

**Financial Statements of
Aero Treatments Private Limited
for the
Financial Year
2024-25**

(all amounts in INR thousand's unless otherwise stated)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,63,697.50	1,92,638.09
Capital work in progress	4	1,75,657.25	40,131.37
Other Intangible assets	5	933.48	920.43
Right-of-use assets	47	5,425.11	6,958.98
Financial Assets			
i. Other financial assets	6	2,359.02	2,184.17
Non-current tax assets (net)	7	3,217.65	799.38
Other non current assets	8	12,233.02	1,218.14
Total non-current assets		4,63,523.02	2,44,850.56
Current assets			
Inventories	9	33,084.64	17,413.13
Financial assets			
i. Trade receivables	10	84,165.82	1,73,316.97
ii. Cash and Cash Equivalents	11	1,18,683.79	378.77
iii. Bank Balances other than Cash and Cash Equivalents	12	401.40	375.75
iv. Loans	13	46.50	235.00
v. Other current financial assets	14	1.73	1.63
Other current assets	15	54,355.50	26,072.49
Total current assets		2,90,739.38	2,17,793.74
Total assets		7,54,262.40	4,62,644.30
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	2,550.00	2,550.00
Other Equity	17	4,72,422.05	3,76,901.56
Total Equity		4,74,972.05	3,79,451.56
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	1,64,297.77	24,218.58
ii. Lease Liabilities	47	4,130.57	5,610.84
Employee benefits obligation	19	6,922.57	4,893.16
Deferred tax liabilities (Net)	20	8,751.15	7,973.95
Total non-current liabilities		1,84,102.06	42,696.52
Current liabilities			
Financial liabilities			
i. Borrowings	21	19,850.21	10,506.01
ii. Lease Liabilities	47	1,480.27	1,402.04
iii. Trade payables			
total outstanding dues of micro and small enterprises and;	22	12,228.22	11,520.52
total outstanding dues of creditors other than micro and small enterprises;	22	5,869.99	5,346.99
iv. Other financial liabilities	23	52,830.14	9,834.55
Employee benefits obligation	24	500.44	177.00
Other current liabilities	25	2,429.02	824.41
Current tax liability (Net)	26	-	886.70
Total current liabilities		95,188.28	40,498.22
Total liabilities		2,79,290.34	83,194.75
Total equity and liabilities		7,54,262.40	4,62,644.30

Summary of material accounting policy information

2

The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date

For NSVM & Associates
Chartered Accountants
ICAI Firm Registration Number: 010072S

D N SREE HARI

Digitally signed by D N SREE HARI
Date: 2025.05.20 18:00:38 +05'30'

D.N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: May 20, 2025



for and on behalf of the Board of Aero Treatments Private Limited
CIN : U74900KA2013PTC072124

SRIKANTH GARANI
SHESHADRI

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GARANI SHESHADRI
Date: 2025.05.20 16:44:26
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Srikanth G S

Director

DIN : 00472617

Place: Bengaluru

Date: May 20, 2025

JAFAR VALI
CHAMAN

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VALI CHAMAN
Date: 2025.05.20 17:09:40
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Jafarvali Chaman

Director

DIN: 07711350

Place: Tumakuru

Date: May 20, 2025

KUNAL
BAJAJ

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KUNAL BAJAJ
Date: 2025.05.20
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Kunal Bajaj

Director

DIN: 03545731

Place: Noida

Date: May 20, 2025

Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Statement of Profit and Loss for year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue			
Revenue from contract with customers	27	4,29,303.51	4,16,398.57
Other operating revenue	27	534.88	395.80
Total revenue from operations		4,29,838.39	4,16,794.37
Other Income	28	679.43	424.54
Total Income		4,30,517.81	4,17,218.91
Expenses			
Cost of raw materials and components consumed	29	90,843.55	72,420.40
Changes in inventory of finished goods and work-in-progress	30	-	921.21
Employee benefits expense	31	82,082.35	65,926.01
Finance costs	32	4,296.24	1,641.15
Depreciation and amortization expense	3, 5 & 47	22,188.65	18,100.02
Other expenses	33	1,02,204.32	85,657.60
Total expenses		3,01,615.11	2,44,666.39
Profit before tax		1,28,902.69	1,72,552.52
Tax expense			
Current tax	34	31,811.85	43,980.62
Deferred tax	34	976.83	(1,972.32)
Total tax expense		32,788.68	42,008.30
Profit for the year		96,114.01	1,30,544.22
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurements gains/(losses)		(793.15)	(568.49)
Income tax effect		199.64	143.09
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(593.51)	(425.40)
Total comprehensive income for the period, net of taxes		95,520.50	1,30,118.82
Earnings per equity share:			
Nominal value per share: INR 10/- (Previous year : INR 10/-)			
Basic and Diluted	37	376.92	511.94
Summary of material accounting policy information	2		

The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For NSVM & Associates

Chartered Accountants

ICAI Firm Registration Number: 0100726

D N SREE
HARIDigitally signed by D N
SREE HARI
Date: 2025.05.20 18:01:24
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D.N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: May 20, 2025



for and on behalf of the Board of Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

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Date: 2025.05.20 17:07:21
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Srikanth G S

Director

DIN : 00472617

Place: Bengaluru

Date: May 20, 2025

JAFAR VALI
CHAMANDigitally signed by
JAFAR VALI CHAMAN
Date: 2025.05.20
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Jafarvali Chaman

Director

DIN:07711350

Place: Tumakuru

Date: May 20, 2025

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Date: 2025.05.20
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Kunal Bajaj

Director

DIN: 03545731

Place: Noida

Date: May 20, 2025

Aero Treatments Private Limited
CIN : U74900KA2013PTC072124

Statement of Changes in Equity as at March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

I Equity share capital

Particulars	Note	As at	As at
		March 31, 2025	March 31, 2024
Opening Balance	16	2,550.00	2,550.00
Add: Issue of equity share capital	16	-	-
Less: Cancellation/Buy back of shares	16	-	-
Closing Balance		<u>2,550.00</u>	<u>2,550.00</u>

II Other Equity

Particulars	Note	Reserves and Surplus	
		Retained Earnings	Total
Balance as at April 01, 2023		2,46,782.74	2,46,782.74
Profit for the year		1,30,544.22	1,30,544.22
Other comprehensive income		(425.40)	(425.40)
Balance at March 31, 2024	17	<u>3,76,901.56</u>	<u>3,76,901.56</u>
Balance as at April 01, 2024		3,76,901.56	3,76,901.56
Profit for the period		96,114.01	96,114.01
Other comprehensive income		(593.51)	(593.51)
Balance at March 31, 2025		<u>4,72,422.06</u>	<u>4,72,422.06</u>

Summary of material accounting policy information

2

The accompanying notes form an integral part of the Financial Statements
As per our report of even dated

For NSVM & Associates

Chartered Accountants

ICAI Firm Registration Number: 010072S

D N SREE HARI Digitally signed by D N SREE HARI
Date: 2025.05.20 18:02:02 +05'30'

D.N Sree Hari

Partner

Membership number: 027386

Place: Bengaluru

Date: May 20, 2025



for and on behalf of the Board of Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

SRIKANTH Digitally signed by
GARANI SRIKANTH GARANI
SHESHADRI Date: 2025.05.20
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Srikanth G S

Director

DIN : 00472617

Place: Bengaluru

Date: May 20, 2025

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CHAMAN JAFAR VALI CHAMAN
Date: 2025.05.20
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Jafarvali Chaman

Director

DIN:07711350

Place: Tumakuru

Date: May 20, 2025

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BAJAJ by KUNAL BAJAJ
Date: 2025.05.20
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Kunal Bajaj

