of holding company)

Revenues of ₹ 5605.78 lakh, ₹ 5486.51 Lakhs and ₹ 2455.68 Lakhs (31 March 2023: ₹ 4635.97 lakh, ₹ 4164.77 Lakhs and ₹ 2699.90 Lakhs Lakhs) are derived from three external customers.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 46 Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

### (i) Name of the related parties and description of relationship:

| Relationship | Name of related party |
|---|---|
| Entities controlled by KMPs and/or their relatives | Sachin Agarwal HUF |
| | Alphasine Technologies Private Limited |
| Key Management Personnel ("KMP") | Mr. Sachin Agarwal, Chairman and Managing Director |
| | Mr. Priya Ranjan Agarwal , Director |
| | Mr. Alok Agarwal, Director |
| | Mr. Ashok Kumar Shukla, Director |
| | Ms. Smita Agarwal, Director and Chief Financial Officer |
| | Mr. Brij Lal Gupta, Independent Director |
| | Mr. Ajay Kashyap, Independent Director |
| | Late Rakesh Chandra Katiyar, Independent Director* |
| | Mr. Krishna Das Gupta, Independent Director |
| | Mr. Vishal Mehrotra, Independent Director |
| | Mrs. Prashuka Jain, Independent Director |
| | Mrs.Pragati Gupta Agarwal,Company Secretary |
| Relatives of Key Management Personnel | Ms. Kanchan Agarwal |
| | Mrs. Anshoo Agarwal |
| | Mrs. Reena Agarwal |
| | Mrs. Sangita Shukla |

* Mr.Rakesh Chandra Katiyar, Independent Director was passed on March 16th, 2024

### (ii) Disclosure of related parties transactions#:

| Particulars | For the year ended 31 March 2024 | | | For the year ended 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | Key management personnel (KMP) | Relatives of KMPs | Enterprises controlled by KMP/ relatives | Key management personnel (KMP) | Relatives of KMPs | Enterprises controlled by KMP/ relatives |
| **Transactions during the year** | | | | | | |
| 1. Rent paid | - | 9.00 | - | - | 9.00 | - |
| 2. Rent received | - | - | 2.85 | - | - | - |
| Amounts paid during the year to **KMP's** and relatives of **KMP's** | | | | | | |
| 1. Managerial remuneration * | 534.26 | - | - | 444.78 | - | - |
| 2. Salary and allowances | 2.07 | 66.25 | - | - | 48.05 | - |
| 3. Sitting fees to independent directors | 2.99 | - | - | 3.46 | - | - |

* Exclusive of provision for future liability in respect of gratuity and leave encashment which is based on actuarial valuation done on Company as a whole.

#All the transactions with the related party are at Arm's length price.

### (iii) Balance outstanding at the year end:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Outstanding balance (Amount payable)** | | |
| **Key management personnel** | | |
| Managerial remuneration | 105.23 | 46.77 |
| Salary and allowances | 0.15 | - |
| **Relative of KMP's** | | |
| Salary and allowances | 12.01 | 8.34 |
| Rent | 0.68 | 0.68 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

### (iv) Compensation to Key Managerial Personnel (KMP)

The details of compensation to the members of key managerial personnel during the year was as follows:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Short-term employee benefits (refer note a) | 525.90 | 436.04 |
| Post-employment benefits | | |
| - Defined contribution plan (refer note b) | 13.43 | 12.20 |
| - Defined benefit plan | *refer note (c) | *refer note (c) |
| - Other long-term benefits | *refer note (c) | *refer note (c) |
| | **539.33** | **448.24** |

Note (a) Includes salary, commission, sitting fees and any other perquisites on accrual basis.

Note (b) Including contribution to provident fund and any other benefit

Note (c) As the liability for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above.

## 47 Assets pledged as security:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Non-current borrowings:** | | |
| *Equitable mortgage* | | |
| Land | 2,940.20 | 1,254.25 |
| Building | 3,650.53 | 3,765.18 |
| *First charge* | | |
| Other movable property, plant and equipment | 15,206.82 | 15,837.24 |
| *Second charge* | | |
| Current assets* | 41,557.95 | 19,635.60 |
| | **63,355.50** | **40,492.27** |
| **Current borrowings:** | | |
| *First charge* | | |
| Current assets* | 41,557.95 | 19,635.61 |
| Land | 1,685.95 | |
| Other movable property, plant and equipment | 353.64 | |
| *Second charge* | | |
| Land | 1,254.25 | 1,254.25 |
| Building | 3,650.53 | 3,765.18 |
| Other movable property, plant and equipment | 14,853.18 | 15,837.24 |
| | **63,355.50** | **40,492.28** |
| | **1,26,711.00** | **80,984.55** |

*The quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

## 48 Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

i) Identify the contract(s) with customer;

ii) Identify separate performance obligations in the contract;

iii) Determine the transaction price;

iv) Allocate the transaction price to the performance obligations; and

v) Recognise revenue when a performance obligation is satisfied

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

### a) Disaggregation of revenue

The Group has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

| Revenue from operations | 31-Mar-24 | | | 31-Mar-23 | | |
|---|---|---|---|---|---|---|
| | Goods | Other operating revenues | Total | Goods | Other operating revenues | Total |
| Revenue by geography | | | | | | |
| Domestic | 4,017.99 | 55.35 | 4,073.34 | 1,716.60 | 38.14 | 1,754.74 |
| Export | 21,141.44 | 473.14 | 21,614.58 | 19,785.16 | 386.31 | 20,171.47 |
| **Total** | **25,159.43** | **528.49** | **25,687.92** | **21,501.76** | **424.45** | **21,926.21** |

### b) Assets and liabilities related to contracts with customers

| Particulars | 31-Mar-24 | | 31-Mar-23 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Trade receivables | - | 11,085.79 | - | 6,568.73 |
| Revenue received in advance | - | 1,208.52 | - | 827.37 |
| **Total** | **-** | **12,294.31** | **-** | **7,396.10** |

## 49 Share based payments

### (a) Scheme details

During the financial year 2021-22, the Holding Company had adopted 'PTC Employees Stock Option Scheme 2019 ('Plan') in shareholders Annual General Meeting on 28 September 2019, and obtained an in-principal approval from BSE limited on 07 September 2021 for 1,57,170 Equity shares of ₹ 10/- each. The Compensation Committee (Nomination & Remuneration Committee) at its meeting held on 15 September 2021, had approved grant of 10,965 Stock Options (convertible into 10,965 Equity shares of the Holding Company, upon exercise) (Tranche-1) to certain Eligible Employees in terms of the Plan. Vesting will be made in maximum of four years (FY 2023 to FY 2026), after the statutory period of one year from the date of grant of option.

