THE COMPOSITE EXPERT...

Date: 05/09/2026

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

NSE Symbol: AERON

Subject: Annual Report of the Company for the Financial Year 2025-26 pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations')

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), please find enclosed herewith the 15th Annual Report of the Company for the Financial Year 2025 - 26. The said Annual Report is also available on the website of the Company, i.e., https://aeroncomposite.com/investorrelations.html

This is for your information and record.

Thanking You.

Yours faithfully,

FOR, AERON COMPOSITE LIMITED

(Previously known as Aeron Composite Private Limited)

PANKAJ SHANTILAL DADHANIYA

Digitally signed by PANKAJ SHANTILAL DADHANIYA
Date: 2026.09.05 18:41:18 +05'30'

PANKAJ SHANTILAL DADHANIYA

WHOLE TIME DIRECTOR

DIN: 02100802

THE COMPOSITE EXPERT...

Advanced COMPOSITE SOLUTIONS for a SUSTAINABLE FUTURE

ANNUAL REPORT 2025-26

THE COMPOSITE EXPERT...

AERON COMPOSITE LIMITED specializes in manufacturing of various FRP/GRP (Fibre Reinforced Plastic) Products for industrial and recreational use. AERON, with its state of the art facility, offers High-quality advanced composite solutions and reliable services, complying with customer specifications as well as various National and International standards.

We provide complete solution which includes conceptual design, prototype development, testing, manufacturing, logistic support, installation and comprehensive after sales service.

Aeron Composite Limited has Core Value to deliver best quality products and wide marketing network ensures prominent presence in domestic and international markets.

MISSION

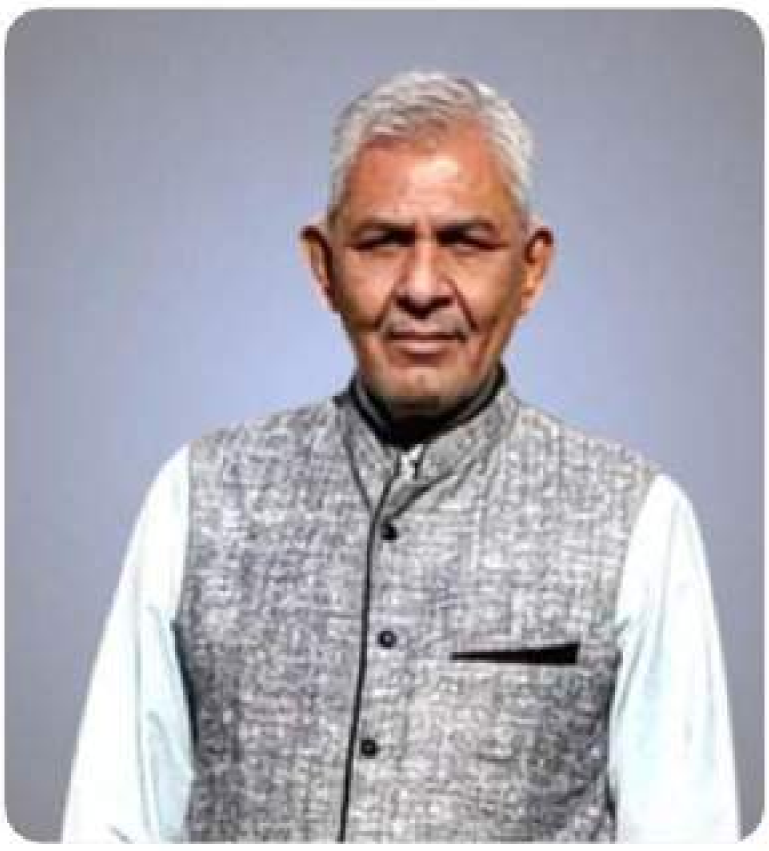
To achieve market leadership with customer satisfaction by providing innovative, cost effective and high quality product in domestic and international market.

VISION

Aeron concentrates on growth in future-oriented segments while maintaining a healthy profitable basis of existing products and customers.

www.aeroncomposite.com

CHAIRMAN'S MESSAGE



DILIPKUMAR RATILAL PATEL
Chairman & Non-Executive Director

Dear Valued Shareholders, Partners, and Stakeholders,

It gives me immense pleasure to present to you the Annual Report of **AERON COMPOSITE LIMITED** as a listed company for the financial year ended March 31, 2026, a year that signifies how far we have come and the promising future we are building.

FY26 - A Year of Resilience and Strategic Progress

FY26 was a year of resilience, as geopolitical disruptions, raw material volatility and global uncertainties tested the operating environment. Despite these challenges, we remained focused on strengthening our capabilities and building the foundation for sustainable growth.

Our key operational milestone was the successful commissioning of our fully owned 51,671 sq. metre facility at Mehsana, Gujarat. With this facility now fully operational, our installed capacity has reached 23,415 MT, completing the major capacity-expansion cycle. FY26 was about building capacity; FY27 is about unlocking its value through higher utilisation, operating leverage and stronger returns.

We also expanded our product portfolio with Solar Module Structures with the pace and scale of growth remaining subject to the necessary technical, commercial and market conditions.

FY27 – Building the Next Growth Engine

Our FY27 strategy is focused on six key priorities: FRP Rebar capacity expanding from 2 to 5 lines by FY27 and expanding the Rebar bend line capacity from 4 to 8 lines by H1FY27; driving capacity utilisation beyond 60–65% by FY27 through automation and process optimisation; expanding into Solar Module Structures; accelerating export growth across existing and new markets; leveraging our DSIR-approved R&D laboratory for new composite solutions; and establishing a captive solar power plant to improve energy efficiency and reduce our carbon footprint.

As we move forward, our focus is clear: convert capacity into growth, growth into profitability, and profitability into sustainable long-term value for our stakeholders.

In Closing

As we look ahead, we believe the Company is entering an important phase in its journey. FY26 tested our resilience, while also strengthening the foundation for the next phase of growth. Despite tariff pressures, geopolitical uncertainty and elevated input costs, we remained focused on execution and continued to grow the business.

With the major capacity expansion now behind us, our priorities are shifting towards better utilisation, operating efficiency and stronger returns on the assets we have built.

On behalf of the Board, I thank our shareholders, customers, employees, and partners for your continued trust. The best of Aeron Composite Limited is yet to come.

Warm regards,

DILIPKUMAR RATILAL PATEL

Chairman & Non Excutive Director

Aeron Composite Limited

THE COMPOSITE EXPERT...

CORPORATE INFORMATION

Corporate Information

Standalone Financial Statements

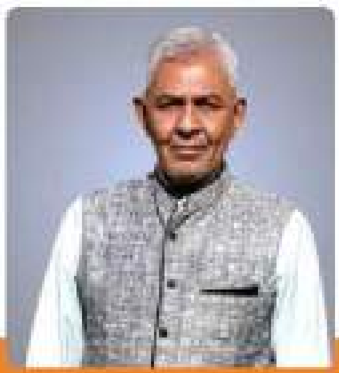
www.aeroncomposite.com

CORPORATE INFORMATION

Annual General Meeting Details

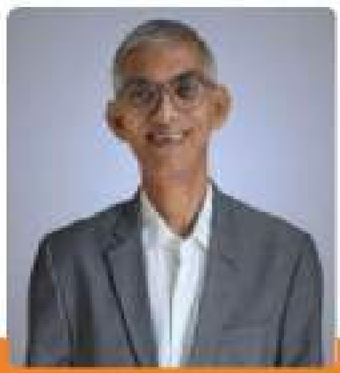
DATE	:	Wednesday, **30th day of September**, 2026
TIME	:	04.00 p.m.
VENUE	:	Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India

BOARD OF DIRECTORS



DILIPKUMAR RATILAL PATEL
Chairman & Non - Executive Director
(DIN: 00314623)

CHIRAG CHANDULAL PATEL
Managing Director
(DIN: 03380703)



PANKAJ SHANTILAL DADHANIYA
Whole - Time Director
(DIN: 02100802)

RAVI PANKAJKUMAR PATEL
Whole - Time Director
(DIN: 03427590)

NAVEEN KUMAR MANDOVARA
Non - Executive Independent Director
(DIN: 02817059)

POONAM NEELENDU SAVALIA
Non - Executive Independent Director
DIN: 06791412)

KEY-MANAGERIAL PERSONNEL

CHIEF FINANCIAL OFFICER
Sanjaykumar Jyestharam Oza

COMPANY SECRETARY
Vijay Mahendrabhai Dakshini

STATUTORY AUDITORS

M/S. DINESH R THAKKAR & CO
Chartered Accountants
(FRN: 102612W)

SECRETARIAL AUDITORS

M/S. M. A. NAKRANI & ASSOCIATES
Practicing Company Secretaries

Listed On:
NSE -EMERGE SME (w.e.f. 04/09/2024)
Symbol: AERON
Equity Shares ISIN: INE0WL801011

Bankers
HDFC Bank Limited
Yes Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

MUFG Intime India Private Limited
5th Floor, 506 To 508, Amarnath Business Centre–1 (Abc-1), Beside Gala Business Centre, Nr St. Xavier's College Corner, Off C G Road, Ellisbridge
E-mail: investor.helpdesk@in.mpms.mufg.com

REGISTERED OFFICE (w.e.f. 01.02.2026)

Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan,
Ta & Dist-Mehsana, Jornang-382732, Gujarat, India
E-mail: account@aeroncomposite.com
Website: www.aeroncomposite.com
CIN: L25209GJ2011PLC065419

Notice of the 15th Annual General Meeting (AGM)

To,
The Members
AERON COMPOSITE LIMITED

NOTICE is hereby given that the 15th Annual General Meeting of the members of AERON COMPOSITE LIMITED will be held on Wednesday 30th September, 2026 at 04.00 pm at the registered office of the company situated at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India to transact the following business:-

ORDINARY BUSINESS:

01. **To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2026 together with the Reports of the Board of Directors and Auditors thereon.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 together with the Reports of the Board of Directors' and Auditors' thereon laid before the 15th Annual General Meeting, be and are hereby received, considered and adopted."

02. **To re-appoint Mr. Ravi Pankajkumar Patel (DIN 03427590), Whole-Time Director, who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and other applicable provisions, if any, Mr. Ravi Pankajkumar Patel (DIN 03427590) (Category: Whole Time Director), who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Whole Time Director of the Company, liable to retire by rotation."