Director

DIN: 03545731

Place: Noida

Date: May 20, 2025

(all amounts in INR thousand's unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
A. Cash flow from operating activities		
Profit for the period (before tax)	1,28,902.69	1,72,552.52
Adjustments for :		
Depreciation and amortisation	22,188.65	18,100.02
Finance cost (including effect of amortisation of processing fees)	4,296.24	1,641.15
Interest income	(145.56)	(24.40)
Provision for gratuity (including effect of remeasurements of post-employment benefit obligations)	(793.15)	1,001.73
Net unrealised exchange (gain) / loss	-	-
Operating profit / (loss) before working capital changes	1,54,448.89	1,93,271.02
Changes in working capital:		
- Decrease/(Increase) in Inventories	(15,671.52)	617.89
- Decrease/(Increase) in Trade receivables	89,151.15	(1,24,418.42)
- Decrease/(Increase) in Loans	188.50	(235.00)
- Decrease/(Increase) in Other Assets (Current and Non current)	(28,283.00)	(16,792.80)
- Increase/ (Decrease) in Trade payables	1,230.70	15,171.93
- Increase/ (Decrease) in Other Financial liabilities (Current and Non current)	42,995.59	8,532.78
- Increase/ (Decrease) in Other liabilities (Current and Non current)	3,070.76	(4,936.21)
- Increase/ (Decrease) in Lease Liabilities	(1,402.03)	(656.54)
- Increase/ (Decrease) in Other Financial Assets	(13,608.10)	(959.53)
Cash (used in)/ generated from operations		
Income taxes (paid)/ refund	(31,811.85)	(29,137.34)
Net cash generated (used in) operating activities	2,00,309.08	40,457.79
B. Cash flow from investing activities		
Purchase of Property, Plant & Equipment including intangible assets and capital work-in-progress	(2,27,251.64)	(60,728.12)
Interest received	145.56	24.40
Net cash generated/ (used in) investing activities	(2,27,106.08)	(60,703.72)
C. Cash flow from financing activities		
Proceeds from/(Repayment) of long term borrowings	1,40,079.19	21,716.18
Proceeds from / (repayment) of short term borrowings	9,344.20	(967.64)
Interest Paid (Gross)	(4,296.24)	(1,641.15)
Net cash flow from / (used in) financing activities (C)	1,45,127.15	19,107.39
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1,18,330.64	(1,138.04)
Cash and cash equivalents at the beginning of the period	754.52	1,892.56
Cash and cash equivalents at the end of the period	1,19,085.19	754.52
Cash and cash equivalents at the end of the period *	1,19,085.19	754.52
* Comprises:		
(a) Cash on hand	64.76	148.04
(b) Balances with banks		
(i) In current accounts	1,18,619.02	230.73
(ii) In EEFC accounts		-
(c) extent held as margin money or security against borrowings	401.40	375.75
Summary of material accounting policy information	2	

Notes:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows"
- Figures in brackets indicate Cash Outflow.

The above cash flow statement should be read in conjunction with the accompanying notes
As per our report of even date attached

For NSVM & Associates
Chartered Accountants
ICAI Firm Registration Number: 010072S

D N SREE HARI Digitally signed by D N SREE HARI
Date: 2025.05.20 18:02:41 +05'30'

D.N Sree Hari
Partner
Membership number: 027388
Place: Bengaluru
Date: May 20, 2025



for and on behalf of the Board of Aero Treatments Private Limited
CIN : U74900KA2013PTC072124

SRIKANTH GARANI Digitally signed by SRIKANTH GARANI
Date: 2025.05.20 17:07:55 +05'30'

Srikanth.G.S
Director
DIN : 00472617
Place: Bengaluru
Date: May 20, 2025

KUNAL BAJAJ Digitally signed by KUNAL BAJAJ
Date: 2025.05.20 17:43:25 +05'30'

Kunal Bajaj
Director
DIN: 03545731
Place: Noida
Date: May 20, 2025

JAFAR VALI CHAMAN Digitally signed by JAFAR VALI CHAMAN
Date: 2025.05.20 17:10:33 +05'30'

Jafarvali Chaman
Director
DIN:07711350
Place: Tumakuru
Date: May 20, 2025

Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

1 Company Overview

Aero-Treatments Private Limited was incorporated as Private Limited Company on 22 November 2013 vide U74900KA2013PTC072124 having its registered office at No 25, Road No 24, 1st Phase, 2nd Area, Nagenahalli Village, Tumkur district, Karnataka.

Company is primarily engaged in the business of carrying out processes like anodizing, plating, painting and other protective treatments for metallic and non-metallic parts, sub-assemblies to aircraft manufacturers and other allied services.

The financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 20, 2025

2 Summary of material accounting policy information

2.01 Basis of preparation

- (a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statement
- (b) The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:
 - Certain financial assets and liabilities measured at fair value (refer note 1 below for accounting policy regarding financial instruments)
- (c) All amounts have been stated at thousands, unless otherwise stated

2.02 Current versus non-current classification

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

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

The Company classifies all other assets as non-current

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

2.03 Foreign currencies

(i) Functional and presentation currency

The Company's functional currency is Indian Rupee (INR) and the financial statements are presented in Indian Rupee (INR).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges.

Foreign exchange differences on foreign currency borrowings are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

In case of long term foreign currency monetary items obtained prior to April 01, 2021, the exchange differences arising on reporting of such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, is added to or deducted from the cost of the asset and shall be depreciated over the balance life of the asset, and in other cases, the same accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the Company's financial statements and amortized over the balance period of such long term asset or liability, by recognition as income or expense in each of such periods. (Refer note 40)



Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

2.04 Use of Estimates and Judgements

In preparation of these financial statements, the management makes estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results may differ from estimates. Any change in the estimates is accounted for in the year of change in estimates.

Note 2.13: Impairment of assets being property, plant and equipment

Note 2.06: Valuation of Inventory at cost or net realisable value whichever is lower

2.05 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from job work charges (sale of services)

The Company carries out job work orders in accordance with requirements outlined in the purchase order by its customers. The job work shall also be construed as completed upon the fulfillment of desired obligations on both the parties to the agreement, with no uncertainty regarding the consideration to be received on the services.

Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Contract Assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

2.06 Inventories:

Raw Material, Tools & Consumables, finished goods and Goods in Transit are valued at lower of cost and net realizable value on specific identification basis. Cost includes all in bringing the goods to the point of sale, including Freight and other levies, transit insurance and receiving charges. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.07 Property, Plant & Equipment, Intangible Assets and Work-in-Progress

a) Property, Plant & Equipment -

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met and the foreign exchange difference on long term foreign currency monetary item (as detailed in note 2.03).

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

Depreciation

Depreciation methods, useful life, residual values are reviewed periodically. Useful life of the assets is as prescribed in Schedule III.

Schedule II to the Companies Act 2013, requires systematic allocation of the depreciable amount on an asset over its useful life. The Depreciable amount of an Asset is the cost of the asset or other amount substituted for cost less its residual value. The Company has adopted useful life for various categories of Assets as specified in Part C of Schedule II of the Act. Part C of Schedule II also specifies that the residual value should be taken at not more than 5 % of the cost of the Asset. Depreciation is recognised on a straight-line basis over the estimated useful lives of assets.



Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

b) Intangible Assets –

Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in Statement of profit or loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets that are not available for use are amortised from the date they are available for use. The estimated useful life and the amortisation method for intangible assets with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The useful life of the Intangible assets are as follows:

Computer Software

6 Years

Retirement/Disposal:

An item of property, plant and equipment and intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment and intangible asset is determined as the difference between the sales proceeds and the carrying amount of property, plant and equipment and intangible asset and is recognised in the Statement of profit or loss. Further in cases where the depreciation on the assets have been fully written off, the residual value of 5% or the value continued in the books are carried forward without applying further depreciation on the same.

Addition/Disposal of an asset:

In case of Addition/sale of asset including assets discarded, demolished or destroyed during the financial year, the depreciation on such asset shall be calculated on a pro rata basis from the date of such addition or as the case maybe upto the date such asset has been sold, discarded, demolished or destroyed.

2.08 Employee Benefits

Short Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. Benefits such as salaries, short term compensated absences and bonus is recognized in the period in which the employee renders the related services. Short Term Employee benefits include performance incentives. A liability is recognised for the amount expected to be paid under short-term cash bonus or profitsharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long Term Employee Benefits

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The expenditure for defined contribution plans is recognised as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks are borne by the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

2.08 Employee Benefits (continued)

Defined contribution plans

Employees receive benefits from a provident fund and employee state insurance funds. The employer and employees each make periodic contributions to the plan as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses in the Statement of Profit and Loss as they fall due based on the amount of contribution required to be made.

Defined Benefit plans

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. Company's liability towards Gratuity are actuarially determined at each balance sheet date using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence.

2.09 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

2.10 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration is considered as lease.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Lease liabilities, which separately shown in the financial statement are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing (while affecting other comprehensive income) the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

2.11 Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.12 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Further Deferred income tax is created on the carryforward of unused tax losses and the carryforward of unused tax credits provided it fulfills the criteria of creation of deferred tax asset. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax originating and reversing during the tax holiday period is not provided for. Deferred tax is provided for to the extent originating and reversing after the tax holiday period.



2.13 Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the end of the financial year at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

This category is the most relevant to the Company. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income or the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.



2.14 Financial instruments (to be continued)

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind AS 116
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount'

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.



2.14 Financial instruments (to be continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in statement of profit and loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



2.15 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2, 38)

2.14 Provisions and Contingent Liabilities

(a) Provisions

Provisions for legal claims, product warranties and other obligations are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(b) Provision for onerous contracts

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Company at the end of every reporting period conducts the onerous contract test per the provisions of Ind AS 37 by comparing the remaining costs to be incurred under the contract with the related revenue of the contract. Where the costs of a contract exceed the related revenue of the contract, the Company makes a provision for the difference.

(c) Contingent Liabilities

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 Company 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 a reliable estimate of the amount cannot be made.

2.15 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.16 GST input credit

GST input credit is accounted in the books in the period in which the underlying service as well as invoice is received and when there is no uncertainty in availing / utilising the credits.