In the previous financial year 2022-23, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on 11 June 2022 had approved grant of 2,255 (convertible into 2,255 Equity shares of the Holding Company, upon exercise) (Tranche-2) to certain Eligible Employees in pursuance of the ESOS Plan.

On 30 August 2022, The Compensation Committee (Nomination & Remuneration Committee) at its meeting had approved the adjustment in the plan, pursuant to the right issue of 78,58,594 fully paid-up equity shares of the face value of ₹ 10 each ("rights equity shares") of the Holding Company for cash at a price of ₹ 10/- per rights equity share aggregating up to ₹ 785.86 Lakhs on a rights basis to the eligible equity shareholders of the Holding Company in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares held by the eligible equity shareholders of the Holding Company on the record date, that is, on July 22, 2022, in the following manner:

| Details | Existing | Adjustment pursuant to the Rights Issue | Total Employees Stock Option after adjustment |
|---|---|---|---|
| Total Pool | 1,57,170 | 2,35,755 | 3,92,925 |
| Exercise price* | 990/- | 402/- | 402/- |

*The exercise price shall be adjusted to ₹ 402/- per share instead of ₹ 990/- per share on account of rights issue of equity shares.

The Compensation committee had also approved the below mentioned adjustments in respect of previous grants:

(i) Adjustment in number of options granted

| Options | Existing | Adjusted pursuant to the Rights Issue | Total Employees Stock Option after adjustment |
|---|---|---|---|
| Tranche -1 | 10,965 | 16,448 | 27,413 |
| Tranche -2 | 2,255 | 3,382 | 5,637 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

(ii) Adjustment in Exercise price: The exercise price shall be adjusted to ₹. 402/- per share.

(iii) Other terms: other terms shall remain same.

Further on 30 August 2022, the Compensation Committee had approved grant of 12,500 (convertible into 12,500 Equity shares of the Holding Company, upon exercise) to certain Eligible Employee in pursuance of the ESOS Plan at the exercise price of 402/- per share.

| Particulars | Number of options outstanding* (Refer above) | Grant date | Vesting date | Exercise period | Exercise price ( Refer above) | Fair value on grant date |
|---|---|---|---|---|---|---|
| Tranche -1 | 11,799 | 15-Sep-21 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 750.88 |
| | 11,799 | 15-Sep-21 | 15-Oct-24 | | 402.00 | 785.08 |
| | 3,161 | 15-Sep-21 | 15-Oct-25 | | 402.00 | 821.35 |
| | 650 | 15-Sep-21 | 14-Sep-26 | | 402.00 | 857.56 |
| Tranche -2 | 1,619 | 11-Jun-22 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 1,239.93 |
| | 1,584 | 11-Jun-22 | 15-Oct-24 | | 402.00 | 1,274.36 |
| | 1,840 | 11-Jun-22 | 15-Oct-25 | | 402.00 | 1,305.81 |
| | 598 | 11-Jun-22 | 14-Sep-26 | | 402.00 | 1,334.60 |
| Tranche -3 | 2,083 | 30-Aug-22 | 15-Oct-23 | 1 Month from the date of vesting | 402.00 | 1,909.19 |
| | 2,083 | 30-Aug-22 | 15-Oct-24 | | 402.00 | 1,936.51 |
| | 3,125 | 30-Aug-22 | 15-Oct-25 | | 402.00 | 1,967.29 |
| | 5,209 | 30-Aug-22 | 14-Sep-26 | | 402.00 | 1,994.69 |

*The number of options mentioned includes 6933 stock options respectively which were granted to the employees of the wholly owned subsidiary company i.e. Aerolloy Technologies Limited.

During the year, the Nomination & Remuneration Committee (Compensation Committee) of the Board of Directors, in its meeting held on 15 December 2023, allotted 13,031 Equity Shares with a face value of ₹ 10 each. These shares were issued under the PTC Employee Stock Option Scheme 2019 (PTC-ESOS 2019 or 'Scheme') to eligible employees following the exercise of stock options at an exercise price of ₹ 402 per share.

## (b) Compensation expenses arising on account of the share based payments

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Expenses arising from equity – settled share-based payment transactions | 133.94 | 164.30 |
| **Total** | **133.94** | **164.30** |

*It does not include the compensation expense during the current year amounting 8.04 lakhs (previous year 28.55 lacs) which were recognized in the books of subsidiary company.

## (c) Fair value on the grant date

The fair value at grant date is determined using "Black Scholes Pricing Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option. The following inputs were used to determine the fair value for options granted on September 15,2021, on June 11, 2022 and on August 30, 2022.