SPECIAL BUSINESSES:

03. **Appointment/Redesignation of Mr. Ravi Pankajkumar Patel (DIN: 03427590) from Whole Time Director to Managing Director of the Company.**

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Articles of Association of the Company, Regulation 17, Regulation 26A and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendation of the Nomination and Remuneration Committee the consent of the shareholders of the company be and is hereby accorded for change in designation and appointment of Mr. Ravi Pankajkumar Patel (DIN: 03427590) from Whole-time Director to Managing Director of the Company with effect from 01/10/2026 for a period of 05 (Five) years on the terms and conditions as detailed below."

"RESOLVED FURTHER THAT notwithstanding anything contained hereinabove, where in any financial year during the currency of the tenure of Mr. Ravi Pankajkumar Patel as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the amount to Mr. Ravi Pankajkumar Patel by way of remuneration as specified above, subject to the limits and conditions as specified in Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), or such other limits as may be prescribed by the Government from time to time as minimum remuneration, and subject to such other approvals and compliances as may be required in this regard."

The details of remuneration payable to Mr. Ravi Pankajkumar Patel, and the terms and conditions of the appointment are given below:

a) Period:
For a period of 5 years, w.e.f. 01/10/2026.

b) Remuneration:
For a period of 5 years, upto Rs. 88,00,000/- (Eighty Eight Lac Only) per annum

c) Duties:
Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Managing Director shall be entrusted such other duties and responsibilities as may be entrusted to him By the Board of Directors from time to time. The headquarter of the Managing Director shall be at registered office or at such place as the Board of Directors may decided from time to time.

d) Termination:
Managing Director may be removed from his office for gross negligence, breach of duty or trust as per provisions of the Companies Act, 2013 and rules made there under. The Managing Director may resign from his office by giving at least 30 days' Notice in writing in advance to the Company.

"**RESOLVED FURTHER THAT** any one of the Directors of the company be and are hereby jointly or severally authorised to sign and submit e-forms and all relevant e-forms, documents, in respect of aforesaid appointment with the Registrar of Companies and to do all such acts, deeds and things as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

04. **To appoint Mr. Hemang Bipinbhai Patel (DIN: 07005903) as a Whole Time Director of the Company.**

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") Articles of Association of the Company and upon recommendation of the Nomination and Remuneration Committee and approval and recommendation of the Board of Directors, Mr. Hemang Bipinbhai Patel (DIN: 07005903) who has been appointed as an Additional and Whole Time Director with effect from August 29, 2026, be and is hereby appointed as director designated as Whole Time Director, liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years commencing from August 29, 2026, on the terms and conditions including payment of remuneration as detailed below."

"RESOLVED FURTHER THAT the remuneration payable to Mr. Hemang Bipinbhai Patel, shall not be subject to the overall ceiling of the total managerial remuneration as provided under Schedule V and Sections 197, 198 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

The details of remuneration payable to Mr. Hemang Bipinbhai Patel, and the terms and conditions of the appointment are given below:

a) Period:
For a period of 5 years, w.e.f. 29/08/2026

b) Remuneration:
For a period of 5(Five) years upto Rs. 88,00,000/- (Eighty Eight Lac Only) per annum.

c) Duties:
Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Whole Time Director shall be entrusted such other duties and responsibilities as may be entrusted to him By the Board of Directors from time to time. The headquarter of the Whole Time Director shall be at registered office or at such place as the Board of Directors may decided from time to time.

d) Termination:
Whole Time Director may be removed from his office for gross negligence, breach of duty or trust as per provisions of the Companies Act, 2013 and rules made there under. The Whole Time Director may resign from his office by giving at least 30 days' Notice in writing in advance to the Company.

"RESOLVED FURTHER THAT any one of the Directors of the company be and are hereby jointly or severally authorised to sign and submit e-forms and all relevant e-forms, documents, in respect of aforesaid appointment with the Registrar of Companies and to do all such acts, deeds and things as may be necessary or expedient in their entire discretion, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

05. **Ratification of remuneration payable to M/s Alok Sharma & Company, Cost Accountants, Cost Auditors of the Company.**

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Alok Sharma & Company, Cost Accountants (Registration Number 20551) Ahmedabad, appointed by the Board of Directors of the Company on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, for the financial year 2026-27 be paid remuneration of Rs. 50000/-(Rupees Fifty Thousand only) plus applicable taxes and out of pocket expenses incurred in connection with the audit.

"RESOLVED FURTHER THAT the Board of Directors or any Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.

By order of the board of directors
AERON COMPOSITE LIMITED

Sd/-

DILIPKUMAR RATILAL PATEL
Chairman and Non-Executive Director
(DIN: 00314623)

REGISTERED OFFICE:
Survey No.170 to 174, Jornang-Akhaj Road,
Via Ambaliyasan, Ta & Dist-Mehsana,
Jornang-382732, Gujarat, India
Date: 29/08/2026

NOTES:

01. An Explanatory statement pursuant to Section 102(1) of the Act, relating to the Special Businesses to be transacted at the AGM is annexed hereto. Further, additional information as required under Listing Regulations and Circulars issued thereunder is also annexed.

02. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself/herself. Such a proxy need not be a member of the company.

    Pursuant to the provisions of Sec. 105 of the Companies Act, 2013 a person can act as a Proxy on behalf of Members not exceeding Fifty (50) and holding in aggregate not more than Ten percent (10%) of the total share capital of the Company. A Member holding more than Ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such Proxy shall not act as a Proxy for any other Member.

    The Proxy form is annexed with this Notice. The instrument appointing the Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, at least 48 hours before the time of the Meeting.

    Corporate Members intending to send their authorized representatives to attend the Annual General Meeting ("the Meeting") are requested to send to the Company a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting to the Company Secretary on his e-mail ID at cs@aeroncomposite.com.

    During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a member is entitled to inspect the Proxies lodged, at any time during the business hours of the Company, provided that not less than 3 days of notice in writing is given to the Company by such Member.

03. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

04. Members who are holding shares in dematerialized form are requested to write their DP ID and Client ID Numbers in the Attendance Slip for attending the Meeting.

05. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ('the Act') and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Annual General Meeting.

06. The Register of Beneficial Owners, Register of Members and Share Transfer Book of the Company shall remain closed from 22nd September, 2026 to 26th September, 2026 (both days inclusive) for the purpose of Annual General Meeting.

07. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days, except Saturday between 11:00 a.m. to 01:00 p.m. prior to the date of Annual General Meeting of the Company.

08. Any member desiring any clarification/explanation in respect of the information given in this annual report is requested to submit query to the company at least 10 days in advance at cs@aeroncomposite.com or cfo@aeroncomposite.com before the meeting so as to enable the management to keep information ready.

09. Members / proxies / authorized representatives are requested to bring their hard copy of the Annual Report at the Annual General Meeting along with duly filled Attendance Slip enclosed herewith to attend the Meeting. To protect the environment, hard copy of Annual Report will not be distributed at the Annual General Meeting.

10. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs or RTA of the Company.

11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by NSDL.

12. Person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e., Wednesday, 23rd September, 2026, shall be entitled to exercise his/her vote either electronically i.e., remote e-voting by following the procedure mentioned in this part or Ballot Paper.

13. The Members of the company holding Shares as on Friday 04th September, 2026 (Cut-off date for entitlement of Annual Report), shall be eligible for receiving the Annual Report-2025-26 along with the notice of the Annual General Meeting, by electronic mode to all the members whose email addresses are registered with the Depository Participant(s).

14. Members can avail the nomination facility by filing Form No. SH-13, as prescribed under Section 72 of the Companies Act, 2013 and rule 19 (1) of the Companies (Share Capital and debentures) Rules 2014 with the Company. Blank forms will be supplied on request.

15. Members holding shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, change of address/name etc. to their Depository Participant. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better service to the members.

16. The e-voting period commences on Sunday, 27th September, 2026 at 9:00 a.m. and ends on Tuesday, 29th September, 2026 at 5:00 p.m. During this period, members of the Company holding shares either in physical form or in demat form, as on the Cut-off date i.e. Wednesday 23rd September, 2026, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting module will be disabled by NSDL for voting thereafter. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Wednesday, 23rd September, 2026. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

17. The facility for voting through ballot papers will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot process. The Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

18. If Members are opting for remote e-voting, they shall not vote by ballot paper and vice versa. However, in case Members cast their vote both by ballot paper and by remote e-voting, then voting done through remote e-voting shall prevail and voting done by ballot paper will be treated as invalid.

19. In terms of the provisions of Section 152 of the Act, Mr. Ravi Pankajkumar Patel, the Whole Time Director of the Company, retires by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment. Mr. Ravi Pankajkumar Patel, is interested in the Ordinary Resolution set out at Item No. 2 of this Notice regarding his re-appointment.

20. Details under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at this Annual General Meeting are annexed to this Notice.

21. The Route Map to the venue of the meeting is annexed to this Notice.

22. In compliance with the MCA Circulars and SEBI Circular, Notice of the 15th AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode to those members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that this Notice and Annual Report for the financial year 2025-26 will also be available on the Company's website https://www.aeroncomposite.com/, website of the Stock Exchange, i.e., National Stock Exchange of India Limited at www.nseindia.com, respectively, and on the website of Company's Registrar and Transfer Agent, MUFG Intime India Private Limited at www.in.mpms.mufg.com

    Members whose e-mail addresses are not registered with the Company/RTA/Depositories will be sent a letter containing the web-link, including the exact path, where the complete Annual Report is available.

23. For receiving all communication (including Annual Report) from the Company electronically:

    Members holding shares in dematerialized mode are requested to register / update their e-mail address with the relevant Depository Participant. National Securities Depository Limited (NSDL) has provided a facility for registration / updation of e-mail address through the link: https://eservices.nsdl.com/kyc-attributes/#/login.

24. The Board of Directors has appointed M/s. M. A. Nakrani & Associates, Company Secretary in Practice having Membership No.: FCS 3220 and Certificate of Practice No.: 4720, as a Scrutinizer to scrutinize the voting process in a fair and transparent manner
25. The Scrutinizer shall immediately after the conclusion of the voting at the meeting, first count the votes of the valid ballot paper cast at the 15th Annual General Meeting. They shall then proceed to unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizers thereafter shall submit their report to the Chairperson after completion of their scrutiny. The result of the voting will be announced within 2 (Two) working days of the conclusion of the 15th Annual General Meeting at the Registered Office of the Company.

    The results declared along with the Scrutinizer's report shall be placed on the Company's website https://www.aeroncomposite.com/ and on the website of NSDL and shall also be intimated to the National Stock Exchange (NSE) where shares of the Company are listed.

    A detailed list of instructions for e-voting is annexed to this Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Sunday, 27th September, 2026 at 9:00 a.m. and ends on Tuesday, 29th September, 2026 at 5:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 23rd September, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 23rd September, 2026.