(all amounts in INR thousand's unless otherwise stated)

3 Property, Plant and Equipment

The changes in the carrying value of Property, Plant and Equipment for the year ended 31 March 2024 and period ended 31 March 2025

Particulars	Leasehold Land (Note 2)	Buildings	Plant and Machinery	Furniture and Fixtures	Electrical Fittings	Solar Rooftop	Office Equipment	Computers	Total
Gross Block									
Balance as at 01 April 2023	14,806.35	92,117.20	76,886.56	4,645.43	10,565.72	451.12	1,398.29	1,622.13	2,02,492.80
Additions	-	1,415.48	30,160.72	1,481.37	-	-	779.11	335.62	34,172.30
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	14,806.35	93,532.68	1,07,047.28	6,126.80	10,565.72	451.12	2,177.40	1,957.75	2,36,665.10
Balance as at 01 April 2024	14,806.35	93,532.68	1,07,047.28	6,126.80	10,565.72	451.12	2,177.40	1,957.75	2,36,665.10
Additions	-	43,060.53	40,311.09	4,601.42	512.68	-	1,753.29	1,206.91	91,445.91
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	14,806.35	1,36,593.20	1,47,358.36	10,728.22	11,078.40	451.12	3,930.70	3,164.66	3,28,111.02
Accumulated Depreciation									
Balance as at 31 March 2023	-	4,426.97	16,811.48	1,334.24	3,512.66	88.72	392.40	340.38	26,906.85
Depreciation charge during the year	-	3,194.98	10,275.79	777.77	1,873.27	44.48	439.36	514.51	17,120.16
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	-	7,621.95	27,087.27	2,112.01	5,385.93	133.20	831.76	854.89	44,027.01
Balance as at 01 April 2024	-	7,621.95	27,087.27	2,112.01	5,385.93	133.20	831.76	854.89	44,027.01
Depreciation charge during the year	-	3,981.56	12,276.44	964.43	1,896.16	44.36	566.06	662.50	20,391.50
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	-	11,603.50	39,363.71	3,076.43	7,282.09	177.55	1,397.81	1,517.38	64,418.49
Carry Amount (Net)									
Balance as at 31 March 2024	14,806.35	85,910.73	79,960.01	4,014.79	5,179.79	317.93	1,345.64	1,102.87	1,92,638.09
Balance as at 31 March 2025	14,806.35	1,24,989.70	1,07,994.66	7,651.79	3,796.31	273.57	2,532.89	1,647.28	2,63,697.50

Note 1: Refer note 51 for details of assets pledged as security

Note 2: The Company has entered into lease agreement for Land with Karnataka Industrial Area Development Board (KIADB) for a period of 99 years commencing from 16th December, 2013. As per the directives from Government of Karnataka to KIADB dated 1 January 2022, the GoK has accorded approval to the change in KIADB's existing policy of executing land deeds for a period of ninety nine years to approve allotment of land on a 10 years lease-cum-sale basis. The Order does not extend only to new lease agreements but also gives power to KIADB to suitably modify existing lease-cum-sale agreements and existing leases of KIADB. Accordingly, no amortisation of the leasehold land is done as the same will be reverted to the Company's name on completion of the lease period and if the Company has performed all the conditions contained in the agreement and committed no breach thereof.



Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Notes to Financials Statements for the year ended March 31, 2025 (continued)

(all amounts in INR thousand's unless otherwise stated)

5 Intangible Assets

The changes in the carrying value of Intangible Assets for the year ended 31 March 2024 and period ending 31 March 2025

Particulars	Computer software	Total
Gross Block		
Balance as at 01 April 2023	1,828.49	1,828.49
Additions	41.08	41.08
Disposals	-	-
Balance as at 31 March 2024	1,869.57	1,869.57
Balance as at 01 April 2024	1,869.57	1,869.57
Additions	276.33	276.33
Disposals	-	-
Balance as at 31 March 2025	2,145.90	2,145.90
Accumulated Amortisation		
Balance as at 01 April 2023	679.71	679.71
Amortisation charge during the year	269.43	269.43
Disposals	-	-
Balance as at 31 March 2024	949.14	949.14
Balance as at 01 April 2024	949.14	949.14
Additions	263.28	263.28
Disposals	-	-
Balance as at 31 March 2025	1,212.42	1,212.42
Carry Amount (Net)		
Balance as at 31 March 2024	920.43	920.43
Balance as at 31 March 2025	933.48	933.48



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4 Capital Work in Progress

Reconciliation of carrying amount for the year ended 31 March 2024 and 31st March 2025

Particulars	Work in Progress	Total
Balance as at 01 April 2023	13,616.62	13,616.62
Additions	51,199.29	51,199.29
Transferred to Property, Plant and Equipment	(24,684.54)	(24,684.54)
Balance as at 31 March 2024	40,131.37	40,131.37
Balance as at 01 April 2024	40,131.37	40,131.37
Additions	2,04,085.71	2,04,085.71
Transferred to Property, Plant and Equipment	(68,559.83)	(68,559.83)
Balance as at 31 March 2025	1,75,657.25	1,75,657.25
Carry Amount (Net)		
Balance as at 31 March 2024	40,131.37	40,131.37
Balance as at 31 March 2025	1,75,657.25	1,75,657.25

Capital work in progress (CWIP) Ageing Schedule as at March 31, 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Plant and Machinery	1,31,407.09	-	-	-	1,31,407.09
Electrical Fittings	7,830.38	-	-	-	7,830.38
Building	36,419.79	-	-	-	36,419.79
Projects temporarily suspended	-	-	-	-	-

Capital work in progress (CWIP) Ageing Schedule as at March 31, 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					
Plant and Machinery	26,150.03	-	-	-	26,150.03
Electrical Fittings	275.00	-	-	-	275.00
Building	13,706.34	-	-	-	13,706.34
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2025, March 31, 2024 there are no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan.

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Aero Treatments Private Limited

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Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

6 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security Deposits	2,239.02	2,064.17
Rental Deposits	120.00	120.00
	2,359.02	2,184.17

7 Non-current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current tax assets (net)	3,217.65	799.38
	3,217.65	799.38

8 Other non current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances	12,233.02	1,218.14
	12,233.02	1,218.14

9 Inventories

The Inventories have been carried at cost or NRV whichever is lower

Particulars	As at March 31, 2025	As at March 31, 2024
Consumables and materials		
Stock in Hand	33,084.64	17,413.13
	33,084.64	17,413.13

10 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
- from related parties (refer note 42)	54,372.42	1,30,781.33
- from others	29,793.40	42,535.64
Unsecured, credit impaired	-	-
	84,165.82	1,73,316.97
Less: Allowance for credit losses	-	-
	84,165.82	1,73,316.97



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Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

10 Trade receivables (continued)

Trade Receivables ageing schedule

Particulars	Trade receivables – considered good	
	As at March 31, 2025	As at 31 March 2024
Current but not due	76,161.09	61,387.03
Outstanding for following periods from due date of payment		
Less than 6 months	7,948.38	1,11,570.16
6 months-1 Year	54.87	290.75
1-2 Years	1.48	69.03
2-3 Years	-	-
More than 3 years	-	-
Total	84,165.82	1,73,316.97

There are no undisputed trade receivables which are considered doubtful and disputed trade receivables as at 31 March 2024 and as at 31 March 2025

11 Cash and cash equivalents*

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- Current accounts	1,18,207.76	230.73
- EEFC account	411.26	-
Cash on hand	64.76	148.04
	1,18,683.79	378.77

Refer note 50 for details of changes in liabilities arising from financing activities

* There are no repatriation restrictions with regards to cash and cash equivalents as at March 31, 2025 and March 31, 2024.

12 Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Other Bank Balances		
extent held as margin money or security against borrowings	401.40	375.75
	401.40	375.75

13 Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Loans and advances to employees	46.50	235.00
	46.50	235.00



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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

14 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on Fixed Deposits	1.73	1.63
	1.73	1.63

15 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Prepaid Expenses	1,155.10	1,836.36
Balances with government authorities	51,775.23	23,307.18
Advance to Suppliers	960.76	569.36
Others		
(i) Deposit made against appeal	359.59	359.59
(ii) Interest Receivable from Bescom Deposit	104.82	-
	54,355.50	26,072.49



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Aero Treatments Private Limited

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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

16 Share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised capital		
10,00,000 equity shares (31 March 2024 - 10,00,000) of ₹ 10 each	1,00,000.00	1,00,000.00
Issued, subscribed and paid-up		
2,55,000 equity shares (31 March 2024 - 2,55,000) of ₹ 10 each, fully paid up	2,550.00	2,550.00
	2,550.00	2,550.00

Notes:

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares outstanding at the beginning of the year	2,550.00	2,55,000	2,550.00	2,55,000
Number of equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	2,550.00	2,55,000	2,550.00	2,55,000

(b) Rights, preferences and restrictions attached to equity shares :

(i) The Company has one class of Equity shares with voting rights

Rights, preferences and restrictions attached to Equity Shares with voting rights:

(i) The Authorised Share capital of the above class of shares consists of ₹ 1,00,00,000 consists of 10,00,000 Equity Shares of ₹ 10 each having voting rights.