### Options granted as on 15 September 2021

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 11,799.00 | 11,799.00 | 3,161.00 | 650.00 |
| Grant date | 15-Sep-21 | 15-Sep-21 | 15-Sep-21 | 15-Sep-21 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 2,755.95 | 2,755.95 | 2,755.95 | 2,755.95 |
| Expected life (in years) | 2.1 | 3.1 | 4.1 | 5 |
| Price volatility of holding company's share * | 60.36% | 59.18% | 60.51% | 62.85% |
| Risk free interest rate | 4.39% | 4.88% | 5.28% | 5.61% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 750.88 | 785.08 | 821.35 | 857.56 |

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

### Options granted as on 11 June 2022

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 1,619 | 1,584 | 1,840 | 598 |
| Grant date | 11-Jun-22 | 11-Jun-22 | 11-Jun-22 | 11-Jun-22 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 3,794.05 | 3,794.05 | 3,794.05 | 3,794.05 |
| Expected life (in years) | 1.3 | 2.3 | 3.3 | 4 |
| Price volatility of holding company's share * | 46.22% | 56.96% | 55.75% | 56.10% |
| Risk free interest rate | 5.94% | 6.47% | 6.82% | 7.07% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 1,239.93 | 1,274.36 | 1,305.81 | 1,334.60 |

### Options granted as on 30 August 2022

| Description | Vest 1 | Vest 2 | Vest 3 | Vest 4 |
|---|---|---|---|---|
| Number of options outstanding | 2,083.00 | 2,083.00 | 3,125.00 | 5,209.00 |
| Grant date | 30-Aug-22 | 30-Aug-22 | 30-Aug-22 | 30-Aug-22 |
| Financial year of vesting | 2023-24 | 2024-25 | 2025-26 | 2026-27 |
| Share price on grant date (in ₹) | 2,238.40 | 2,238.40 | 2,238.40 | 2,238.40 |
| Expected life (in years) | 1.1 | 2.1 | 3.1 | 4 |
| Price volatility of holding company's share * | 48.25% | 53.29% | 56.37% | 56.92% |
| Risk free interest rate | 5.95% | 6.44% | 6.74% | 6.92% |
| Exercise price (in ₹) | 402.00 | 402.00 | 402.00 | 402.00 |
| Dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Fair value of option (in ₹) | 1,909.19 | 1,936.51 | 1,967.29 | 1,994.69 |

* The measure of volatility used is the annualized standard deviation of the continuously compounded rates of return of stock over the expected lives of different vests, prior to grant date. Volatility has been calculated based on the daily closing market price of the Company's stock on BSE over these years.

### (d) Fair value on the grant date

| Particulars | Number of options | Weighted average exercise price ₹ |
|---|---|---|
| **Outstanding as on 01 April 2022** | **10,965** | **402.00** |
| Options granted during the year | 14,755 | 402.00 |
| Adjustment pursuant to the Rights issue* | 19,830 | 402.00 |
| Options forfeited/lapsed/expired during the year | - | - |
| Options exercised during the year | - | - |
| **Options outstanding as at 31 March 2023 ^#** | **45,550** | **402.00** |
| Exercisable at the end of the period. | - | - |
| **Outstanding as on 01 April 2023** | **45,550** | **402.00** |
| Options granted during the year | - | |
| Adjustment pursuant to the Rights issue* | - | - |
| Options forfeited/lapsed/expired during the year | 2,470 | 402.00 |
| Options exercised during the year | 13,031 | 402.00 |
| **Options outstanding as at 31 March 2024 ^#** | **30,049** | **402.00** |
| Exercisable at the end of the period. | - | - |

* Refer above

^ The weighted average remaining contractual life of the share options outstanding at the end of current year is 1.22 years (previous year 1.65 years).

# The weighted average fair value of share options outstanding at the end of current year is ₹ 1271.49 per share option (previous year ₹1164.67).

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

## 50 Group Information

The Parent's subsidiary at 31 March 2024 and 31 March 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.

| Name of the Entity | Principal Activities | Country of Incorporation | Ownership interest held by the Group | | Ownership interest held by Non-controlling interest | |
|---|---|---|---|---|---|---|
| | | | 31 March 2024 % | 31 March 2023 % | 31 March 2024 % | 31 March 2023 % |
| Aerolloy Technologies Limited | Manufacture of Metal and Components for critical and super critical application | India | 100 | 100 | - | - |

**51** Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

### As on 31 March 2024

| Name of the Entity | Share in 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 & Loss | Amount (₹) | As % of Consolidated other comprehensive income | Amount (₹) | As % of Consolidated total comprehensive income | Amount (₹) |
| **Parent** | | | | | | | | |
| PTC Industries Limited | 95.77% | 61,828.90 | 56.45% | 2,382.98 | 72.61% | (19.27) | 56.34% | 2,363.71 |
| **Subsidiary** | | | | | | | | |
| Aerolloy Technologies Limited | 33.44% | 21,591.14 | 43.55% | 1,838.60 | 27.39% | (7.27) | 43.66% | 1,831.38 |
| Add/(Less) : Intra group eliminations | -29.21% | (18,860.07) | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **64,559.97** | | **4,221.58** | | **(26.54)** | | **4,195.09** |

### As on 31 March 2023

| Name of the Entity | Share in 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 & Loss | Amount (₹) | As % of Consolidated other comprehensive income | Amount (₹) | As % of Consolidated total comprehensive income | Amount (₹) |
| **Parent** | | | | | | | | |
| PTC Industries Limited | 97.07% | 29,766.72 | 77.88% | 2,010.47 | 94.72% | (7.35) | 77.83% | 2,003.14 |
| **Subsidiary** | | | | | | | | |
| Aerolloy Technologies Limited | 24.08% | 7,385.50 | 22.12% | 571.04 | 5.28% | (0.41) | 22.17% | 570.62 |
| Add/(Less) : Intra group eliminations | -21.15% | (6,485.80) | 0.00% | - | 0.00% | - | 0.00% | - |
| **Total** | | **30,666.42** | | **2,581.51** | | **(7.75)** | | **2,573.76** |

## 52

(a) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

**53** On 08 June 2023, the Board of Directors of the Holding Company had considered and approved the Preferential Issue of up to 1,80,000 Equity Shares of face value of ₹ 10/- per share at an issue price of ₹ 2,500/- per Equity Share to person belonging to Non-Promoter Category which was subsequently approved by the members through special resolution in Extra-ordinary general meeting dated 08 July 2023. Subsequently on 19 July 2023 Listing Committee of the Board of Directors of the Holding Company has issued and allotted 1,80,000 Equity Shares of face value of ₹ 10/- per Share at an issue price of ₹ 2,500/- per Equity Share aggregating to ₹ 4,500 lakhs on a preferential basis to the person belonging to the Non-Promoter category.