How do I vote electronically using NSDL e-Voting system?
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ *with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?
      (I) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mnakrani@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **"Forgot User Details/Password?" or "Physical User Reset Password?"** option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Pallavi Mhatre at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@aeroncomposite.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@aeroncomposite.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ANNEXURE TO THE NOTICE

BRIEF PROFILE :
Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be re-appointed/appointed;

Name	Ravi Pankajkumar Patel	Hemang Bipinbhai Patel
Designation	Present designation: Whole-time Director Proposed designation: Managing Director w.e.f. 01/10/2026	Whole Time Director
DIN	03427590	07005903
Date of Birth	20/08/1988	02/11/1988
Qualification	Master of Business Administration (Family Business & Entrepreneurship)	Master of Business Administration (Family Business & Entrepreneurship)
Brief Resume, Nature of Expertise and skill set in specific functional areas	He has overall work experience of more than 14 years. He is playing vital role in the Company since his appointment as director, He is looking after management and affairs of the company under the supervision and control of the board since his appointment as a Director.	He has overall work experience of more than 12 years in the line of industry wherein he was playing vital role. He has wide experience in manufacturing as well as other areas of management.
Date of first appointment on the Board	30/09/2014	29/08/2026
Number of Shares held in the Company	532000	549000
Relationship with other Directors / KMP's	He is a son of brother of chairman & non Executive Director Mr. Dilipkumar Ratilal Patel	He is a son of brother of chairman & non Executive Director Mr. Dilipkumar Ratilal Patel
Directorships held in other Listed companies	None	None
Memberships / Chairmanships of committees of other listed companies	Nil	Nil
Names of the listed entities from which Director resigned in the past three years	Nil	Nil
No. of Board meetings attended during last Financial Year	8	Not Applicable
Terms and conditions of appointment	As detailed in the resolution set out at Item No. 3 of Notice.	As detailed in the resolution set out at Item No. 4 of Notice.
Remuneration Last Drawn	Rs. 88 Lac	Nil

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102(1) of the Companies Act 2013, sets out all material facts relating to items of Special Businesses mentioned in the accompanying AGM Notice.

Item No. 3 Appointment/Redesignation of Mr. Ravi Pankajkumar Patel (DIN: 03427590) from Whole Time Director to Managing Director of the Company.

Mr. Ravi Pankajkumar Patel was appointed as Whole Time Director of the Company by the Members at the Extra Ordinary General Meeting of the Company held on 21/06/2024.

Considering his leadership capabilities, extensive experience, valuable contribution towards the growth and operations of the Company and with a view to entrusting him with substantial powers of management and overall responsibility for the affairs of the Company, based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on August 29, 2026 the Board of Directors of the Company, approved the change in designation of Mr. Ravi Pankajkumar Patel from “Whole-time Director” to “Managing Director” of the Company at the board meeting held on 29.08.2026 for the period of consecutive 5 years with effect from 01/10/2026, subject to approval of the Members.

The change in designation shall be in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Mr. Ravi Pankajkumar Patel is given as Annexure to the Notice and forms part of this Notice.

The Board is of the opinion that the designation of Mr. Ravi Pankajkumar Patel as Managing Director is in the best interest of the Company and accordingly recommends the Special Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

Mr. Ravi Pankajkumar Patel and his relatives may be deemed to be concerned or interested in the said resolution to the extent of their shareholding interest, in the Company. None of the other Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

Item No. 4 - Appointment of Mr. Hemang Bipinbhai Patel (DIN: 07005903) as Whole Time Director of the Company

The Board of Directors, at their Meeting held on August 29, 2026, based on the recommendation of the Nomination and Remuneration Committee ("NRC") at its meeting held on August, 29, 2026 recommended and approved the appointment of Mr. Hemang Bipinbhai Patel as an Additional director designated as Whole-time Director of the Company, for a period of five years commencing from August 29, 2026 subject to approval of the Members.

Upon his appointment, Mr. Hemang Bipinbhai Patel would be considered as a Key Managerial Personnel ("KMP") pursuant to Section 203 of the Act and will be liable to retire by rotation pursuant to Section 152(6) of the Act.

Mr. Hemang Bipinbhai Patel has confirmed that he is not disqualified from being appointed as Director in terms of the provisions of Section 164(1) and (2) of the Act. Mr. Hemang Bipinbhai Patel has provided his consent for such appointment and has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI order or any such authority, pursuant to circular dated June 20, 2018 issued by the National Stock Exchange of India Limited, pertaining to the enforcement of SEBI orders regarding the appointment of Directors by the listed companies.

Relevant details of his appointment is given in Item No. 4 of this notice.

Brief profile of Mr. Hemang Bipinbhai Patel is given as Annexure to the Notice and forms part of this Notice.

Except Mr. Hemang Bipinbhai Patel and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, in the Special Resolution as set out in Item No. 4 of this Notice.

Item No. 5 Ratification of payment of remuneration to M/s Alok Sharma & Company, a cost accountant:

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on 20th May, 2026 had approved the re-appointment and remuneration of M/s. Alok Sharma & Company, Cost Accountants, as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2027, at a remuneration of 50,000/- (Rupees Fifty Thousand only) plus taxes & re-imbursement of out–of–pocket expenses in connection with the audit. M/s. Alok Sharma & Company, Cost Accountants have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959. In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/ or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company for the financial year ending on 31st March, 2027.

The Board recommends the Resolution as set out at Item No. 5 of the Notice for approval by the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No.5 accompanying Notice.

By order of the board of directors
AERON COMPOSITE LIMITED

Sd/-

DILIPKUMAR RATILAL PATEL
Chairman and Non-Executive Director
(DIN: 00314623)

REGISTERED OFFICE:
Survey No.170 to 174, Jornang-Akhaj Road,
Via Ambaliyasan, Ta & Dist-Mehsana,
Jornang-382732, Gujarat, India
Date: 29/08/2026

ROUTE MAP

Route Map including Prominent Land Mark of Venue of 15th Annual General Meeting to be held on Wednesday 30th September, 2026 at 04.00 pm at the registered office of the company situated at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India.

FORM NO. MGT-11 PROXY FORM

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Management and Administration Rules, 2014]

CIN : L25209GJ2011PLC065419

Name of the company : Aeron Composite Limited

Registered office : Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India

Name of the member (s):
Registered addres:
E-mail Id
Folio No/ Client Id
DP ID:

I/We, being the member (s) of .... shares of the above named company, hereby appoint.

Name	
Address	
Signature	
E-mail Id	

or failing him

Name	
Address	
Signature	
E-mail Id	

or failing him

Name	
Address	
Signature	
E-mail Id	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual general meeting of the company, to be held on the Wednesday 30th September, 2026 at 04.00 pm at the registered office of the company situated at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	No. of Equity Shares Held	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
Ordinary Businesses				
01	To receive, consider and adopt the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2026 and Reports of Board of Directors and Auditors thereon.			
02	To re-appoint Mr. Ravi Pankajkumar Patel (DIN 03427590), Whole-Time Director, who retires by rotation and being eligible, offers himself for re-appointment			
Special Businesses				
03	Appointment/Redesignation of Mr. Ravi Pankajkumar Patel (DIN: 03427590) from Whole Time Director to Managing Director of the Company			
04	Appointment of Mr. Hemang Bipinbhai Patel (DIN: 07005903) as director designated as Whole Time Director of the Company			
05	Ratification of payment of remuneration to M/s Alok Sharma & Company, a cost accountant.			

Signed this...... day of 20

Signature of shareholder:

Signature of Proxy holder(s):

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP
(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of AERON COMPOSITE LIMITED. I hereby record my presence at the 15th Annual General Meeting of the shareholders of AERON COMPOSITE LIMITED held on Wednesday 30th September, 2026 at 04.00 pm at the registered office of the company situated at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India

Folio No.	
DP ID No.	
Client ID No.	
Name of the Member	
Signature	
Name of the Proxy Holder	
Signature	

I/We certify that I/we am/are the registered shareholder/proxy for the registered shareholder of the Company.

Notes: -

1. Only a Member, Proxy Holder or duly authorised representative of a Member may attend the Meeting.
2. Please complete the Folio/DP ID/Client ID and name, sign this Attendance Slip, and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING.
3. The member / Proxy holder should bring his/her copy of the Notice for reference at the Meeting.

BOARD REPORT

To,
The Members of
Aeron Composite Limited
Survey No.170 to 174, Jornang-Akhaj Road,
Via Ambaliyasan, Ta & Dist-Mehsana,
Jornang-382732, Gujarat, India

Your Directors are pleased to present their 15th Board Report on the business and operations of the company and the Audited Financial Statement of the company for the Financial Year ended on 31st March, 2026 (Reporting Period).

01. Performance Highlight (Standalone)

Your Company has performed during the reporting period as follows

(Figures. In Lakhs)

Particulars	31.03.2026	31.03.2025
Revenue from Operations	22183.75	21801.09
Other Income	274.97	259.19
Total Revenue	22458.72	22060.28
Less: Total Expenditure	21268.15	20241.88
Profit / Loss Before Tax and exceptional item	1190.57	1818.40
Less: Exceptional Item	18.71	0.00
Profit/(Loss) before Extraordinary Item and Tax	1171.86	1818.40
Less: Tax Expenses-Current	258.89	517.37
Deferred	41.34	-33.30
Net Profit / Loss after Tax	871.63	1334.33
Earnings Per Share in Rs. (Basic & Diluted)	5.12	8.84

02. State Of Company's Affairs and Operations:

Your Company is engaged into the business of manufacturing of Fiber Glass Reinforced Plastic Products (i.e. Manufacturing and Supplying of FRP Products) with its fully integrated infrastructure plant located at Village, Jornang Dist. Mehsana, Gujarat. The Company manufactures wide range of FRP Products.

Standalone Operating Results:
During the year under review, the Standalone Total Revenue of your Company has been increased to Rs. 22458.72 lacs for the financial year 2025-26 compared to Rs. 22060.28 lacs for the previous financial year 2024-25 and registered growth of 1.81 % during the year under report.

Your Company has earned a Profit after Tax (PAT) of Rs. 871.63 lacs in the financial year 2025-26 as compared to PAT of Rs. 1334.33 lacs in the previous financial year 2024-25 which shows decrease of 34.67% in the year under review. The profit was decreased due to the factors beyond the control of the management of the Company.

03. Segment reporting:

The Company has only one primary reportable segment viz. fiber glass reinforced polymer plastic products (i.e. Manufacturing and supplying of FRP products) as per Note No. 38 of Financial Statement.