(ii) The Paid up share capital of the above class of shares consists of 2,55,000 Equity shares of ₹ 10 each, fully paid up

(iii) Each shareholder is eligible for one vote per share held.

(iv) Dividends are to be approved in the General Meetings based on and not exceeding the recommendation of the Board of Directors.

(v) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

(vi) Each Share holder has a right to inspect the statutory registers of the company as per the provisions of the Companies Act, 2013.

(vii) Each and every share holder has a right to participate in the share holders's meetings as and when called by the company subject to provisions of the Companies Act, 2013.

(ii) The Company has not reserved any shares for issue under options and contracts/ commitments.

(c) Equity shareholders with voting rights holding more than 5 percent shares in the Company:

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	%	No. of shares	%
CIM Tools Private Limited	2,11,701	83.0%	2,11,701	83.0%
Jafervali Chaman	20,400	8.0%	20,400	8.0%
Vithal Savukar	22,899	9.0%	22,899	9.0%
	2,55,000	100.0%	2,55,000	100.0%

(d) Shares reserved for issue under options & contracts/commitments for sale of shares /disinvestment, including the terms & amounts - NIL

(e) For period of 5 years immediately preceding the balance sheet date.

- Alloted as fully paid up by way of bonus shares - NIL

- Bought back - NIL

- For consideration other than cash - NIL

(f) Securities convertible into equity /preference shares issued - NIL

(g) No Calls Unpaid

(h) Issue of securities made for a specific purpose at the balance sheet date - NIL

16 Share capital (continued)

(i) Details of shares held by promoters at the end of the year

Name of the Promoter	As at March 31, 2025		As at March 31, 2024	
	No. of shares	%	No. of shares	%
CIM Tools Private Limited	2,11,701	83.0%	2,11,701	83.0%
Jafervali Chaman	20,400	8.0%	20,400	8.0%
Vithal Savukar	22,899	9.0%	22,899	9.0%
	2,55,000	100.0%	2,55,000	100.0%



17 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
Retained earnings	4,72,422.05	3,76,901.56
	4,72,422.05	3,76,901.56

Accumulated Surplus/(Loss) in Statement of Profit and Loss

This includes the accumulated profits/ (losses) of the business arising from Statement from Profit and Loss

Other Comprehensive Income (OCI):

Re-measurement of defined employee benefit plans

Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments with in the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	3,76,901.56	2,46,782.74
Profit for the year	96,114.01	1,30,544.22
Item of OCI recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligations, net of taxes	(593.51)	(425.40)
	4,72,422.05	3,76,901.56

18 Long term borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loans		
Indian rupee loan from banks	1,64,297.77	24,218.58
	1,64,297.77	24,218.58

18 Long term borrowings (continued)

A. Rupee Loan from HDFC Bank (including current maturities) : March 31, 2025 - ₹ Nil; March 31, 2024 - ₹2,500 thousands;

Loan No.: HDFC Bank 004LN65210830001

The Company has availed a Loan from HDFC to augment working capital requirement to enable business unit to meet operating liabilities & restart or increase operations arrangement with the Bank with a 48 months including moratorium of 12 months from the date of disbursement

Rate of Interest: 8.25% p.a

Primary Security: Extension of second ranking charge over existing primary & collateral securities including mortgages created in favour of the bank and Govt National Credit Guarantee Trustee Company Limited.

Total Repayment Term: 48 months including moratorium of 12 months from the date of disbursement per month ₹ 2,08,333

Principal and Installment

- No. of Installment remaining as at March 31, 2025 : Nil(March 31, 2024: 12 Installements)

- Principal amount due

- Long Term: March 31, 2025 - ₹ Nil (March 31, 2024 - ₹ Nil)

- Current Maturity: March 31, 2025 - ₹ Nil (March 31, 2024 - ₹ 2,500.00)

- Interest Accrued and due : Nil

- Interest Accrued but not due : ₹ Nil

As of the reporting date, the Company is in the process of obtaining the 'No Dues Certificate' from the bank for filing Form CHG-4 for satisfaction of charge with the Registrar of Companies (ROC). Accordingly, the charge is yet to be satisfied in the records of the ROC.



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Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

B. Rupee Loan from HDFC Bank (including current maturities) : March 31, 2025 - ₹ 69475.77 thousands; March 31, 2024 - ₹ 27,678.37

Amount yet to be drawn : Nil

Loan No.: HDFC Bank Loan No. 009LN06232550001/ 009LN06240640002/009LN06233320002 (including current maturities)

Loan No. 4009LN06241360005/009LN06241800006/ 009LN06241920002/009LN06242250002/009LN06242410002/009LN06242430002

Loan No. 009LN06242440001/009LN06242990002/009LN06243170001/009LN06243250002/ 009LN06243320005/009LN06243440001

The Company has availed a Term Loan from HDFC for its expansion , construction of Building and purchase of Machineries.

Rate of Interest: 8.13% p.a

Primary Security: Exclusive charge on existing Plant and Machinery and new assets purchased out of current term loan.

Secodary Security: Current Assets:Exclusive charge on company entire current asset both present and future. Exclusive charge by way of EM on the property located at one acre of land at Plot No.25,Vasanth Narasapura industrial Area Phase -I, Kora Hobli, Nagenahalli Village, Tumkur, Karnataka. Exclusive charge by way of EM on the property located at half acre land located at Plot no 24 B Vasanth Narasapura Industrial Area,Phase -I, Kora Hobli, Nagenahalli Village, Tumkur, Karnataka.

Total Repayment Term: 16 quarterly instalment Rs. 1,729.89 thousand each after moratorium period of 12 months

Principal and Installment

- No. of Installment remaining as at March 31, 2025 : 14 quarter instalments (March 31, 2024: 16 quarter instalments)

- Principal amount due

- Long Term: March 31, 2025 - ₹ 49,625.56 thousands (March 31, 2024 - ₹ 24,218.58)

- Current Maturity: March 31, 2025 - ₹ 19,850.21 thousands (March 31, 2023 - ₹ 3,459.80)

- Interest Accrued and due : Nil

- Interest Accrued but not due : ₹ 462.17 thousands

C. Rupee Loan from HDFC Bank (including current maturities) : March 31, 2025 - ₹ 1,14,672.21 thousands; March 31, 2024 - ₹ Nil

Amount yet to be drawn : ₹ 2,05,327.79

Term Loan - 009LN06250230005/ 009LN06250420001/009LN06250430001/009LN06250490002/ 009LN06250550004/ 009LN06250600002

Loan No. 009LN06250640002(including current maturities

The Company has availed a Term Loan from HDFC for For installation of new machineries to enable product diversification in line with order book of CIM Tools and develop capacity for surface treatment of various sizes and shapes

Rate of Interest: 8.50% p.a

Primary Security: Exclusive charge on existing Plant and Machinery and new assets purchased out of current term loan.

Secodary Security: Current Assets:Exclusive charge on company entire current asset both present and future. Exclusive charge by way of EM on the property located at one acre of land at Plot No.25,Vasanth Narasapura industrial Area Phase -I, Kora Hobli, Nagenahalli Village, Tumkur, Karnataka. Exclusive charge by way of EM on the property located at half acre land located at Plot no 24 B Vasanth Narasapura Industrial Area,Phase -I, Kora Hobli, Nagenahalli Village, Tumkur, Karnataka.

The company is yet to create the charge pending hypothecation agreement execution with bank.

Total Repayment Term: 16 quarterly instalment Rs. 20,000.00 thousand each after moratorium period of 12 months

Principal and Installment

- No. of Installment remaining as at March 31, 2025 : 16 quarter instalments (March 31, 2024: Nil)

- Principal amount due

- Long Term: March 31, 2025 - ₹ 1,14,672.21 thousands (March 31, 2024 - ₹ Nil)

- Current Maturity: March 31, 2025 - ₹ Nil thousands (March 31, 2024 - ₹ Nil)

- Interest Accrued and due : Nil

- Interest Accrued but not due : ₹ 816.16 thousands

19 Employee benefits obligation

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Provision for employee benefits		
(i) Provision for gratuity	6,922.57	4,893.16
	6,922.57	4,893.16

On 10 January 2024, the Karnataka Government published the Karnataka Compulsory Gratuity Insurance Rules, 2024 ('Rules') (No: LD 397 LET 2023) to prescribe the requirement for employers to obtain a valid insurance policy for the employer's liability towards payment of gratuity to eligible employees as per the Payment of Gratuity Act 1972 ('Gratuity Act'). It has been made mandatory for an existing establishment operating within the state to obtain a valid insurance policy within sixty days of commencement of the specified rules. As on March 31, 2025 management is taking the necessary steps to be in compliance with rules prescribed.