**54** On 03 January 2024, the Board of Directors of the Holding Company had considered and approved the Preferential Issue of up to 2,35,415 Equity Shares of face value of ₹ 10/- per share at an issue price of ₹ 6,000/- per Equity Share aggregating to ₹ 14,124.90 lakhs to person belonging to Non-Promoter Category which was subsequently approved by the members through special resolution in Extra-ordinary general meeting dated 03 February 2024. Subsequently on 15 February 2024 Listing Committee of the Board of Directors of the Holding Company has issued and allotted 2,35,415 Equity Shares of face value of ₹ 10/- per Share at an issue price of ₹ 6,000/- per Equity Share aggregating to ₹ 14,124.90 lakhs on a preferential basis to the person belonging to the Non-Promoter category.

**55** During the previous year, On October 20, 2022, the Board of Directors of the Holding Company had considered and approved the Preferential Issue of up to 2,89,600 Equity Shares of face value of ₹ 10/- per share and 6,30,170 Fully Convertible Warrants at an issue price of ₹ 2,349/- per Equity Share and per Warrant respectively to persons belonging to Non-Promoter Category which was subsequently approved by the members through special resolution in Extra-ordinary general meeting dated November 19, 2022. Subsequently on December 07, 2022 Listing Committee of the Board of Directors of the Holding Company has issued and allotted 2,84,600 Equity Shares of face value of ₹ 10/- per Equity Share at an issue price of ₹ 2,349/- per Equity Share aggregating to ₹ 6,685.25 lacs, on a preferential basis to the persons belonging to the Non-Promoter category. The Holding Company has received an amount of ₹ 6,685.25 lakhs against 2,84,600 Equity Shares allotted to persons belonging to the Non-Promoter category at an issue price of ₹ 2,349/- per Share. On December 07, 2022 Listing Committee of the Board of Directors of the Holding Company have issued and allotted 6,30,170 Fully Convertible Warrants at an issue price of ₹ 2,349/- per Warrant aggregating to ₹ 14,802.69 lacs, convertible into equivalent number of Equity Shares of face value ₹ 10/- each within a period of 13 months from the date of allotment, on a preferential basis to the persons belonging to the Non-Promoter category. The Company has received an amount of ₹ 3,705.39 lakhs with respect to 25% upfront against 6,30,170 Fully Convertible Warrants to persons belonging to Non-Promoter category at an issue price of ₹ 2,349/- per Warrant. On 04 January 2024 Listing Committee of the Board of Directors of the Holding Company has issued and allotted 6,30,170 Equity Shares of face value of ₹ 10/- Equity Share at an issue price of ₹ 2,349/- per Equity Share on preferential basis to the persons belonging to the Non-Promoter Category pursuant to conversion of 6,30,170 Fully Convertible Warrants. The Company has received an amount of ₹ 11,097.29 lakhs with respect to 75% balance against 6,30,170 Fully Convertible Warrants to persons belonging to Non-Promoter category at an issue price of ₹ 2,349/- each Warrant.

**56** On March 30, 2022 the Listing Committee of Board of Directors (""the Committee"") had approved for issue of three new equity shares, at its face value of Rs 10/- each, on a right basis, for every two equity shares of the Holding Company held by the eligible shareholders on the record date. Subsequently, in its meeting held on July 15, 2022, the Committee had fixed the record date as July 22, 2022 for the purposes of determining the names of eligible shareholders to apply for right issue. Up to 78,58,594 Fully Paid-Up Equity Shares, Face Value of Rs 10/- each, for cash at a price of Rs 10/- each aggregating up to ₹ 785.85 lakhs have been offered on a right basis to the eligible equity shareholders of the holding company in the ratio of 3 (Three) right shares for every 2 (Two) fully paid-up equity shares held by the eligible shareholders on the record date, that is, on July 22, 2022 during the issue period between August 3, 2022 to August 12, 2022.Consequently, pursuant to Ind AS 33, basic and diluted earning per share for the periods presented in the audited consolidated financial results have been adjusted after giving the impact for the bonus element in respect of the aforesaid rights issue.

**57** During the previous year, In terms of Employee stock option scheme and employee stock purchase scheme of SEBI and other relevant provisions issued by the SEBI and as per terms of PTC ESOP Scheme 2019, the Compensation Committee (Nomination & Remuneration Committee) at its meeting held on August 30, 2022 approved the adjustment in the ESOP, pursuant to the rights issue in the ratio of 3 rights equity shares for every 2 fully paid-up equity shares. Pursuant to this adjustment, ESOP pool of the Holding Company has been increased by 2,35,755 options and exercise price has also been reduced to ₹ 402 from ₹ 990.

**58** During the previous year, the Compensation Committee (Nomination & Remuneration Committee) of the Holding Company at its meeting held on June 11, 2022 and August 30, 2022 has approved grant of 2,255 and 12,500 Stock Options respectively to certain eligible employees under PTC ESOS Scheme 2019. These stock options will be vested over the period of four years (FY 2023 to FY 2026). The

# Notes to Consolidated Financial Statements

for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

additional stock option expenses recognised during the quarter ended 31 March 2023 amounts to ₹ 32.59 lakhs and year ended 31 March 2023 amounts to ₹ 84.26 Lacs.

**59** There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31 March 2024 and 31 March 2023.

**60** The Group has not revalued any property, plant and equipment and intangible assets during the year ended 31 March 2024 and 31 March 2023.

**61** The Group did not enter into any transactions which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 during the year ended 31 March 2024 and 31 March 2023.

**62** The Group has not traded or invested in Crypto currency or Virtual currency anytime during the year ended 31 March 2024 and 31 March 2023.

**63** The Group does not have any transaction/balances with struck off companies during the year ended 31 March 2024 and 31 March 2023.

**64** The Group is in compliance 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.

**65** The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the year ended 31 March 2024 and 31 March 2023.

**66** The Group maintains the books of account electronically and it's back-up on a server located outside of India. These data are accessible in India at all times. The Group is in the process of evaluating the options to comply with the rules.