04. Company Background:

Aeron Composite Limited (CIN:L25209GJ2011PLC065419) was originally incorporated in the name as "Aeron Composite Private Limited" under the Companies Act, 1956 on 13/05/2011. The Company was then converted into a Public Company and the name of the Company was changed to " Aeron Composite Limited " and a Fresh Certificate of Incorporation consequent upon conversion and change of name of Company from Private Limited to Public Limited was issued by the Registrar of Companies, Ahmedabad on 19/06/2024. The entire share capital is listed on NSE Emerge Platform since September, 04, 2024.

05. Statement Of Changes In Equity Share Capital:

As on March 31, 2026, the Authorized Share Capital of the Company stood at Rs. 20,00,00,000 /- (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each. Whereas, the issued, subscribed & paid-up equity share capital of your Company stood at Rs. 17,02,00,000/- (Rupees Seventeen Crore Two Lakh only) divided into 1,70,20,000 (One Crore Seventy Lakhs Twenty Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each. There is no change in the equity share capital of the Company during the year under review.

06. Dividend

Your Directors are of the view that your Company is currently on the path of growth which requires higher capital deployment to fund the businesses, hence need to conserve resources. Keeping the objective in view, your Directors do not recommend any dividend.

07. Transfer to Reserves:

During the year, the Board of your Company has not appropriated any amount to the reserves. The profit earned during the year has been carried to the balance sheet of the Company as per Note No. 5 of Financial Statement of the company for F.Y. ended on 31st March, 2026.

08. Change In The Nature of Business

There is no Change in the nature of the business & operation of the Company done during the year under review.

09. Sweat Equity Shares:

As per the provisions of Section 54(1)(d) of the Companies Act, 2013 and in terms of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares.

10. Differential Voting Rights:

As per the provisions of Section 43(a)(ii) of the Companies Act, 2013 and in terms of Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any shares with Differential Voting Rights.

11. Employee Stock Options:

As per the provisions of Section 62(1)(b) of the Companies Act, 2013 and in terms of Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options.

12. Depository System:

As the Members are aware, the shares of your Company are trade-able compulsorily in electronic form and your Company has established connectivity with both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The ISIN allotted to the Company's Equity shares is INE0WL801011.

13. Quality Initiative

The Company continues to sustain its commitment to the highest levels of quality, superior service management, and mature business continuity management. Our customer-centricity, process rigor, and focus on delivery excellence have resulted in consistent improvements in customer satisfaction levels.

14. Transfer of shares and unpaid/unclaimed dividend to Investor Education and Protection Fund:

During the year under 2025-26, the Company was not required to transfer the equity shares/unclaimed dividend to Investor Education and Protection Fund (IEPF) pursuant to provisions of Section 124 and 125 of the Companies Act, 2013.

15. Directors and Key Managerial Personnel (KMPs):

- Board of Directors and KMPs:

The Board of Directors of the Company consists of (1) Mr. Dilipkumar Ratilal Patel, Chairman & Non-Executive Director, (2) Mr. Pankaj Shantilal Dadhaniya, Whole Time Director, (3) Mr. Ravi Pankajkumar Patel, Whole Time Director, (4) Mr. Chirag Chandulal Patel, Managing Director, (5) Mr. Naveen Kumar Mandovara and (6) Mrs. Poonam Neelendu Savalia as Non-Executive Independent Directors of the Company.

In the opinion of the Board, all the Independent Directors possess requisite qualifications, experience, expertise including the Proficiency and hold high standards of integrity for the purpose of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014.

- Retired by Rotation:

Pursuant the provisions of Section 152 of the Companies Act, 2013 and rules thereof and Articles of Association of the Company, Mr. Ravi Pankajkumar Patel (DIN 03427590) (Whole Time Director), retires by rotation at the 15th Annual General Meeting and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment.

- Declaration by the independent directors:

The Company has received declarations from the Independent Directors of the Company that they meet with the criteria of independence as prescribed under Sub- section (6) of Section 149 of the Companies Act, 2013 in compliance of Rule 6(1) and (3) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time and there has been no change in the circumstances which may affect their status as independent director during the year and they have complied with the code of conduct for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. During the year under review, the Non-Executive Directors/Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, paid to them for attending meetings of the Board and Committee of the Company.

- Disclosure by directors:

The Directors on the Board have submitted requisite disclosure under Section 184(1) of the Companies Act, 2013, declaration of non-disqualification under Section 164(2) of the Companies Act, 2013 and Declaration as to compliance with the Code of Conduct of the Company.

16. Meetings of The Board Of Directors:

(A) Board of Directors Meeting

During the financial year 2025-26, there were 8 (Eight) meetings of the Board of Directors held on (1) 10/04/2025 (2) 23/05/2025 (3) 20/08/2025 (4) 26/09/2025 (5) 14/11/2025 (6) 22/11/2025 (7) 26/12/2025 (8) 25/03/2026 in compliance to the provisions of the Companies Act, 2013 and Secretarial Standards issued by the Institute of Company Secretaries of India.

The maximum gap between any two board meetings is not more than 120 days.

The details of attendance of each director at the board meetings held during the year are given below:

Sr. No.	Name of Director	No. of Meetings entitled to attend	No. of meetings Attended
01	Dilipkumar Ratilal Patel	08	07
02	Chirag Chandulal Patel	08	08
03	Pankaj Shantilal Dadhaniya	08	06
04	Ravi Pankajkumar Patel	08	08
05	Naveen Kumar Mandovara	08	06
06	Poonam Neelendu Savalia	08	06

(B) Audit Committee Meeting of Board of Directors

The Audit Committee is duly constituted in accordance with the Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its power) Rules, 2014. It adheres to the terms of reference which is prepared in compliance with Section 177 of the Companies Act, 2013.

As on 31st March, 2026 the Company's Audit Committee comprised of:

Name of the Director	Status in Committee	Nature of Directorship
Naveen Kumar Mandovara	Chairman	Non-Executive Independent Director
Poonam Neelendu Savalia	Member	Non-Executive Independent Director
Chirag Chandulal Patel	Member	Managing Director

The Audit Committee Meetings were duly convened during the year ended 31st March, 2026 detailed as follows:

Date of Meeting	No. of Directors eligible to attend	No. of Directors attended the meeting
23/05/2025	03	03
20/08/2025	03	03
14/11/2025	03	03
22/11/2025	03	03
26/12/2025	03	03

All the recommendations made by the Audit Committee during the Financial Year 2025-26 were accepted by the Board.

(C) Nomination & Remuneration Committee Meeting of Board of Directors

The Nomination and Remuneration Committee is constituted in accordance with the Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of board and its power) Rules, 2014.

As on 31st March, 2026 the Company's Nomination and Remuneration Committee comprised of:

Name of the Director	Status in Committee	Nature of Directorship
Naveen Kumar Mandovara	Chairman	Non-Executive Independent Director
Poonam Neelendu Savalia	Member	Non-Executive Independent Director
Dilipkumar Ratilal Patel	Member	Non-Executive Director

The Nomination and Remuneration Committee Meeting was duly convened during the year ended 31st March, 2026 as detailed below:

Date of Meeting	No. of Directors eligible to attend	No. of Directors attended the meeting
23/05/2025	03	03
20/08/2025	03	03
14/11/2025	03	02

(D) Stakeholders Relationship Committee Meeting of Board of Directors

The Stakeholders' Relationship Committee is constituted in accordance with the Section 178(5) of the Companies Act, 2013.

As on 31st March, 2026 the Company's Stakeholders Relationship Committee comprised of:

Name of the Director	Status in Committee	Nature of Directorship
Dilipkumar Ratilal Patel	Chairman	Non-Executive Director
Naveen Kumar Mandovara	Member	Non Executive Independent Director
Pankaj Shantilal Dadhaniya	Member	Whole-Time Director

The Stakeholders'Relationship Committee Meeting was duly convened during the year ended 31st March, 2026 as detailed below:

Date of Meeting	No. of Directors eligible to attend	No. of Directors attended the meeting
23/05/2025	03	02
14/11/2025	03	02

Corporate Social Responsibility Committee Meeting of Board of Directors

The Corporate Social Responsibility Committee is constituted in accordance with the provision of the Companies Act, 2013.

As on 31st March, 2026 the Company's Corporate Social Responsibility Committee comprised of:

Name of the Director	Status in Committee	Nature of Directorship
Chirag Chandulal Patel	Chairman	Managing Director
Naveen Kumar Mandovara	Member	Non-Executive Independent Director
Pankaj Shantilal Dadhaniya	Member	Whole-Time Director

During the financial year 2025-26, there was 1 (One) Corporate Social Responsibility Committee Meeting held on 02/03/2026 and this meeting was attended by all its members.

17. General Meetings

During the Year Under review an Annual General Meeting was held on 26th September, 2025 and 1 (One) Extra Ordinary General Meetings was held on 30/01/2026 in compliance to the provisions of the Companies Act, 2013 and Secretarial Standards issued by the Institute of Company Secretaries of India.

18. Formal evaluation of the performance of the board, committees of the board and individual directors under Section 134(3)(P) of The Companies Act, 2013:

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Nomination and Remuneration Committee has carried out the annual evaluation of Individual Directors of the Company; and the Board of Directors has carried out the annual evaluation of the performance of the Board and its Committees and Independent Directors. Further, Independent Directors also reviewed the performance of the Non-Independent Director and Board as a Whole and performance of the Chairman. The evaluation sheet for evaluation of Board, committees and Directors/Chairman were circulated to the respective meetings of the Board, Nomination and remuneration Committee and Independent Directors Separate Meeting.

The performance of the Board is evaluated based on composition of the Board, its committees, performance of duties and obligations, governance issues etc. The performance of the committees is evaluated based on adequacy of terms of reference of the Committee, fulfilment of key responsibilities, frequency and effectiveness of meetings etc. The performance of individual Directors and Chairman was also carried out in terms of adherence to code of conduct, participation in board meetings, implementing corporate governance practices etc.

The Independent Directors are evaluated based on their participation and contribution, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

19. Familiarization Program for Independent Directors:

Letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments was/were issued at the time of appointment. Familiarization Program for Independent Directors includes regular industry trend updates, site visits, pertinent training programs, information access, and frequent interactions with senior management. Your Company is working to cultivate an enlightened and involved Board that supports efficient governance and value creation by actively engaging independent directors and providing them with the necessary resources.

20. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The information on conservation of energy technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, is attached to this Report as "Annexure - A".

21. Particulars of Employees:

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached as "Annexure - B" to this report.

22. Details of Subsidiary, Joint Venture or Associate Companies:

During the financial year 2025-26, no company became or ceased to be a subsidiary, joint venture or associate of the Company. As at 31 March 2026, the Company had no subsidiary company, Holding company, joint venture or associate.