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Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

20 Deferred tax liability

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liability	8,751.15	7,973.95
	8,751.15	7,973.95

21 Short term borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Working capital loans - from banks (refer note below)		
Cash credit	-	4,546.20
Current maturities of long term borrowings (refer note 18)	19,850.21	5,959.80
	19,850.21	10,506.01

Note - 1: Details of securities, repayments and interest of other loans (Short Term)

A. Bank Name: HDFC Bank

Rate of Interest: 11% linked to one year MLCR Rate

Primary Security: Primarily Secured against hypothecation of raw materials, work in progress, finished goods and bills in addition to personal guarantee of the directors.

Principal and Installment

(a) Total Outstanding as at March 31, 2025 - INR Nil thousands (March 31, 2024 - INR 4,546.20 thousands)

(b) Sanctioned Amounts : INR 7,500 thousands

(c) Interest Accrued: INR Nil

22 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues to micro and small enterprises (refer note below)	12,228.22	11,520.52
Total outstanding dues to other than micro and small enterprises	5,869.99	5,346.99
	18,098.21	16,867.51
Payable to related parties	493.93	3,379.25
Others	17,604.28	13,488.26
	18,098.21	16,867.51

Due to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on information received and available with the Company. The Company has principal dues to micro and small as at 31 March 2025 which has been detailed below:

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	12,228.22	11,520.52
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end*	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-



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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

22 Trade payables (continued)

*In accordance with the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), we are required to identify and disclose the amount of interest due to MSME vendors for delayed payments. On the dues relating to MSME vendors outstanding as on 31st March 2025, interest on delay in payment is not material and hence not provided for, the company will account for the same as and when the demand arises. Further, based on confirmation of balances circulated, there are no outstanding interest claims for delayed payments as of the balance sheet date. The Company continues to comply with the disclosure requirements of the MSMED Act, 2006. Any unpaid principal and interest amount as demanded by supplier, if any, will be disclosed separately in the financial statements.

Trade Payable ageing schedule

Particulars	Trade payables dues of micro and small enterprises		Trade payables dues of creditors other than micro and small enterprises	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Current but not due	12,311.76	11,520.52	5,869.99	4,142.93
Outstanding for following periods from due date of payment				
Less than 6 months		-		1,204.06
6 months-1 Year	-	-	-	-
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More than 3 years	-	-	-	-
Total	12,311.76	11,520.52	5,869.99	5,346.99

23 Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	1,278.33	205.21
Payable towards purchase for Property, Plant and Equipment	47,504.28	6,827.34
Other Payables		
Provision for expenses	4,047.53	2,802.01
	52,830.14	9,834.55

24 Employee benefits obligation

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
(i) Provision for gratuity (net)	500.44	177.00
	500.44	177.00

25 Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customers	300.00	301.15
Statutory Liabilities	2,129.02	523.26
	2,429.02	824.41

26 Current tax liability

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for tax (Net)	-	886.70
	-	886.70



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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

27 Total Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Revenue from Operations		
Sale of products		778.52
- from Trading	-	
Sale of services	4,29,303.51	4,15,620.05
Total gross sales	4,29,303.51	4,16,398.57
(b) Other operating revenues		
Scrap Sales	534.88	395.80
	534.88	395.80
	4,29,838.39	4,16,794.37

28 Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income		
- on Term Deposits	25.75	24.40
- on Income Tax refund	-	186.76
- on other balances	119.81	-
Gain on account of foreign exchange fluctuations (Net)	407.62	211.36
Other non-operating income	126.25	2.02
	679.43	424.54

29 Cost of Materials and Consumables Consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumables and Materials		
Opening Stock	17,413.13	17,109.81
Add: Purchase of consumables and materials	1,06,515.06	72,723.72
	1,23,928.19	89,833.52
Less: Closing Stock	(33,084.64)	(17,413.13)
	90,843.55	72,420.40

30 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year:		
Work in Progress		921.21
		921.21
Inventories at the end of the year:		
Work in Progress		-
		-
		921.21



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Notes to Financial Statements for the year ended March 31, 2025
(all amounts in INR thousand's unless otherwise stated)

31 Employee Benefit Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries & Wages	68,249.03	55,491.92
Contribution to provident and other funds	2,192.58	1,856.56
Staff Welfare Expenses	7,616.39	6,243.39
Gratuity	1,559.70	1,163.73
Other Benefits	2,464.66	1,170.41
	82,082.35	65,926.01

32 Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expenses		
- term loans from banks	3,800.62	1,086.04
- loans repayable on demand	141.58	125.27
Interest on lease liabilities	345.48	157.02
Others	-	-
- interest on delayed/deferred payment of income tax	8.56	272.82
	4,296.24	1,641.15

33 Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Audit fees		
- Statutory Audit	625.00	625.00
- Tax Audit	125.00	125.00
Power and fuel	17,484.55	16,216.53
Rental Expense	173.72	156.50
Repairs and Maintenance - Building	539.92	171.24
Repairs and Maintenance - Machinery	985.61	1,468.18
Repairs and Maintenance - Others	7,470.13	4,326.26
Insurance	970.78	189.77
Rates and Taxes	1,864.65	753.25
Professional Charges	28,364.46	27,454.89
Packaging Material	1,976.87	1,854.24
Supply of Manpower Charges	27,098.42	22,017.97
Security Charges	1,133.48	1,113.74
Testing and Calibration Charges	1,515.88	1,500.82
Freight and forwarding Outward	256.78	269.72
Travelling Expenses	2,716.98	1,658.52
CSR Expenditure	2,219.57	1,162.59
Donations	16.50	-
Bad Debts	87.12	-
Software Maintenance	3,305.99	1,883.34
Miscellaneous Expenses	3,272.92	2,710.04
	1,02,204.32	85,657.60



Aero Treatments Private Limited
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Notes to Financials Statements for the year ended March 31, 2025
(all amounts in INR thousand's unless otherwise stated)

34 Income tax

A. Amounts recognised in statement of profit and loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current income tax:		
Current income tax charged	31,811.85	43,864.59
Adjustments for current tax of prior years	-	116.03
Total current tax expense	31,811.85	43,980.62
Deferred tax		
Decrease/ (increase) in deferred tax assets (net)	-	-
(Decrease) / increase in deferred tax liabilities	976.83	(1,972.32)
Total deferred tax expense / (credit)	976.83	(1,972.32)
Income tax (credit) / expense reported in the statement of profit or loss	32,788.68	42,008.30

B. Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net (gain)/loss on remeasurement of defined benefit liability/ (assets)	199.64	143.09
Income tax charged to OCI	199.64	143.09

C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before income tax	1,28,902.69	1,72,552.52
Domestic tax rate *	25.17%	25.17%
Tax using the Company's domestic tax rate	32,442.23	43,428.02
Impact on account of depreciation on property, plant and equipment	(76.21)	(180.25)
Impact on account of expenses allowed on payment basis	307.48	165.22
Impact on account of Income Disclosure and Computation Standards (ICDS)	229.75	151.82
Impact of non-deductible expenses for tax purposes (Net)	(548.33)	115.20
Adjustments for current tax of prior years	-	116.03
Others	433.76	(1,787.73)
Income tax expense recognised in Profit and Loss Statement	32,788.68	42,008.30
Effective Tax Rate	25.44%	24.35%

D. Deferred Tax

Deferred tax relates to the following:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Deferred tax liability		
Property, Plant and Equipment (Including ROU assets)	(12,209.01)	(11,037.14)
Deferred tax asset		
Employee benefits expenses	1,868.22	1,276.06
Lease liabilities	1,412.14	1,765.00
Others	177.50	22.13
Deferred tax Asset / (Deferred tax Liability) Reflected in Balance Sheet	(8,751.15)	(7,973.95)



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Notes to Financials Statements for the year ended June 30, 2024 (continued)

(all amounts in INR thousand's unless otherwise stated)

35 Contingent liabilities and commitments

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service Tax Payable (refer note below)	3,870.60	3,870.60
Bank Guarantee (are secured by Fixed deposits as secured guarantee)	240.50	240.50
Capital commitments	(2,05,328.00)	(1,218.14)
	(2,01,216.91)	2,892.96

The Service tax department vide show cause notice dated 16.06.2020 has alleged that the Company has contravened provisions of Service Tax Act, 1994 resulting in evasion of service tax of INR 35,20,851 and customs duty of INR 7,09,335. The Company has deposited an amount of INR 3,59,585 as at 31 March 2025 (31 March 2024 : 3,09,155) with the Service tax department and filed an appeal which is lying with Customs, Excise and Service Tax Appellate Tribunal against the demand raised by the Service tax authorities

36 Auditors' remuneration excluding tax

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor		
- for Statutory audit	625.00	625.00
- for Income tax audit	125.00	125.00
In other capacity		
Other services (certification fees)	-	-
Reimbursement of expenses	-	-
	750.00	750.00

37 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. The Company has no potentially dilutive instruments.