**67** The Group has used an accounting software for maintaining its books of account for the financial year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

**68** The figures for the previous period have been re-classified/re-grouped wherever necessary, the impact of such restatements/ regroupings are not material to Consolidated Financial Statements.

**For S.N. Dhawan & CO LLP**
Chartered Accountants
(Firm Registration No. 000050N/N500045)

**Rajeev Kumar Saxena**
Partner
Membership No. 077974

**Place:** Gurugram
**Date:** 28 May 2024

**For and on behalf of the Board of Directors of**
**PTC Industries Limited**

**Sachin Agarwal**
Chairman and Managing Director
DIN No. : 00142885

**Alok Agarwal**
Director (Quality & Technical)
DIN No. : 00129260

**Smita Agarwal**
Director and Chief Financial Officer
DIN No. : 00276903

**Pragati Gupta Agarwal**
Company Secretary
Mem. No.: ACS61754

**Place:** Lucknow
**Date:** 28 May 2024

## GENERAL INFORMATION

1. PTC Industries Limited ("**Issuer**" or our "**Company**") was originally incorporated as "*Precision Tools & Castings Private Limited*" on March 20, 1963 as a private limited company, under the Companies Act, 1956 and was granted a certificate of incorporation by the Registrar of Companies, Uttar Pradesh at Kanpur. Thereafter, our Company was converted into a public limited company and subsequently the name of our Company was changed to "*Precision Tools & Castings Limited*" and a fresh certificate of incorporation was issued by the Registrar of Companies, Uttar Pradesh at Kanpur consequent upon change of name of our Company on October 25, 1994. Further, the name of our Company was changed to '*PTC Industries Limited'* pursuant to special resolution of our Shareholders passed at the EGM of our Company dated December 28, 1998 and a fresh certificate of incorporation dated January 22, 1999, consequent to such name change was issued to our Company by the Registrar of Companies, Uttar Pradesh at Kanpur.

2. Our registered and corporate office is located at Advanced Manufacturing & Technology Centre, NH 25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh, India.

3. Our corporate identification number is L27109UP1963PLC002931. The website of our Company is www.ptcil.com.

4. The Issue was authorized and approved by our Board of Directors on June 27, 2026 and approved by the Shareholders of our Company pursuant to a special resolution passed at the EGM of our Company on August 01, 2026.

5. The Equity Shares are listed on BSE and NSE. Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from each of BSE and NSE on October 6, 2026 to list the Equity Shares issued pursuant to the Issue on the Stock Exchanges. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

6. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 10.00 am to 5.00 pm on all working days (except Saturdays and public holidays) during the Bid/ Issue Period at our Registered Office and Corporate Office.

7. Except as disclosed in this Placement Document, there has been no material adverse change in our financial or trading position since the date of the Condensed Interim Financial Statements, which have been included in this Placement Document.

8. Except as disclosed in this Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "*Legal Proceedings*" on page 322.

9. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed Crisil Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

10. The Floor Price is ₹ 22,150.00 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company offered a discount of 4.92% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations in accordance with the special resolution of our Shareholders passed at the EGM of our Company on August 01, 2026.

11. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

12. Our Company has obtained necessary consents, approvals and authorizations as may be required in connection with the Issue.

13. Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including

our website, would be doing it at his or her own risk.

14. Pragati Gupta Agrawal is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

**Pragati Gupta Agrawal**
**Company Secretary and Compliance Officer**
PTC Industries Limited
**Address:** Advanced Manufacturing & Technology Centre
NH 25A, Sarai Sahjadi, Bani, Lucknow 226401
Uttar Pradesh, India
**Tel:** 0522 7111017
**Email:** companysecretary@ptcil.com

## DETAILS OF PROPOSED ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the Allottees and the percentage of post-Issue share capital is set forth below:

| Sr. No. | Name of the proposed Allottees | Percentage of the post-Issue share capital held (%)^ |
|---|---|---|
| 1 | SMALLCAP WORLD FUND, INC | 1.0363 |
| 2 | HSBC MUTUAL FUND - HSBC SMALL CAP FUND | 0.7644 |
| 3 | FIDELITY SECURITIES FUND: FIDELITY BLUE CHIP GROWTH FUND | 0.6241 |
| 4 | FIDELITY FUNDS - INDIA FOCUS FUND | 0.4005 |
| 5 | FIDELITY RUTLAND SQUARE TRUST II : STRATEGIC ADVISERS FIDELITY EMERGING MARKETS FUND AS MANAGED BY FIAM LLC | 0.3716 |
| 6 | FIDELITY INVESTMENT TRUST : FIDELITY EMERGING MARKETS FUND | 0.3023 |
| 7 | BNP PARIBAS FINANCIAL MARKETS - ODI | 0.2347 |
| 8 | FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING MARKETS FUND | 0.2215 |
| 9 | ABU DHABI INVESTMENT AUTHORITY - MONSOON | 0.207 |
| 10 | TATA AIA LIFE INSURANCE CO LTD UNIT LINKED MULTI CAP FUND | 0.2037 |
| 11 | FIDELITY INVESTMENT TRUST FIDELITY INTERNATIONAL DISCOVERY FUND | 0.1817 |
| 12 | MOTILAL OSWAL FOCUSED FUND | 0.1662 |
| 13 | ITI SMALL CAP FUND | 0.1595 |
| 14 | HDFC MUTUAL FUND - HDFC DEFENCE FUND | 0.1498 |
| 15 | HDFC MUTUAL FUND - HDFC MANUFACTURING FUND | 0.1498 |
| 16 | TRUSTMF SMALL CAP FUND | 0.1476 |
| 17 | FIDELITY SECURITIES FUND FIDELITY BLUE CHIP GROWTH K6 FUND | 0.1331 |
| 18 | HSBC MUTUAL FUND - HSBC MULTI CAP FUND | 0.1195 |
| 19 | FIDELITY GROUP TRUST FOR EMPLOYEE BENEFIT PLANS FIDELITY BLUE CHIP GROWTH COMMINGLED POOL | 0.1111 |
| 20 | FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS FIAM SELECT EMERGING MARKETS EQUITY COMMINGLED POOL | 0.1104 |
| 21 | MOTILAL OSWAL ACTIVE MOMENTUM FUND | 0.1049 |
| 22 | UNION SMALL CAP FUND | 0.1026 |
| 23 | FIDELITY SECURITIES FUND FIDELITY SERIES BLUE CHIP GROWTH FUND | 0.1016 |
| 24 | FIDELITY RUTLAND SQUARE TRUST II STRATEGIC ADVISERS EMERGING MARKETS FUND AS MANAGED BY FIAM LLC | 0.1003 |
| 25 | BANDHAN INFRASTRUCTURE FUND | 0.0826 |
| 26 | HSBC MUTUAL FUND - HSBC INFRASTRUCTURE FUND | 0.081 |
| 27 | UNION MULTICAP FUND | 0.0807 |
| 28 | ITI FLEXI CAP FUND | 0.0736 |
| 29 | ITI MULTI CAP FUND | 0.0669 |
| 30 | FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS FIAM TARGET DATE BLUE CHIP GROWTH COMMINGLED POOL | 0.065 |