23. Internal Control and their Adequacy

The Company has a well-established internal control system. The Company strives to maintain a dynamic system of internal controls over financial reporting to ensure reliable financial record-keeping, transparent financial reporting and disclosure and protection of physical and intellectual property.

24. Corporate Social Responsibility (CSR):

Pursuant to the provisions of Section 135(9) of the Companies Act, 2013, where the amount to be spent under Corporate Social Responsibility (CSR) by a company does not exceed fifty lakh rupees, the requirement under Section 135(1) for constitution of the Corporate Social Responsibility Committee is not applicable and the functions of such committee provided under Section 135 of the Act, are discharged by the Board of Directors of the Company. The function of CSR Committee is discharged by the Board under the provisions of Section 135(9) of the Act. Accordingly, the Board has approved the Corporate Social Responsibility (CSR) Policy. CSR Policy is available on the website of the Company at https://www.aeroncomposite.com/ investorrelations.html.

The Annual Report on CSR Activities during the financial year 2025-26 forming part of this Board's Report is annexed herewith as "Annexure- C" to this report.

25. Related Party Transactions:

All the related party transactions that were entered during the financial year were in the ordinary course of business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company with its Promoters, Directors, Key Managerial Personnel or other persons which may have potential conflict with the interest of the Company and all Related Party transactions are placed before the Audit Committee for approval.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the website of the Company https://www.aeroncomposite.com/ investorrelations.html.

The details of the related party transactions for the financial year 2025-26 is given in notes of the financial statements, forming part of this Annual Report.

There is no material related party transaction exceeding ten percent of the annual consolidated turnover as per the last audited financial statements.

26. Auditors.

I. Statutory Auditors:

The Members of the Company, at the 13th Annual General Meeting (AGM) held on 25th October, 2024 approved appointment of M/s. Dinesh R. Thakkar & Co., Chartered Accountants, as Statutory Auditors for a term of five consecutive years from the conclusion of 13th AGM to the conclusion of 18th Annual General Meeting.

The Audited Standalone financial results for the year ended March 31, 2026, have been prepared in accordance with the recognition and measurement principles as per Accounting Standards ("AS"). The Notes to the financial statements referred to in the Auditors' Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The report given by the Statutory Auditors on the financial statements of the Company is a part of this Annual Report.

There were neither any qualifications, reservations, nor adverse remark given by the Statutory Auditors in their Report.

Reporting of fraud by Statutory Auditors:

During the year under review, the Auditors have not reported any instances of fraud under Section 143(12) of the Act, committed against the Company by its officers or employees, to the Audit Committee or the Board, the details of which would be required to be mentioned in the Directors' Report.

II. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules thereof, the Company has appointed M/s M. A. Nakrani & Associates, Practicing Company Secretary, Ahmedabad (Firm Registration No.: S1993GJ11100) to conduct a Secretarial Audit for the year 2025-26. The Secretarial Audit Report for the year ended March 31, 2026, is annexed herewith as "Annexure - D" to this Board's Report.

The said secretarial audit report does not contain any qualifications, reservations, or adverse remarks or disclaimer.

III. Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board has appointed M/S. G B & Co., Chartered Accountants, Ahmedabad as an Internal Auditor of the Company for conducting internal audit of the Company for F.Y. 2025-26.

IV. Cost Auditor:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and rules thereof the Board of Directors of the Company has appointed Mr. Alok Sharma, Cost Accountants, Ahmedabad (Firm Registration No.: 100974) as the Cost Auditor of the Company to audit the cost records of the Company for the financial year ending at March 31, 2026. Further, as per Section 148 of the Companies Act, 2013, the remuneration payable to the Cost Auditor for F.Y. 2026-27 will be placed for ratification/approval of Members at the 15th Annual General Meeting.

Cost records as specified by the Central Government under sub-section 1 of section 148 of the Companies Act, 2013, are maintained by the Company for the financial year 2025-26.

27. Material order passed by regulators/courts/tribunals:

There was no material order passed by Regulators/Courts/Tribunals during the year under review impacting the going concern status and company's operations in future.

28. Deposits:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet as per section 73 and 76 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

29. Corporate Governance Report:

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

a) Listed entity having paid up equity share capital not exceeding Rs. 10 Crore and Net worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;

b) Listed entity which has listed its specified securities on the SME Exchange.

Since your Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2025-26.

30. Management Discussion and Analysis:

The Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forming part of this Annual Report.

31. Particulars of Loans, Guarantees or Investments made under Section 186 of The Companies Act, 2013:

During the financial year under report the company has not made any loan, investments etc. under Section 186 of the Companies Act, 2013 and rules made there under hence no disclosure.

32. Material changes affecting the financial position of the company:

No material changes and commitments affecting the financial position of the Company have occurred between period from the end of the financial year of the Company to which the Financial Statements relate and the date of this report.

33. Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information a n d explanations obtained by them, your Directors make the following statements in terms of Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013, which states:

a) In the Preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit /loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the Annual Accounts on a going concern basis;

e) The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. Adequacy of Internal Financial Control:

The Companies Act, 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. The Company has devised proper system of internal financial control which is commensurate with size and nature of business. The Company has an Audit Committee headed by the Independent Director, inter-alia, to oversee company's financial reporting process, disclosure of financial information, and reviewing the performance of statutory and internal auditors with management. Further, the Board had appointed Internal Auditor of the Company for the financial year 2025-26 pursuant to the provisions of Section 138 of the Companies Act, 2013.

35. Compliance With Secretarial Standards and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015:

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 from time to time.

36. Annual Return:

As per the requirement of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 read with rules made there under, as amended from time to time, the Annual Return in Form MGT-7 is available on the website of the Company at https://www.aeroncomposite.com/investorrelations.html.

37. Disclosure Under Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013:

Your Company has always believed in providing a safe and harassment-free workplace for every individual working. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has in place a Prevention of Sexual Harassment (POSH) policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company has constituted an Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. POSH Committee has equal representation of men and women and is chaired by senior woman employee of the Company.

The following is the summary of sexual harassments complaints received and disposed of during the financial year ended March 31, 2026.

No. of Complaints Received – Nil

No. of Complaints disposed of – Nil

No. of Cases Pending for more than 90 Days – Nil

38. Risk Management and its Policy:

Your Company's Risk Management practice seeks to sustain the long-term vision and mission of your Company. It continuously evaluates the various risks surrounding the business and seeks to review and upgrade its risk management process. To further endeavor, your Board constantly formulates strategies directed at mitigating these risks which get implemented at the Executive Management level and a regular update is provided to the Board.

The Risk Management System is fully aligned with the corporate and operational objectives. There is no element of risk which in the opinion of the Board that may threaten the existence of the Company.

39. Whistle Blower Policy/Vigil Mechanism:

The Company has established a whistle blower policy/ Vigil mechanism in compliance with the provision of Section 177(10) of the Companies Act, 2013 for the genuine concerns expressed by the employees and Directors about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

The Company provides adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The Board has approved the policy for vigil mechanism which is available on the website of the Company at https://www.aeroncomposite.com/investorrelations.html.

40. Proceedings Initiated/ Pending against the Company under The Insolvency and Bankruptcy Code, 2016:

There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the Business of the Company.

41. Website:

As per Regulation 46 of SEBI (LODR) Regulations, 2015, the Company is maintaining a functional website namely https://www.aeroncomposite.com/ containing basic information about the Company. The website of the Company is also containing information like Policies, Financial Results, Annual Reports and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company, etc.

42. Business Responsibility Report

Pursuant to Regulation 34 of the Listing Regulations, 2015, Business Responsibility Report is not applicable to your Company.

43. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof:

The above clause is not applicable to your Company as your Company has not entered into any settlement from Banks or Financial Institutions during the year under review.

44. Dematerialization of Shares:

During the year under review, all the equity shares were dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company.

45. Meeting Of Independent Directors:

Schedule IV of the Companies Act, 2013 and the Rules thereunder mandate that the independent directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of the Management.

During the year under review, the Independent Directors met on 13/02/2026 inter alia, to:

1) Review the performance of the Non- Independent Directors and the Board of Directors as a whole.

2) Review the performance of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.

3) Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting. At the meeting, the independent directors discussed, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, succession planning, human resources matters and the performance of the executive members of the Board, and the Chairman.

The Board is satisfied with the integrity, expertise and experience (including the proficiency) of the independent directors and their contributions towards the enhancement of operations of the Company.

46. Disclosures Under Maternity Benefit Act, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, as amended, and ensures that all eligible women employees are extended the benefits and protections mandated under the Act, including paid maternity leave and other entitlements. The Company also promotes a gender-inclusive workplace and is committed to supporting the health and well-being of women employees through appropriate workplace policies and practices

47. Disclosure requirements for certain types of agreements binding listed entities under regulation 30A (2) of SEBI LODR.

The Board confirms that no any agreement, as specified under the Clause 5A of Paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was entered into by the Company during the financial year 2025-26.

48. Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company has appointed Company Secretary as Compliance Officer who is responsible for setting forth procedures and implementing the code for trading in Company's securities and the same policy is available at https://www.aeroncomposite.com/ investorrelations.html.

During the year under review, there has been due compliance with the said code.

49. Acknowledgement:

Your directors place on records their sincere thanks to employees and workers, bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of Board of Directors of,

AERON COMPOSITE LIMITED
(Formerly known as Aeron Composite Private Limited)

Chirag Chandulal Patel	**Ravi Pankajkumar Patel**
Managing Director	Whole Time Director
DIN: 03380703	DIN: 03427590

Date: 20/05/2026
Place: Ahmedabad

Management Discussion and Analysis Report

Global Economic Outlook

The global economy has moved through a distinctly different phase. The IMF's July 2026 World Economic Outlook Update projects world output to grow 3.0% in 2026 and 3.4% in 2027, broadly unchanged on a cumulative basis from the April 2026. Growth this year reflects two crosscurrents: an energy-price and confidence shock from the conflict in the Middle East, weighing on energy-importing and vulnerable economies, set against an unusually strong, AI-driven technology investment cycle lifting economies integrated into that value chain. Global headline inflation is now projected to rise from 4.1% in 2025 to 4.7% in 2026, before easing to 3.9% in 2027, and global trade growth is expected to slow to about 3.5% in 2026 from 5% in 2025. Advanced economies are seen growing 1.7% in 2026 - the United States near 2.1-2.3%, the euro area a more modest 1.2% - while emerging Asia's technology-integrated economies continue to benefit from AI-linked semiconductor and digital-infrastructure demand.