(i) Reconciliation of earnings used in calculating earnings per share:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
From continuing operations:		
Total Profit (Loss) for the period attributable to Equity shareholders	96,114.01	1,30,544.22
Net profit/(loss) for basic and diluted earnings	96,114.01	1,30,544.22

(ii) Reconciliation of basic and diluted shares used in computing earnings per share –

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Number of equity shares at the beginning of the year	2,55,000	2,55,000
Add: Weighted average number of equity shares issued during the year	-	-
Number of weighted average equity shares considered for calculation of basic and diluted earnings per share	2,55,000	2,55,000

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit for the year attributable to equity shareholders	96,114.01	1,30,544.22
Weighted average number of equity shares of INR 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	2,55,000	2,55,000
Earnings per share, basic and diluted*	376.92	511.94

*The Company has no potentially dilutive equity shares



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Notes to Financial Statements for the year ended March 31, 2025 (continued)
(all amounts in INR thousand's unless otherwise stated)

38 Expenditure on corporate social responsibility activities

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The funds were primarily allocated to a trust and utilized through out the year on the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Where the company covered under section 135 of the companies act, the following shall be disclosed with regard to CSR activities:-		
(a) Amount required to be spent by the Company during the year	2,219.57	1,162.58
(b) Amount of expenditure incurred,	2,219.57	1,162.59
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
(c) (Excess)/shortfall at the end of the year,	-	-
(d) Total of previous years shortfall,	-	-
(e) Reason for shortfall,		
(f) Nature of CSR activities	1. Eradicating hunger, Poverty, and malnutrition 2. Health care promotion 3. Promotion of sanitation	1. Eradicating hunger, Poverty, and malnutrition 2. Health care promotion 3. Promotion of sanitation
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	CSR Contribution given to Swarn Lata Motherson Trust and Prashanthi Balamandira Trust NA	CSR Contribution given to Swarn Lata Motherson Trust NA
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. *		

39 Segment Reporting

Operating Segment

Company is primarily engaged in the business of carrying out processes like anodizing, plating, painting and other protective treatments for metallic and non-metallic parts, sub-assemblies to aircraft manufacturees and other allied services.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

Disaggregated revenue information

Product and service information

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Type of goods or Services		
Sale of products from trading	-	778.52
Sale of services - job work	4,29,303.51	4,15,620.05
Scrap Sales	534.88	395.80
Timing of revenue recognition		
At a point in time	4,29,838.39	4,16,794.37
Over a period of time	-	-
Total revenue from contracts with customers	4,29,838.39	4,16,794.37



Aero Treatments Private Limited

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Notes to Financials Statements for the year ended March 31, 2025 (continued)

(all amounts in INR thousand's unless otherwise stated)

39 Segment Reporting (continued)

Geographical Information

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from external customers		
India	4,25,813.77	4,16,145.60
Outside India (based on location of customer)	4,024.61	648.77
Total	4,29,838.39	4,16,794.37
Non-current assets		
India	4,42,647.24	2,35,874.06
Outside India (based on location of customer)	-	-
Total	4,42,647.24	2,35,874.06

Revenues from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is as follows

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Customer 1	2,59,131.25	2,57,448.62
Customer 2	-	34,963.40
Total	2,59,131.25	2,92,412.02



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40 Capitalisation of Exchange differences as per para D13AA of Ind AS 101 "First Time Adoption"

The Company had exercised the option to capitalise the exchange differences as per para 46A of Accounting Standard 11, (iGAAP). As per the said para, the exchange differences arising on reporting of longterm foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, can be added to or deducted from the cost of the asset and shall be depreciated over the balance life of the asset, and in other cases, can be accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in the enterprise's financial statements and amortized over the balance period of such long term asset or liability, by recognition as income or expense in each of such periods

On transition to Ind AS, para D13AA of Ind AS 101 permits a first time adopter to continue the accounting policy adopted under previous GAAP for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Exchange differences arising from Long Term Foreign Currency Monetary Items	-	-
From Above:	-	-
Exchange differences capitalised to Depreciable Assets *	-	-
Exchange differences pertaining to Capital Advances provided for depreciable assets	-	-
Exchange differences not pertaining to any Long Term Asset and Long Term Liability	-	-
Exchange differences depreciated/amortised during the year	550.88	681.11
Exchange differences to be depreciated/amortised in subsequent years (cumulative)	5,208.23	5,759.11

41 Employee Benefit**A Defined contribution plan**

The Company makes contribution to Provident Fund and Employee State Insurance contributions for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following expenditure in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Provident Fund	2,129.44	1,772.09
Employee State Insurance Fund	63.14	84.47
	2,192.57	1,856.56

B Defined benefit plan

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

The following table sets out the defined benefit schemes and the amount recognised in the financial statements:

(a) Reconciliation of the projected benefit obligations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Change in projected benefit obligation:		
Obligations at beginning of the year	5,070.16	3,499.94
Service cost	1,194.65	907.31
Transfer In/Out	-	-
Interest on defined benefit obligation	365.05	256.42
Past Service cost	-	-
Benefits settled	-	(162.00)
Actuarial (gain)/ loss	793.15	568.49
Obligations at the end of year	7,423.01	5,070.16

(b) Reconciliation of present value of the obligation and the fair value of the plan assets:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Closing obligations	7,423.01	5,070.16
Closing fair value of plan assets	-	-
Liability recognized in the balance sheet	7,423.01	5,070.16
Net liability:		
Non-current	6,922.57	4893.15
	500.44	177.01



41 Employee Benefit (continued)

(c) Change in plan assets:

The Company does not have any plan assets

(d) Expense recognized in statement of profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service cost	1,194.65	907.31
Transfer In/Out	-	-
Interest cost	365.05	256.42
Actuarial Gain/loss	793.15	568.49
Net gratuity cost	2,352.85	1,732.22

(e) Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate	6.90%	7.20%
Salary increase	10%	10.00%
Attrition rate	5%	5.00%
Retirement age	60Years	60Years

(iii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	For the year ended March 31, 2025			
	Increase (%)	Decrease (%)	Increase (INR)	Decrease (INR)
Discount rate (100 basis points movement)	7.90%	5.90%	6,508.83	8,545.29
Future salary growth (100 basis points movement)	11.00%	9.00%	8,422.94	6,584.64
Withdrawal Rate (100 basis points movement)	6.00%	4.00%	7,181.86	7,707.22

Particulars	For the year ended March 31, 2024			
	Increase (%)	Decrease (%)	Increase (INR)	Decrease (INR)
Discount rate (100 basis points movement)	8.20%	6.20%	4,457.74	5,821.29
Future salary growth (100 basis points movement)	11.00%	9.00%	5,740.70	4,507.88
Withdrawal Rate (100 basis points movement)	6.00%	4.00%	4,921.78	5,245.18



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Aero Treatments Private Limited

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Notes to Financials Statements for the year ended March 31, 2025(continued)

(all amounts in INR thousand's unless otherwise stated)

42 Related Party Disclosures

A. Entities or Individuals having control or joint control over the Company

Holding Company
Ultimate Holding Company

CIM Tools Private Limited
Samvardha Motherson International Limited
(formerly Motherson Sumi Systems Limited)

B. Subsidiaries and fellow subsidiaries of Holding Companies

Entity in which Holding Company has Substantial Interest

Lauak CIM Areospace Private Limited

Entity in which Ultimate Holding Company has Substantial Interest

Anest Iwata Motherson Coating Equipment Private Limited
Motherson Lease Solutions Limited
Motherson Air Travel Agencies Limited
Samvardhana Motherson Global Carrier Ltd
Samvardhana Motherson Global Management Services
Motherson Technology Services Ltd

C. Key Management Personnel (KMPs) of the reporting entity or of a parent of the reporting entity

Directors of the Company and Holding Company

Mr. Laksh Vaaman Sehgal	Director
Mr. Kunal Bajaj	Director
Mr. Kunal Malani	Director
Mr. Rajesh Goel	Director resigned on 15/11/2024
Mr. Srikanth Garani Sheshadri	Director
Mr. Vishwanath Prahlad Rao Deshpande	Director
Mr. Anekere Shankaranarayana Umesh	Director
Mr. Jafar Vali Chaman	Whole time Director
Mrs. Latha Unnikrishnan	Director -Appointed on 18/11/2024

D. Related party transactions during the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expense:		
Remuneration to KMP		
Mr. Jafar Vali Chaman	8,000.00	8,733.34
Mr. Vithal Sahukar	8,000.00	8,733.34
Repair and Maintenance		
Anest Iwata Motherson Coating Equipment Private Limited		-
Motherson Technology Services Ltd	115.26	
Interest on Lease Liabilities		
Motherson Lease Solutions Limited	345.48	157.02
Travelling Expenses		
Motherson Air Travel Agencies Limited	1,100.28	201.80
Freight Inward Charges		
Samvardhana Motherson Global Carrier Ltd	-	250.50
Professional Charges		
CIM Tools Private Limited	14,027.96	15,313.85
Samvardhana Motherson Global Management Services	7,522.17	7,327.45
CSR Fund		
Swarnalatha Motherson Trust	1,056.97	1,162.59
Income :		
Services Provided (Job work)		
CIM Tools Private Limited	2,59,124.73	2,57,213.69
Lauak CIM Areospace Private Limited	1,200.28	4,686.71