| Sr. No. | Name of the proposed Allottees | Percentage of the post-Issue share capital held (%)^ |
|---|---|---|
| 31 | FIDELITY RUTLAND SQUARE TRUST II: STRATEGIC ADVISERS FIDELITY INTERNATIONAL FUND | 0.0631 |
| 32 | ITI MID CAP FUND | 0.0482 |
| 33 | HSBC MUTUAL FUND - HSBC BUSINESS CYCLES FUND | 0.041 |
| 34 | FIDELITY INDIA FUND | 0.0346 |
| 35 | FIDELITY INVESTMENT TRUST : FIDELITY PACIFIC BASIN FUND | 0.0328 |
| 36 | JETHA GLOBAL MASTER FUND | 0.03 |
| 37 | 3PIM INDIA EQUITY (IFSC) FUND | 0.03 |
| 38 | SUSQUEHANNA PACIFIC PTY LTD | 0.03 |
| 39 | FAMY FINANCE PRIVATE LIMITED | 0.03 |
| 40 | AMERICAN FUNDS INSURANCE SERIES GLOBAL SMALL CAPITALIZATION FUND | 0.0274 |
| 41 | FIDELITY GROUP TRUST FOR EMPLOYEE BENEFIT PLANS FIDELITY INTERNATIONAL DISCOVERY COMMINGLED POOL | 0.0271 |
| 42 | BANDHAN SMALL CAP FUND | 0.027 |
| 43 | ABERDEEN INDIA FUND, INC. | 0.0258 |
| 44 | FIDELITY INVESTMENT TRUST: FIDELITY SAI SUSTAINABLE EMERGING MARKETS EQUITY FUND | 0.0229 |
| 45 | ABERDEEN NEW INDIA INVESTMENT TRUST PLC | 0.0226 |
| 46 | ADITYA BIRLA SUN LIFE MUTUAL FUND - ADITYA BIRLA SUN LIFE VALUE FUND | 0.022 |
| 47 | ADITYA BIRLA SUN LIFE MUTUAL FUND - ADITYA BIRLA SUN LIFE MULTI ASSET ALLOCATION FUND | 0.018 |
| 48 | CUSTODY BANK OF JAPAN, LTD. RE: MHTB FIDELITY BLUE CHIP GROWTH MOTHER FUND | 0.0175 |
| 49 | FIDELITY EMERGING MARKETS OPPORTUNITIES FUND | 0.017 |
| 50 | FIAM SELECT EMERGING MARKETS EQUITY FUND, LP | 0.0164 |
| 51 | MOTILAL OSWAL SPECIAL OPPORTUNITIES FUND | 0.015 |
| 52 | ALTIVA EQUITY LONG-SHORT FUND | 0.015 |
| 53 | AMPERSAND GROWTH OPPORTUNITIES FUND SCHEME- I | 0.015 |
| 54 | FIDELITY INVESTMENT TRUST FIDELITY INTERNATIONAL DISCOVERY K6 FUND | 0.0145 |
| 55 | DENDANA INVESTMENTS (MAURITIUS) LIMITED MANAGED BY FIL INVESTMENT MANAGEMENT (SINGAPORE) LIMITED | 0.0143 |
| 56 | AXIS ELSS TAX SAVER FUND | 0.0139 |
| 57 | AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS SMALL CAP FUND | 0.0139 |
| 58 | ABRDN SICAV I - INDIAN EQUITY FUND | 0.0115 |
| 59 | FIDELITY RUTLAND SQUARE TRUST II: STRATEGIC ADVISERS INTERNATIONAL FUND | 0.0114 |
| 60 | MOTILAL OSWAL QUALITY FUND | 0.0105 |
| 61 | ADITYA BIRLA SUN LIFE MUTUAL FUND - ADITYA BIRLA SUN LIFE SPECIAL OPPORTUNITIES FUND | 0.01 |
| 62 | FIDELITY SELECT EMERGING MARKETS EQUITY INSTITUTIONAL TRUST | 0.0076 |
| 63 | FIDELITY INVESTMENT TRUST: FIDELITY SUSTAINABLE EMERGING MARKETS EQUITY FUND | 0.0074 |
| 64 | ADITYA BIRLA SUN LIFE MUTUAL FUND - ADITYA BIRLA SUN LIFE MANUFACTURING EQUITY FUND | 0.006 |
| 65 | GOLDMAN SACHS BANK EUROPE SE - ODI | 0.006 |

| Sr. No. | Name of the proposed Allottees | Percentage of the post-Issue share capital held (%)^ |
|---|---|---|
| 66 | FIDELITY BLUE CHIP GROWTH MULTI-ASSET BASE FUND | 0.0044 |
| 67 | ADITYA BIRLA SUN LIFE MUTUAL FUND - ADITYA BIRLA SUN LIFE INFRASTRUCTURE FUND | 0.004 |
| 68 | NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST | 0.0032 |
| 69 | FIDELITY BLUE CHIP GROWTH INSTITUTIONAL TRUST | 0.0028 |
| 70 | AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS INDIA MANUFACTURING FUND | 0.0021 |
| 71 | FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS: FIAM EMERGING MARKETS EQUITY SMALL CAP COMMINGLED POOL | 0.0013 |