About the Geopolitical disruptions

Disruptions to oil and petrochemical flows through the Strait of Hormuz following the outbreak of the Iran war have tightened global chemicals supply and lifted prices of plastics and polymer, used in everything from auto parts to toys, to roughly four-year highs. About $20 billion to $25 billion worth of petrochemical products pass through the Strait annually, underscoring the fact that continued disruptions to this flow would push producers to pass the higher costs on to consumers.

The escalation in geopolitical tensions triggered a sharp increase in energy and petrochemical feedstock costs. Crude oil prices rose from around US$69/bbl before the escalation to approximately US$113/bbl, with some quarter-end benchmarks reaching nearly US$118/bbl. This surge had a direct cascading impact on the cost of key petrochemical feedstocks, including naphtha, propane/LPG, benzene and propylene.

This supply shock translated into a sharp increase in polymer prices, with European polyethylene spot prices estimated to have risen by 70–80% between February and April 2026, highlighting the severity and speed of the cost escalation. Analysts said the Strait's closure could disrupt nearly 1.2 million barrels per day of global naphtha export flows, further tightening feedstock availability for the production of petrochemicals. The war has sent Asia's naphtha refining margin above $400 a ton over Brent crude from about $108 a ton before the conflict started, according to LSEG data.

For materials intensive industry, the practical read-through is unchanged in direction even if the drivers have shifted: infrastructure, energy transition and mobility capex continue to be the structural pillars of demand for lightweight, corrosion-resistant, sustainable materials, and Fiber Reinforced Polymers remain strategically positioned as an enabler of that transition. FRP composites, particularly those reinforced with glass fiber and carbon fiber, are gaining traction as they enable weight reduction without compromising structural integrity, thereby supporting efficiency and performance goals.

Source: IMF, World Economic Outlook Update, July 2026 (imf.org), Reuters.

2. Indian Economic Outlook

India remains the world's fastest-growing major economy for a fourth consecutive year. FY 2025-26, delivered real GDP growth estimated at 7.6%, up from 7.1% in FY25, on the strength of manufacturing, services, consumption and investment. Growth was not linear through the year: Q1 FY26 GDP surprised at a five-quarter high of 7.8%, and Q2 FY26 accelerated further to 8.2%, well above the RBI's own projections for those quarters, before Q3 FY26 moderated to 7.8% amid a slower agriculture and non-manufacturing print. The Economic Survey 2025-26 projects FY27 real GDP growth at 6.8-7.2%, with India's potential growth estimated at around 7%, and the RBI's Monetary Policy Committee, at its August 2026 review, raised its own FY27 growth forecast to 6.7%.

On prices and rates: headline CPI inflation, having stayed below the RBI's 4% target for sixteen consecutive months, rose back above target to 4.4% in June 2026, though Q1 FY27 inflation averaged a more benign 3.9%. The RBI now expects inflation to rise further and peak near 5.9% in Q3 FY27, driven by food and fuel, before moderating; its FY27 CPI forecast stands at 5.0%. Consistent with this, the RBI's Monetary Policy Committee held the repo rate unchanged at 5.25% at its August 2026 meeting (3-5 August 2026) - the fourth consecutive hold following the last cut, from 5.5% to 5.25%, in December 2025 - retaining a 'neutral' stance . This compares with the 5.5% repo rate and cumulative 100 bps of FY25 easing referenced in last year's report.

The structural demand remain firmly in place and in scale, extended by the Union Budget 2026-27, the Economic Survey 2025-26, and the latest reported progress under PM Gati Shakti:

- PM Gati Shakti National Master Plan: now integrates infrastructure planning across 58 ministries/departments using more than 3,291 data layers. As of 11 August 2026, its Network Planning Group had evaluated 396 infrastructure projects worth approximately ₹18.66 lakh crore, of which 256 stood sanctioned and 198 were under implementation; separately, the PRAGATI review platform has tracked over ₹85 lakh crore of projects and resolved 2,958 implementation issues.
- Union Budget 2026-27 capex step-up: the Centre's capital expenditure was raised to ₹12.2 lakh crore (3.1% of GDP, up from ₹11.2 lakh crore in FY26 BE), with effective capex including capex support to states/UTs at ₹17.1 lakh crore, or 4.4% of GDP, the highest in a decade. Within this, the Ministry of Road Transport & Highways allocation rose roughly 8% to ₹3.09-3.10 lakh crore for FY27, and NHAI's allocation rose 10% to ₹1.87 lakh crore, alongside a stated policy of reducing NHAI's own debt.
- Physical network growth: the national highway network has grown to 1,46,572 km as of March 2026 (from 91,287 km in 2014), including 45,516 km of four-lane-or-wider highway and 22,590 km completed under Bharatmala; India's metro network has expanded to over 1,155 km across 26 cities (from 248 km across 5 cities in 2014), carrying daily ridership above 1.15 crore passengers both direct proxies for structural-profile, handrail, cable-tray and (increasingly) GFRP rebar demand.
- Urban infrastructure / Smart Cities: the Smart Cities Mission formally closed on 31 March 2025, but continued completing sanctioned work through FY26 - 7,790 of its tendered projects, worth ₹1,56,257 crore, stood completed as of March 2026; successor urban programmes, including PM Awas Yojana (Urban) 2.0, continue to sustain urban-infrastructure capex.

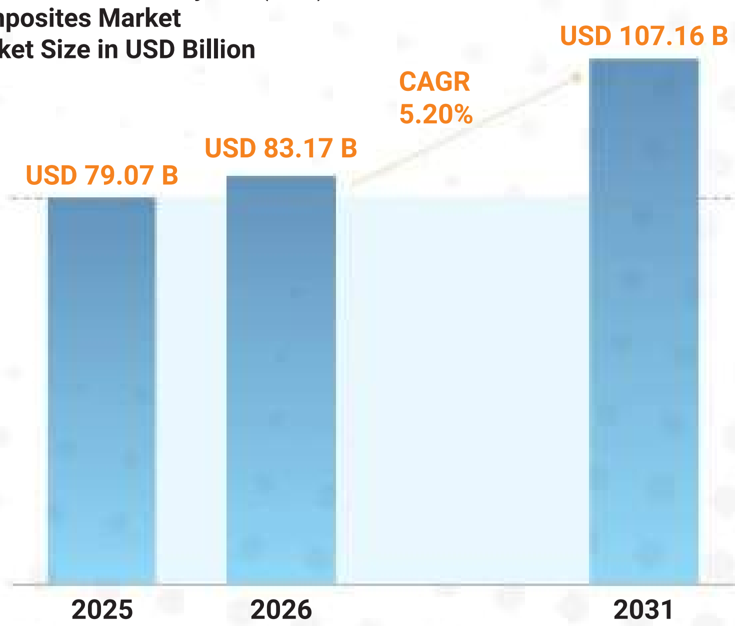
Source: Economic Survey 2025-26 / PIB (pib.gov.in); Business Standard, NSO first advance/quarterly GDP estimates (business-standard.com); RBI MPC Resolution, August 2026 (rbi.org.in, via India Infoline / IndiaBonds / JM Financial coverage); BusinessToday, 27 Feb 2026; PIB, Union Budget 2026-27 Highlights (1 Feb 2026); ANI/Tribune India, 11 Feb 2026 (effective capex); Angel One / ETV Bharat / PRS Legislative Research / Foxmandal, Union Budget 2026-27 MoRTH & NHAI allocations; IBEF, 'India's infrastructure push', 14 Aug 2026.

3. Industry Overview

3.1 Global FRP/Composites Industry

Independent market estimates continue to place the global FRP/fiber-reinforced-polymer composites market on a steady growth path, though as is typical for this industry different research houses use different scope definitions, so figures vary meaningfully by source. Recent 2026 estimates range from approximately USD 83-114 billion in 2026, growing at a CAGR of roughly 5.2-7.6% to reach an estimated USD 107-220 billion by the early 2030s, depending on the study. Asia-Pacific continues to hold the largest regional share (~45-46% in 2025-26) and is also expected to register the fastest regional growth.

Fiber-Reinforced Polymer (FRP)
Composites Market
Market Size in USD Billion



Source: fortunebusinessinsights.com

www.aeroncomposite.com

Management Discussion and Analysis Report

3.2 Global GFRP Rebar Industry
Estimates for the global GFRP rebar market in the mid-2020s range from approximately USD 0.5-1.5 billion, projected to reach roughly USD 1.7-3.2 billion by the early-to-mid 2030s, at CAGRs quoted between 8% and 12.1% depending on scope and forecast horizon. Asia-Pacific - led by India, China, Japan and South Korea is consistently flagged as the fastest-growing region, and coastal, bridge, tunnel and marine infrastructure remain the core applications .

3.3 Indian FRP/GFRP Rebar Industry
The India-specific FRP rebar market is still small in absolute terms but is growing at the fastest rate within our portfolio. Industry research pegs the India FRP rebar market at roughly **USD 20 million in 2024,** projected to grow at a CAGR of approximately 17.3% through 2030 where the market was sized in rupee terms at ₹300-500 crore. Demand continues to be underwritten by NHAI's expressway pipeline and the FY27 Budget's road/highway allocation of ₹3.09-3.10 lakh crore to MoRTH (up from ₹2.76 lakh crore in the FY26 Budget), plus coastal and marine infrastructure projects. As before, Union Minister for Road Transport and Highways Shri Nitin Gadkari remains a vocal advocate for GFRP rebar adoption in national highway construction, and successful reference projects such as the Bandra-Worli Sea Link, the Mumbai Coastal Road and Gujarat water-treatment installations continue to build the case for wider adoption.

3.4 Emerging Segment: Carbon Fiber Reinforced Polymer (CFRP)
The global carbon-fiber/CFRP opportunity remains large and fast-growing, though quoted figures again vary by scope - narrower CFRP-only market estimates put the 2026 market at roughly **USD 12 billion, growing to ~USD 21 billion by 2032 (CAGR ~9.3%),** while broader studies covering carbon fiber plus CFRP together size the market at roughly USD 37 billion in 2026, growing to ~USD 79 billion by 2032 at a CAGR of over 13%. Both scopes point the same direction: rising adoption in wind-energy, automotive and renewable-energy applications.

Source: Mordor Intelligence (Jan 2026); Fortune Business Insights; MarketResearch.com/VPA Research (Feb 2026); Persistence Market Research; Verified Market Reports; Spherical Insights; MarketsandMarkets (GFRP Rebar); 6Wresearch/ResearchAndMarkets (India FRP Rebar); Entrepreneur India (May 2026); Jivial Composites (2026); ResearchAndMarkets (CFRP, various).