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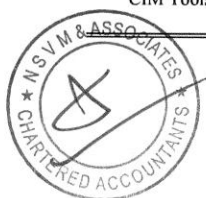
Notes to Financials Statements for the year ended March 31, 2025(continued)

(all amounts in INR thousand's unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income :		
Sale of traded Goods (Paint)		
CIM Tools Private Limited	-	230.83
Capital expenditure:		
Purchase of Capital Asset		
Anest Iwata Motherson Coating Equipment Private Limited	-	69.84
Anest Iwata Motherson Private Limited	287.59	1,732.15
Motherson Global Manufacturing Service	37.55	-
Motherson Technology Services Ltd	205.34	-
Systematic Conscom Limited	75,060.38	-

E. Amount outstanding as at the balance sheet date

Particulars	For the year ended March 31, 2025	As at 31 March 2024
Liabilities		
Trade Payables:		
Motherson Leasing Solutions Private Limited	-	1,204.06
Samvardhana Motherson Global Management Services	396.10	2,175.20
Motherson Air Travel Agencies Limited- Domestic	97.83	-
Lease Liabilities:		
Motherson Leasing Solutions Private Limited	5,610.84	7,012.88
Payable for Capital Goods:		
Systematic Conscom Limited	21,090.32	-
Trade Receivables		
CIM Tools Private Limited	54,372.42	1,29,956.95



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Aero Treatments Private Limited

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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

43 Fair Value Disclosure

(i) Financial instruments by category as at March 31, 2025

	Note No	Carrying value	FVTPL	FVOCI	Amortised Cost
Financial Asset (Non-Current)					
Other financial assets	6	2,359.02	-	-	2,359.02
Financial Asset (Current)					
Trade receivable	10	84,165.82	-	-	84,165.82
Loans	13	46.50	-	-	46.50
Cash and cash equivalents	11	1,18,683.79	-	-	1,18,683.79
Other bank balances	12	401.40	-	-	401.40
Other financial assets		1.73	-	-	1.73
Total Financial Assets		2,05,658.25	-	-	2,05,658.25
Financial Liabilities (Non-Current)					
Borrowings	18	1,64,297.77	-	-	1,64,297.77
Financial Liabilities (Current)					
Borrowings	21	19,850.21	-	-	19,850.21
Trade payables	22	18,098.21	-	-	18,098.21
Other financial liabilities	23	52,830.14	-	-	52,830.14
Total Financial Liabilities		2,55,076.33	-	-	2,55,076.33
		(49,418.07)	-	-	(49,418.07)

(i) Financial instruments by category as at March 31, 2024

	Note No	Carrying value	FVTPL	FVOCI	Amortised Cost
Financial Asset (Non-Current)					
Other financial assets	6	2,184.17	-	-	2,184.17
Financial Asset (Current)					
Trade receivable	10	1,73,316.97	-	-	1,73,316.97
Loans	13	235.00	-	-	235.00
Cash and cash equivalents	11	378.77	-	-	378.77
Other bank balances	12	375.75	-	-	375.75
Other financial assets	14	1.63	-	-	1.63
Total Financial Assets		1,76,492.30	-	-	1,76,492.30
Financial Liabilities (Non-Current)					
Borrowings	18	24,218.58	-	-	24,218.58
Financial Liabilities (Current)					
Borrowings	21	10,506.01	-	-	10,506.01
Trade payables	22	16,867.51	-	-	16,867.51
Other financial liabilities	23	9,834.55	-	-	9,834.55
Total Financial Liabilities		61,426.65	-	-	61,426.65
		1,15,065.65	-	-	1,15,065.65



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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

(ii) Fair value of non current financial assets and liabilities measured at amortised cost

	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Asset (Non-Current) (Note 1)				
Other financial assets	2,359.02	2,359.02	2,184.17	2,184.17
Financial Asset (Current) (Note 2)				
Trade receivable	84,165.82	84,165.82	1,73,316.97	1,73,316.97
Loans	46.50	46.50	235.00	235.00
Cash and cash equivalents	1,18,683.79	1,18,683.79	378.77	378.77
Other bank balances	401.40	401.40	375.75	375.75
Other financial assets	1.73	1.73	1.63	1.63
Total Financial Assets	2,05,658.25	2,05,658.25	1,76,492.29	1,76,492.29
Financial Liabilities (Non-Current) (Note 1)				
Borrowings	1,64,297.77	1,64,297.77	24,218.58	24,218.58
Financial Liabilities (Current) (Note 2)				
Borrowings	19,850.21	19,850.21	10,506.01	10,506.01
Trade payables	18,098.21	18,098.21	16,867.51	16,867.51
Other financial liabilities	52,830.14	52,830.14	9,834.55	9,834.55
Total Financial Liabilities	2,55,076.33	2,55,076.33	61,426.65	61,426.65

Note 1: The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

Note 2: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, loans, other financial assets, trade payables, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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44 Financial risk management

The Company in its capacity of providing job work services to its foreign holding company is exposed to various risks, which include -

- Market Risk
- Credit Risk
- Liquidity Risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

A Market Risk

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

1) Currency Risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk to the extent that there is mismatch between the currencies in which its sales and services are in US Dollars, whereas purchases are largely made locally. Further, the Company's borrowings are Euro denominated. The exchange rate between the Rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. However, given that income is in foreign currency and purchases are largely made domestically, the Company is not adversely effected on account of foreign exchange

(a) Foreign Exchange Exposures outstanding at the year end

Nature Of Instrument	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (thousands)	Amount in INR Payable/(Receivable)	Amount in Foreign currency (thousands)	Amount in INR Payable/(Receivable)
Unhedged Foreign Exchange Exposures					
Trade Receivables	USD	86.96	7,421.94	141.74	11,815.86
Trade Receivables	GBP	24.65	2,743.40	14.30	1,471.75
Trade Receivables	EURO	14.07	1,299.90	-	-
Current Borrowings	USD	-	-	-	-
Trade Payables	Euro	2.43	224.55	4.40	462.77
Trade Payables	GBP	-	-	2.53	227.85
Trade Payables	USD	2.40	205.63		
Trade Payables	SGD	0.36	22.91		
		130.87	11,918.33	162.97	13,978.23

(c) Sensitivity Analysis

A reasonably possible change in foreign exchange rates by 2% would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular that interest rates remain constant

Particulars	As at March 31, 2025	As at March 31, 2024
Impact on Profit and Loss Statement (before tax)		
Increase by 2%	238.37	279.56
Decrease by 2%	(238.37)	(279.56)
Impact on Equity (Net of Tax)		
Increase by 2%	176.39	206.88
Decrease by 2%	(176.39)	(206.88)

2) Cash Flows and Interest rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.



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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

44 Financial risk management (continued)

(a) Exposure to Interest Rate Ri

The interest rate profile of the Company's interest-bearing financial instruments as reported

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Rate Instruments		
Financial Assets	401.40	375.75
Financial Liabilities	-	-
Variable Rate Instruments		
Financial Assets	1,84,147.98	34,724.59
Financial Liabilities	(1,83,746.58)	(34,348.84)

(b) Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk as defined Ind AS 107, since neither the carrying amount nor future cash flows will fluctuate because of change in market interest rates.

Particulars	As at March 31, 2025	As at March 31, 2024
Impact on Profit and Loss Statement (before tax)		
Increase by 1%	(1,841.48)	(347.25)
Decrease by 1%	1,841.48	347.25
Impact on Equity (Net of Tax)		
Increase by 1%	(1,329.18)	(104.57)
Decrease by 1%	1,329.18	104.57

B Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Maturities of financial liabilities:

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Contractual cash Flows				Total
	On demand	< 12 Months	1 to 5 years	> 5 years	
As at 31 March 2025					
Borrowings (Incl Current Maturities)	-	19,850.21	1,64,297.77	-	1,84,147.98
Trade and other payables	-	18,098.21	-	-	18,098.21
Short Term Borrowings	-	-	-	-	-
Other Financial Liabilities	-	52,830.14	-	-	52,830.14
As at 31 March 2024					
Borrowings (Incl Current Maturities)	-	5,959.80	24,218.58	-	30,178.38
Trade and other payables	-	16,867.51	-	-	16,867.51
Short Term Borrowings	4,546.20	-	-	-	4,546.20
Other Financial Liabilities	-	9,834.55	-	-	9,834.55



44 Financial risk management (continued)**C Credit Risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised in the table below. The Company periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and Cash Equivalents	1,18,683.79	378.77
Other Bank Balances	401.40	375.75
Loans	46.50	235.00
Trade Receivables	84,165.82	1,73,316.97
Short Term Financial Assets	1.73	1.63
Long Term Financial Assets	2,359.02	2,184.17
	-	2,05,658.25
		1,76,492.29

Credit risk on cash and cash equivalents is limited as generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. In the case of the Company, the trade receivables largely being its Holding Company who directly make sales to Aerospace original manufactureres (OEMs). The receivables are monitored on an on-going basis, thereby practically eliminating the risk of default and impairment.