^ *Based on beneficiary position as on October 1, 2026 (adjusted for Equity Shares Allocated in the Issue).*

## DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all material approvals and permissions required to carry on our Company's business have been obtained or are in the process of being applied for, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS**

_____

**Sachin Agarwal**
***Chairman and Managing Director***
**DIN:** 00142885
**Date**: October 9, 2026
**Place**: Lucknow

**DECLARATION**

We, the Board of Directors of the Company certify that:

i. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

ii. the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

iii. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

**Signed by:**

_____
**Smita Agarwal**
***Whole-Time Director and Chief Financial Officer***

**DIN:** 00276903
**Date**: October 9, 2026
**Place**: Lucknow

I am authorized by the Listing and Fund Raising Committee of the Board of Directors of the Company, *vide* resolution dated October 9, 2026, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**Signed by:**

_____
**Smita Agarwal**
***Whole-Time Director and Chief Financial Officer***

**DIN:** 00276903
**Date**: October 9, 2026
**Place**: Lucknow

**ISSUER**

**PTC INDUSTRIES LIMITED**

**Registered Office and Corporate Office**
Advanced Manufacturing & Technology
Centre, NH 25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh

**Contact Person:**

**Pragati Gupta Agrawal**
Company Secretary and Compliance Officer
Advanced Manufacturing & Technology
Centre, NH 25A, Sarai Sahjadi, Bani, Lucknow 226401, Uttar Pradesh.
**Tel:** - 0522 7111017
**Email**: companysecretary@ptcil.com

**BOOK RUNNING LEAD MANAGERS**

**ICICI Securities Limited**

ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi Mumbai 400 025
Maharashtra, India

**Goldman Sachs (India) Securities Private Limited**

9th and 10th Floor, Ascent-Worli
Sudam Kalu Ahire Marg, Worli, Mumbai
400025, Maharashtra, India

**LEGAL COUNSEL TO THE COMPANY**

*As to Indian law*

**M/s. Crawford Bayley & Co.**
State Bank Buildings, 4th Floor
N.G.N. Vaidya Marg, Fort
Mumbai 400 023, Maharashtra, India

**LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS**

*As to Indian law*
**Trilegal**

One World Centre 10th Floor,
Tower 2A & 2B, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400 013,
Maharashtra, India

*As to United States federal securities law*
**Hogan Lovells Cadwalader (Middle East) LLP**

19th Floor, Al Fattan Currency Tower,
Dubai International Financial Centre,
PO Box 506 602, Dubai, UAE

**AUDITORS TO OUR COMPANY**

**S N Dhawan & CO LLP**
Chartered Accountants
Plot No. 51-52, Sector 18 Udyog Vihar, Phase IV,
122016 Gurugram

## SAMPLE APPLICATION FORM

| | | |
|---|---|---|
| PTC INDUSTRIES<br>ASPIRE • INNOVATE • ACHIEVE | **Corporate Identity Number:** L27109UP1963PLC002931<br>**Registered and Corporate Office:** Advanced Manufacturing & Technology Centre, NH25A, Sarai Sahjadi, Bani, Lucknow 226401 Uttar Pradesh, India<br>**Telephone No**.: 0522 7111017<br>**Email**: companysecretary@ptcil.com;<br>**Website:** www.ptcil.com<br>**Company Secretary and Compliance Officer:** Pragati Gupta Agrawal<br>**LEI Code**: 335800WHBPFCCRTAAO49 | **APPLICATION FORM**<br>Form No.:<br>Date: |

**Name of the Bidder:** _____

**QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") AGGREGATING TO APPROXIMATELY ₹ ₹ [●] LAKHS UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND IN RELIANCE UPON SECTION 42 AND 62 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY PTC INDUSTRIES LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹22,150.00 AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS**

**Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are, (a) not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) not restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws ("Eligible QIBs"), including foreign exchange related laws; (c) are eligible to invest in the Issue and (ii) are residents in India, or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Non-Debt Rules") or multilateral and bilateral development finance institutions; (d) hold a valid and existing registration under the applicable laws in India (as applicable); ( can submit this Application Form. Further, except as provided in (ii) above, other non-resident QIBs, including foreign venture capital investors, are not permitted to participate in the Issue.**

**The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws of the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) within the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act. You should note and observe the solicitation and distribution restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" in the accompanying preliminary placement document dated October 6, 2026 (the "PPD").**

**ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBS SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.**

To,
**The Board of Directors**
PTC Industries Limited
Advanced Manufacturing & Technology Centre
NH25A, Sarai Sahjadi, Bani
Lucknow 226401
Uttar Pradesh, India

**Dear Sirs,**

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the Promoters of the Company, directly or indirectly Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with Promoters or persons related to Promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company.

| **STATUS (Please tick for applicable category)** | | | |
|---|---|---|---|
| **FI** | Scheduled Commercial Bank and Financial Institutions | **IC** | Insurance Companies |
| **MF** | Mutual Funds | **VCF** | Venture Capital Funds |
| **NIF** | National Investment Fund | **FPI** | Foreign Portfolio Investor* |
| **IF** | Insurance Funds | **AIF** | Alternative Investment Funds** |
| **SI-NBFC** | Systematically Important Non – Banking Financial Companies | **OTH** | Others _____ (Please specify) |

*Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the Preliminary Placement Document.*
**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*
*** Sponsor and Manager should be Indian owned and controlled.*

We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange

Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We note that the Company is entitled, in consultation with ICICI Securities Limited and Goldman Sachs (India) Securities Private Limited (the "**Book Running Lead Managers**"), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the confirmation of allocation note ("**CAN**"), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name and in the case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Book Running Lead Managers ; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further acknowledge and agree that (i) our names, addresses, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Uttar Pradesh-I at Kanpur (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of BSE Limited and the National Stock Exchange of India Limited (the "**Stock Exchanges**") and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India ("**RBI**") and other applicable laws.