4. Company Overview and FY 2025-26 Performance

4.1 Background of the company

AERON COMPOSITE LIMITED remains, as described in our founding narrative, one of India's leading **FRP/GRP product manufacturers,** founded in 2011, offering design, prototyping, manufacturing, installation and after-sales support across an **13+ product portfolio.**

Our export recognition has advanced from Star Export House to **Two Star Export House status,** and exports contributed 52% of FY26 revenue, against sales into **39+ countries and 800+ customers .**

4.2 Transition to Fully Owned Factory

- The single biggest operational milestone: our new, fully owned 51,671 sq. mtr. manufacturing facility at Mehsana, Gujarat - described last year as 'in the process of transitioning' is now fully operational
- The installed capacity ramped to its full 23,415 MT. This closes out the capacity-expansion story we opened last year and shifts the Company's focus toward utilisation and margin capture from FY27 onward.

Benefits: reduced rental overheads, higher efficiency, lower wastage, and capacity to scale **new business lines (GFRP Rebar, CFRP products)**

4.3 Manufacturing Processes

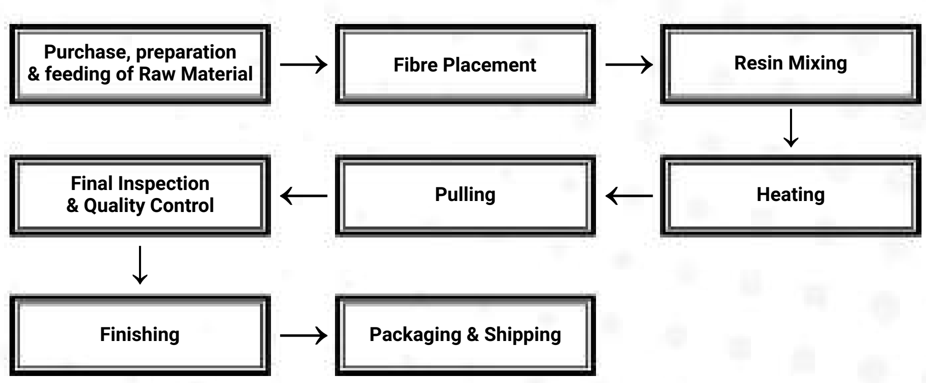
Aeron uses diverse manufacturing technologies to deliver world-class FRP products:

- **Pultrusion:** continuous production of beams, handrails, ladders
- **Moulding:** Moulded gratings,
- **FRP Rod:** FRP Rod for Fiber Optic Cable
- **FRP Rebar:** FRP Rebar for Construction
- **Hand Lay-up:** Canopies, roofing, customized products.
- **Machining/Fabrication:** precision-cut profiles for modular assembly

Manufacturing Process for FRP Pultruded Products

Pultrusion is a manufacturing process used to produce continuous lengths of fiber-reinforced polymer (FRP) profiles with constant cross-sections. The process involves pulling fiber reinforcements, such as glass fibers or carbon fibers, through a resin bath, where they are thoroughly impregnated with a liquid resin. The impregnated fibers then pass through a shaping die, where they are formed into the desired profile shape. Finally, the profile is pulled through a heated die or curing chamber, where the resin is cured (polymerized), resulting in a solid, composite profile with excellent strength-to-weight ratio and corrosion resistance.

Here's a detailed explanation of the Pultrusion process:



Manufacturing Process for FRP Moulded Gratings:

Molded gratings are made through a process involving the combination of continuous glass fibers and resin in an open mold. Typically, this process starts with the placement of continuous glass fibers (usually in the form of roving) into a mold. The fibers are then impregnated with a liquid resin, often polyester or vinyl ester, using either a vacuum infusion or hand lay-up method. Once the mold is filled, the resin is cured through heat and/or chemical catalysts to solidify the composite material. After curing, the molded gratings are demolded/ejected and trimmed to the desired dimensions.

Purchase of Raw Material → Resin Mixing → Molding Process → Layering & Curing → Demolding & Finishing → Quality Check → Packaging & Shipping

Manufacturing Process for FRP Rods

This is a variation of the Pultrusion process where UV (ultraviolet) curing is employed to cure the resin rather than traditional heat curing. In this process, UV-sensitive resins are used, which polymerize when exposed to ultraviolet light. The impregnated fibers pass through a UV curing chamber where they are exposed to UV light, causing rapid curing of the resin and solidification of the composite material. This method is often used for producing FRP rods used as central strength members in Optic fibre cables.

Raw Material Selection → Resin Mixing → Impregnation → Curing → Cutting & Rewinding → Quality Control → Packaging and Shipping

Source: RHP

4.4 Competitive Strengths

- **Diverse portfolio:** 13+ FRP product lines plus GFRP Rebar.
- **Integrated operations:** design→prototyping→ manufacturing→installation.
- **Innovation focus:** DSIR-approved R&D unit
- **Export leadership:** Presence in 39 countries.
- **World class Infrastructure manufacturing facility**

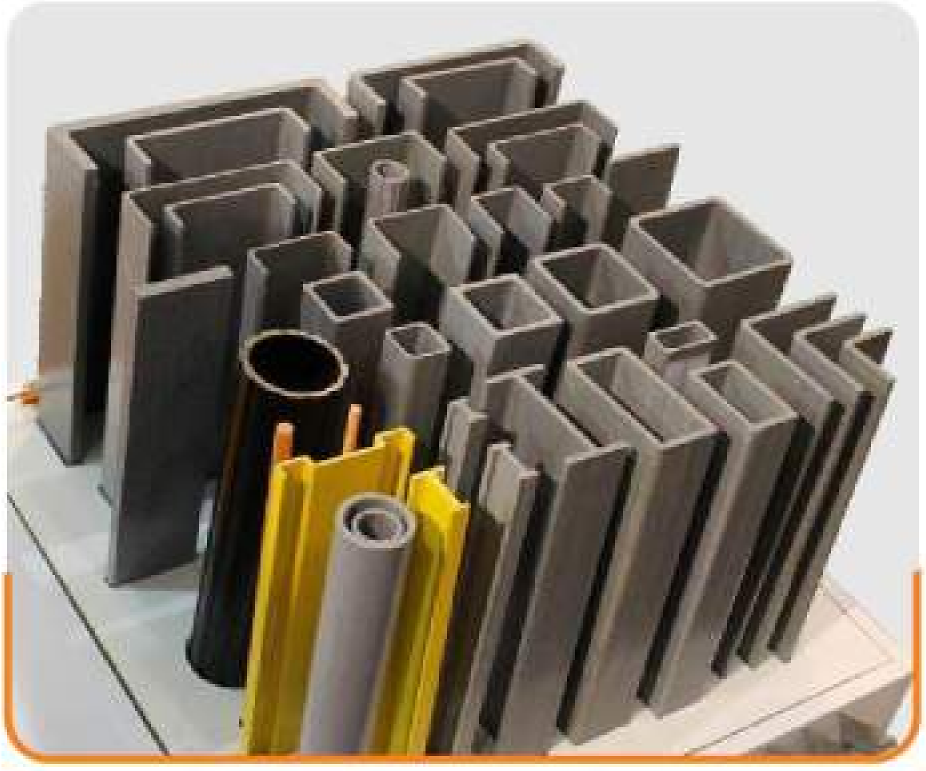
Source: RHP & Investor PPT

5. Product Portfolio & Segment Overview

FRP/GRP STRUCTURAL PROFILES

These are the components used in a variety of industrial and commercial applications. These profiles are available in diverse shapes including I-beams, channels, angles, and square sections.

They are engineered to replace traditional materials like steel and Aluminium due to various properties like Corrosion resistant, light weight, high strength to weight ratio and Durability.



FRP/GRP CABLE TRAY

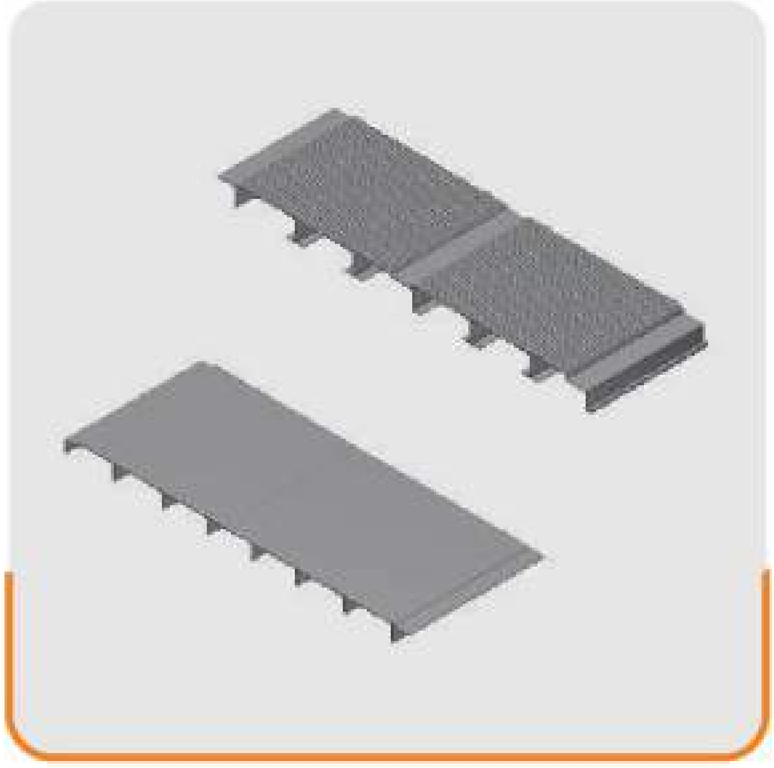
FRP/GRP cable trays are used for supporting and routing electrical cables in industrial, commercial, and public infrastructure projects. These trays offer a durable, and corrosion-resistant solution for cable management, ensuring the protection and organization of electrical cables.

FRP/GRP cable trays come in two main types: ladder type cable trays and perforated type cable trays, each designed to meet specific needs and applications.

FRP DECK

FRP decks are suitable for pedestrian walkways, bridges, platforms, and other structural applications where strength and longevity are crucial. These decks are made from Fiber Reinforced Polymer(FRP), providing an alternative to traditional decking materials such as wood, steel, and concrete.

FRP decks are durable, lightweight, and corrosion-resistant platforms used in a variety of industrial, commercial, and public infrastructure applications.



FRP HANDRAILS

Fiber Reinforced Polymer (FRP) handrails are a type of railing system made from composite materials such as fiberglass reinforced plastic.

These are designed for safety and support in industrial, commercial, and public infrastructure applications. These handrails offer a durable, and corrosionresistant solution.

FRP LADDER

FRP ladders are used in industrial and commercial settings, providing a safe, durable, and corrosion-resistant climbing solution. These ladders are designed to replace traditional materials due to features like slip resistant, corrosion resistant etc.