Ageing of Trade Receivable

Particulars	0-180 Days	Above 180 Days	Total
As on 31 March, 2025	84,109.47	56.35	84,165.82
As on 31 March, 2024	1,72,957.19	359.78	1,73,316.97

45 Capital Management**(a) Risk Management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e. Net debt (total borrowings (including lease liabilities) net of cash and cash equivalents) divided by EBITDA (Earnings before interest, depreciation and interest income)

Particulars	As at March 31, 2025	As at March 31, 2024
Long Term Borrowings (incl Current Maturities)	1,84,147.98	30,178.38
Short Term Borrowings	-	4,546.20
Total Borrowings (A)	1,84,147.98	34,724.58
Cash and Cash Equivalents (B)	1,18,683.79	378.77
Net Debt [A-B]	65,464.19	34,345.80

Particulars	As at March 31, 2025	As at March 31, 2024
Net Debt	65,464.19	34,345.80
EBITDA	1,54,708.16	1,91,300.66
Net Debt to EBITDA	0.42	0.18

(b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.



Aero Treatments Private Limited

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Notes to Financial Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

46 Ind AS 115 Revenue from contracts with customers

The company carries out the job orders on the requirement of the purchase order received from the customer and the transaction price is charged to revenue under Statement of Profit and Loss Statement as and when performance obligations of the Company are completed which coincides with the time at which the goods (received for job work) are shipped.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Within one year	4,29,838.39	4,16,794.37
More than one year	-	-
	4,29,838.39	4,16,794.37

The table below represents summary of contract assets and liabilities relating to contracts with customers :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Trade Receivables (refer note 10)	84,165.82	1,73,316.97
Contract assets	-	-
Contract liabilities	-	-
	84,165.82	1,73,316.97

Contract assets are initially recognised for revenue earned from machining as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

47 Leases

Company as a lessee

The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets. Such lease are with lease terms of 12 months or less and leases of office equipment with low value.

The Company has taken two assets which are in the nature of vehicles. The lease term for such vehicles is for 5 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period

Particulars	Motor Vehicles	Total
Balance as at 01 April 2023		
Additions	7,669.41	7,669.41
Depreciation Expense	(710.43)	(710.43)
Balance as at 31 March 2024	6,958.98	6,958.98
Balance as at 01 April 2024	6,958.98	6,958.98
Additions	-	-
Depreciation Expense	(1,533.88)	(1,533.88)
Balance as at 31 March 2025	5,425.11	5,425.11

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	Motor Vehicles	Total
Balance as at 01 April 2023		-
Additions	7,574.81	7,574.81
Accretion of Interest	157.02	157.02
Payments	(718.95)	(718.95)
Balance as at 31 March 2024	7,012.88	7,012.88
Balance as at 01 April 2024	7,012.88	7,012.88
Additions	-	-
Accretion of Interest	345.48	-
Payments	1,747.52	-
Balance as at 31 March 2025	5,610.84	7,012.88
Current	1,480.27	1,402.04
Non-current	4,130.57	5,610.84



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Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

47 Leases (continued)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than one year	1,747.52	1,747.52
Later than one year but within three years	4,429.01	5,242.56
Later than three years but within five years	-	933.97
Later than five years	-	-
	6,176.53	7,924.05

future minimum lease payments under operating leases as per Ind AS 116

Amount Recognised in Statement of Profit and Loss Statement

Particulars	As at 31 March 2025	As at 31 March 2024
Depreciation charge on Right-of-use assets	1,533.88	710.43
Interest on lease liabilities	345.48	157.02
Expenses relating to lease of short term assets charged off to Statement of Profit and loss account	24.30	214.77

48 Other Statutory Information

- (i) The Company has entered into lease agreements with KIADB for lease of Site No 25 in Vasanthanarasapura Industrial Industria Area, Tumkur.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company is not declared as wilful defaulter by any bank or financial institutions.
- (ix) The Company has not revalued its Property, Plant and equipment (including Right-of-Use Assets) and intangible assets during the year.
- (x) The Title deeds of the immovable properties are held in the name of the Company.



Aero Treatments Private Limited

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Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

49 Additional Regulatory Information

(a) Ratio Analysis

For year ended 31 March 2025

Particulars	As at 31 March 2025	As at 31 March 2024	% of Variance	Reason for Variance
Current Ratio [Current Assets/Current Liabilities]	3.05	5.38	-43%	Due to decrease in asset base, contributed by decrease in trade receivables balance
Debt- Equity Ratio (in times) [(Long term Borrowings including current maturities and Short Term Borrowings) / (Shareholders Equity)]	0.39	0.09	324%	Gross debt has increased by INR 1,49,423.39 thousands during year and equity has increase due to accumulated profits
Debt Service Coverage Ratio [(Earnings before interest, depreciation, interest income, loss on sale of fixed asset and exceptional items but after tax) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing during the year)]	7.33	18.46	-60%	Contributed due to increase in profits from operating activities
Return on Equity Ratio (%) [Net Profits after taxes / Average Shareholder's Equity]	29.9%	55.5%	-46%	Due increase in material consumption and employees cost
Inventory Turnover Ratio (in times) [Cost Of Goods Sold / Average inventory]	3.60	4.14	-13%	Increase in Cost of goods sold due to increased operating activities
Trade Receivables Turnover Ratio (in times) [Revenue from contract with customers / Average trade receivables]	3.33	3.61	-8%	Contributed by decrease in trade receivables balance
Trade Payables Turnover Ratio (in times) [Purchase of goods / Average trade payable (only for stores and consumables)]	6.07	7.69	-21%	Contributed by increase in Cost of goods sold due to increased operating activities
Net capital Turnover Ratio (in times) [Revenue from contract with customers / Average working capital]	4.39	4.70	-7%	Due increase in material consumption and employees cost
Net Profit Ratio (%) [Profit / (loss) for the period / Revenue from operations]	22.4%	31.3%	-29%	Due increase in material consumption and employees cost
Return on capital employed (%) [Earnings before interest and taxes / Average capital employed]	20.2%	42.1%	-52%	Due increase in material consumption and employees cost
Return on Investment (%) [Profit before Tax / Total Equity]	0.28	0.46	-39%	Due increase in material consumption and employees cost

50 Changes in liabilities arising from financing activities

Particulars	Cash Flows	Non Cash		As at 31 March 2025
		Fair value changes	Other non cash items*	
Non current borrowings (including current maturity of long term borrowing)	30,403.72	1,40,079.19	-	1,70,482.91
Current borrowings	4,318.44	9,344.20	-	13,662.64

Particulars	Cash Flows	Non Cash		As at 31 March 2024
		Fair value changes	Other non cash items*	
Non current borrowings (including current maturity of long term borrowing)	8,687.54	21,716.18	-	30,403.72
Current borrowings	5,286.09	(967.64)	-	4,318.44

*other non cash items includes, foreign exchange movements in borrowings



Aero Treatments Private Limited

CIN : U74900KA2013PTC072124

Notes to Financials Statements for the year ended March 31, 2025

(all amounts in INR thousand's unless otherwise stated)

51 Assets pledged as a security

The carrying amounts of assets pledged as security

Particulars	As at	As at
	31 March 2025	31 March 2025
Current		
Financial assets		
Inventories	33,084.64	17,413.13
Trade Receivables	84,165.82	1,73,316.97
Total current assets pledged as security	1,17,250.46	1,90,730.10
Non Current:		
Freehold Land	14,806.35	14,806.35
Buildings	1,24,989.70	85,910.73
Plant and Machinery	1,07,994.66	79,960.01
Total non current assets pledged as security	2,47,790.70	1,80,677.08
	3,65,041.17	3,71,407.18

52 Other Notes

Confirmations in respect of the receivables/sundry creditors have not been received and they are subject to confirmations/reconciliations or adjustments if any.

for NSVM & Associates

Chartered Accountants

ICAI Firm Registration Number: 010072S

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Date: 2025.05.20
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D.N Sree Hari

Partner

Membership number: 027388

Place: Bengaluru

Date: May 20, 2025



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Srikanth G S

Director

DIN : 00472617

Place: Bengaluru

Date: May 20, 2025

KUNAL
BAJAJ

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Date: 2025.05.20
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Kunal Bajaj

Director

DIN: 03545731

Place: Noida

Date: May 20, 2025

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CHAMAN

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Jafarvali Chaman

Director

DIN: 07711350

Place: Tumakuru

Date: May 20, 2025