By signing and/or submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in the sections entitled *"**Notice to Investors**"*, *"**Representations by Investors**"*, *"**Issue Procedure**"*, *"**Selling Restrictions**"* and "***Transfer Restrictions and Purchaser Representations***" of the PPD and (ii) the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Book Running Lead Managers, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section titled "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Book Running Lead Managers or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares except on the floor of the Stock Exchanges in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Book Running Lead Managers, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Book Running Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its Subsidiaries or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its Subsidiaries or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares.

We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) within the United States to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

**By signing this Application Form and checking the applicable box above, we hereby represent that we are either (i) located within the United States and are "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), or (ii) located outside the United States and purchasing Equity Shares in an "offshore transaction" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made. We confirm that we hereby make all the applicable representations, warranties and agreements as set forth in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" in the PPD.**

| **BIDDER DETAILS (In Block Letters)** | | | |
|---|---|---|---|
| **NAME OF BIDDER*** | | | |
| **NATIONALITY** | | | |
| **REGISTERED ADDRESS** | | | |
| **CITY AND CODE** | | | |
| **COUNTRY** | | | |
| **PHONE NO.** | | **FAX NO.** | |
| **MOBILE NO.** | | | |

| BIDDER DETAILS (In Block Letters) | |
|---|---|
| **EMAIL ID** | |
| **LEI CODE** | |
| **FOR ELIGIBLE FPIs**** | SEBI FPI REGISTRATION NO. |
| **FOR MF** | SEBI MF REGISTRATION NO |
| **FOR AIFs***** | SEBI AIF REGISTRATION NO. |
| **FOR VCFs***** | SEBI VCF REGISTRATION NO. |
| **FOR SI-NBFC** | RBI REGISTRATION DETAILS |
| **FOR INSURANCE COMPANIES** | IRDAI REGISTRATION DETAILS. |
| **FOR PENSION FUNDS** | PFRDA REGISTRATION DETAILS: |

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the Book Running Lead Managers.*

*** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

**** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

| NO. OF EQUITY SHARES BID FOR | | PRICE PER EQUITY SHARE (RUPEES) | | APPLICATION AMOUNT (RUPEES) | |
|---|---|---|---|---|---|
| (In Figures) | (In Words) | (In Figures) | (In Words) | (In Figures) | (In Words) |
| | | | | | |

| | | |
|---|---|---|
| **NO. OF EQUITY SHARES BID FOR** | (In Figures) | |
| | (In Words) | |
| **PRICE PER EQUITY SHARE (RUPEES)** | (In Figures) | |
| | (In Words) | |
| **APPLICATION AMOUNT (RUPEES)** | (In Figures) | |
| | (In Words) | |

| DEPOSITORY ACCOUNT DETAILS | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Depository Name (Please ✓) | | National Security Depository Limited | | | | | | | | Central Depository Services (India) Limited | | | | | | | | | | | | | | | | | | |
| Depository Participant Name | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| DP – ID | I | N | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Beneficiary Account Number | | | | | | | | | | (16-digit beneficiary account. No. to be mentioned above) | | | | | | | | | | | | | | | | | | |
| The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| PAYMENT DETAILS \| REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER |
|---|
| **By 3.00 p.m. (IST), [●] ("Issue Closing Date")** |

| ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER | | | |
|---|---|---|---|
| **BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER** | | | |
| **Name of the Account** | PTC INDUSTRIES LIMITED-QIP ESCROW A/C | **Account Type** | Escrow Account |
| **Name of Bank** | HDFC Bank Limited | **Address of the Branch of the Bank** | B-7/3, ASAF ALI ROAD, NEW DELHI 110002, DELHI |
| **Account No.** | 57500002079738 | **IFSC** | HDFC0000598 |
| **LEI Number** | 335800WHBPFCCRTAAO49 | **Email** | BANKING@PTCIL.COM |

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of *PTC INDUSTRIES LIMITED-QIP ESCROW A/C*. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

**The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the Book Running Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.**

| RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE) | | | |
|---|---|---|---|
| Bank Account Number | | IFSC Code | |
| Bank Name | | Bank Branch Address | |
| **NO. OF EQUITY SHARES BID** | | **PRICE PER EQUITY SHARE (RUPEES)** | |
| (In figures) | (In words) | (In figures) | (In words) |
| | | | |

| | | | |
|---|---|---|---|
| | | | |
| **BID AMOUNT (RUPEES)** | | | |
| (In figures) | | (In words) | |
| | | | |

| **DETAILS OF CONTACT PERSON** | | | |
|---|---|---|---|
| Name: | | | |
| Address: | | | |
| Tel. No: | | Fax No: | |
| Mobile No. | _____ Email: _____ | | |

| **OTHER DETAILS** | |
|---|---|
| PAN | |
| Legal Entity Identifier ("LEI") | |
| Date of Application | |
| Signature of Authorised Signatory (may be signed either physically of digitally) | |

**ENCLOSURES ATTACHED**

- ☐ Copy of PAN Card or PAN allotment letter**
- ☐ FIRC
- ☐ Copy of the SEBI registration certificate as a Mutual Fund
- ☐ Copy of the SEBI registration certificate as an Eligible FPI
- ☐ Copy of the SEBI registration certificate as an AIF
- ☐ Copy of the SEBI registration certificate as a VCF
- ☐ Certified copy of certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
- ☐ Copy of the IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of the power of attorney
- ☐ Other, please specify _____

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.*
***Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 2025, as the application is liable to be rejected on this ground.*

*Note 1: Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD.*
*Note 2: This Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Bank in consultation with the Book Running Lead Managers.*
*Note 3: This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents*
*Note 4: The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.*

*The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.*

*(Note: The format of the Application Form included herein above is indicative and for the illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Bank, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format above.)*