We Offer wide range of Ladders such as Manhole Ladder, Platform Ladder, Step Ladder, Safety Cage Ladder. FRP Ladders are required for doing electrical cable/equipment installation due to nonconductive and light weight properties of FRP

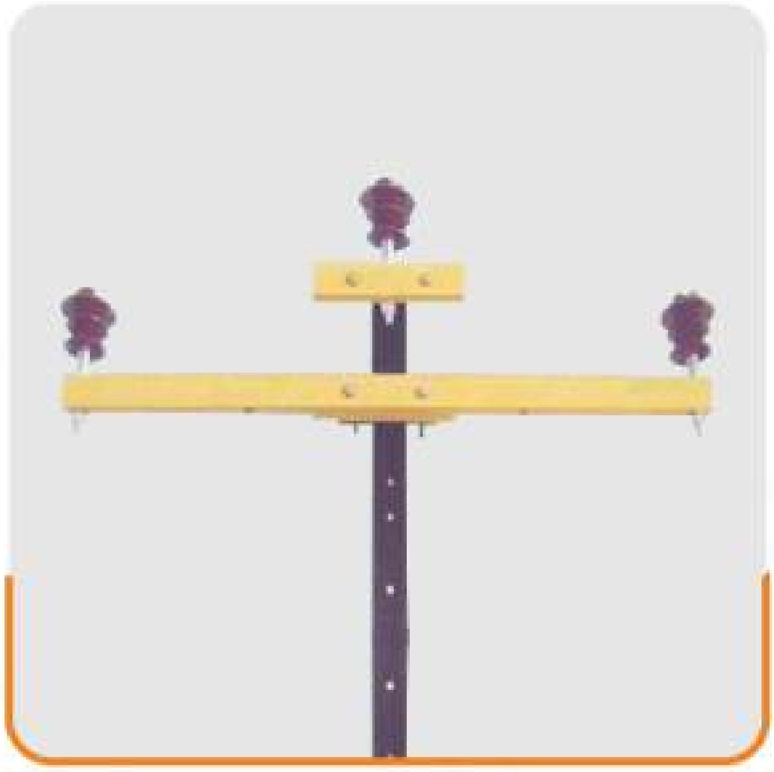
FRP POLES

FRP poles are used for lighting, utility, and communication applications, providing a lightweight and durable alternative to traditional materials.

These poles are designed to withstand harsh environmental conditions while maintaining structural integrity being corrosion resistant, lightweight, durable and non-conductive

FRP CROSS ARM

FRP cross arms are integral components of electrical transmission and distribution networks, providing support for power lines and other equipment. These cross arms are made from FRP materials, ensuring they can withstand the demanding conditions of electrical infrastructure like light weight, high strength, Non-conductive etc.



FRP FENCING

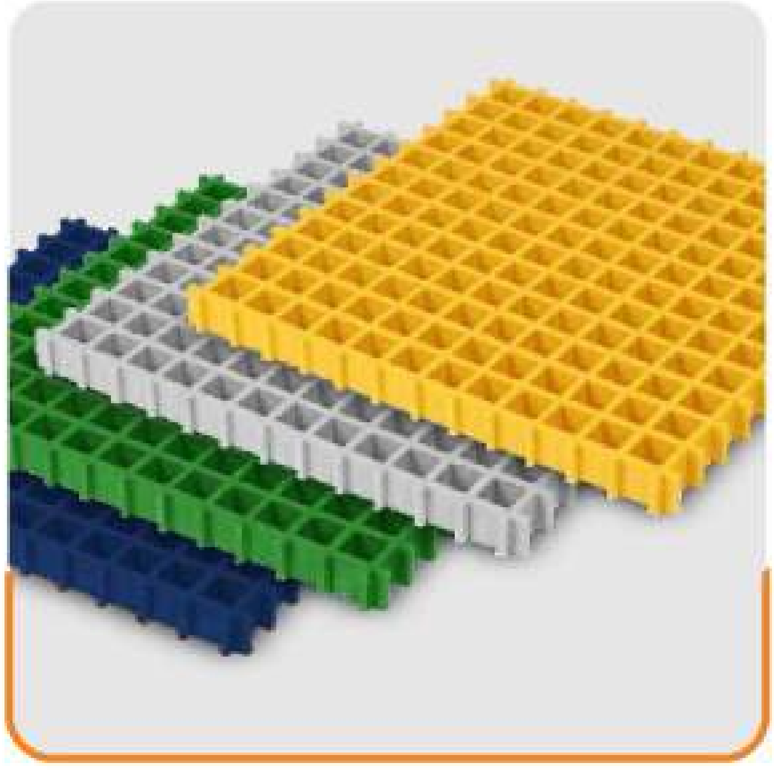
FRP fencing provides a strong, durable, and maintenance-free solution for perimeter security in various environments. These fences are designed to withstand harsh conditions while providing a pleasing appearance.

FRP Fencing does not have a resale value hence it is a suitable material for public fencing area where metal fencing is prone to theft due to resale value. FRP Fencing being electrically nonconductive offer safety for transformer and substation.

FRP MOULDED GRATINGS

FRP Gratings are widely used for flooring, walkways, and platforms in industrial and commercial settings. These gratings provide a safe, durable, and corrosion-resistant alternative to traditional metal gratings.

These gratings are typically used in applications requiring bi-directional strength and high chemical resistance. By choosing t he appropriate type of FRP grating for a specific application, one can ensure optimal performance, safety, and durability, making these gratings a smart investment for any project.



FRP ROD FOR OPTIC FIBRE CABLE

FRP Rods are designed as strength members in optic fiber cables, providing essential support and protection to the delicate optical fibers within. Their lightweight, non-magnetic, and corrosion- resistant properties ensure minimal impact on cable weight and electromagnetic interference. These characteristics make FRP rods essential for maintaining the structural integrity and performance of optic fiber networks.

FRP SOLAR MODULE STRUCTURE

SOLAR ROOFTOP SOLUTIONS

Comprehensive rooftop mounting systems designed for flat and slanted roofs, offering shallow, elevated and non-penetrative installation options. Lightweight, durable structures are engineered for high wind loads while minimizing roof impact and installation effort.

SOLAR GROUND MOUNTED SOLUTIONS

Engineered ground-mounting systems offering single-post, dual-post and seasonal-tilt solutions for diverse terrains and project requirements. Optimized designs provide strength, durability, easy installation and improved energy performance.

AERON GIGABAR®

Fibre Reinforced Plastic/ Glass Fibre Reinforced Plastic is a composite material made of a polymer matrix reinforced with fibres. The fibres are usually Fibreglass, Carbon, or Aramid, while the polymer is usually an Epoxy, Vinylester Thermosetting Plastic for rebar applications .

What is GFRP Rebar?

GFRP Rebar is a **reinforcing rod for concrete** made from continuous glass fibres embedded in a polymer resin. Unlike conventional steel rebar, GFRP is **rust-proof, lightweight, non-conductive, and highly durable.** It addresses the critical challenge of steel corrosion in concrete infrastructure, which leads to costly repairs and shorter lifespans.

Glass Fiber Reinforced Polymer (GFRP) Rebar

During FY25, Aeron Composite Limited forayed into the **GFRP Rebar business,** marking a significant diversification beyond its established FRP portfolio.

What is GFRP Rebar?

GFRP Rebar is a reinforcing rod for concrete made from continuous glass fibres embedded in a polymer resin. Unlike conventional steel rebar, GFRP is rust-proof, lightweight, non-conductive, and highly durable. It addresses the critical challenge of steel corrosion in concrete infrastructure, which leads to costly repairs and shorter lifespans.

Advantages Over Steel Rebar:

- **Corrosion Resistance –** unaffected by moisture, salts, and chemicals.
- **Lightweight –** 4x lighter than steel, easier to transport and install.
- **High Strength** – twice the tensile strength of steel.
- **Safety –** Non-magnetic and non-conductive, safer in electrical environments.
- **Sustainability –** 45% lower CO2 emissions during production and longer structure life reduces lifecycle footprint.

Applications

GFRP Rebar is particularly suited for **roads, bridges, highways, tunnels, coastal infrastructure, chemical plants, and water treatment facilities** — areas where steel is prone to rapid corrosion. Notable projects in India such as the **Bandra-Worli Sea Link, Mumbai Coastal Road, and Gujarat water treatment plants** have already benefitted from GFRP adoption.

Aeron's Capabilities and Expansion Plan for FRP Rebar

- Commercial sales began in **March 2025,** with initial supplies already delivered.
- Current setup includes **two dedicated production lines** at the Mehsana facility.
- Planned expansion to **five lines by FY26,** integrated within existing infrastructure, ensuring cost efficiency and minimal additional capex.
- The product complies with **IS 18255:2023 standards** for rebar in concrete reinforcement, establishing Aeron as one of the few certified players in India.
- By leveraging its **strong balance sheet and net cash position,** Aeron is scaling rebar as a **core vertical alongside structural profiles, gratings, and cable systems.**

Strategic Significance

GFRP Rebar positions Aeron in the **fast-growing construction materials space,** expanding its customer base from Chemical, Water Treatment, telecom, utilities, and oil & gas to **large infrastructure developers and government EPCs.** This product line is expected to emerge as a **key growth driver** and enhance margins due to its advanced technology and limited competition.

Source: RHP, Product Catalouge, Research

6. Strategic Priorities - Status Update

we are accelerating the FRP Rebar Revolution, expanding rebar manufacturing capacity from 2 to 5 lines by FY27 and rebar bending capacity from 4 to 8 lines by H1 FY27, positioning us to capture the growing adoption of corrosion-resistant composite reinforcement. With the major capacity expansion cycle largely behind us, our focus is on driving capacity utilisation beyond 60–65% through automation, process optimisation and scale efficiencies, with the objective of strengthening margins while participating in the projected 10–14% global composites industry growth. We are continuously expanding into new product categories and leveraging our DSIR-approved R&D laboratory for new composite solutions; and establishing a captive solar power plant to improve energy efficiency and reduce our carbon footprint.

7. Key Financials - Fy26

Metric	FY 2025-26
Revenue	₹221.8 crore
EBITDA	₹18.8 crore (8.5% margin)
PAT	₹8.7 crore
ROE	8.3%
ROCE	11.5%
Installed capacity (Mehsana)	23,415 MT — fully ramped
Export contribution to revenue	52%
Revenue CAGR (5Y)	23%
PAT CAGR (5Y)	25%

The decline in PAT and return ratios, which reflects a combination of geopolitical headwinds and the step-up in our fixed-asset base and gearing. While geopolitical disruptions have impacted raw material costs and operating conditions, the increased asset base and investments are also ahead of the revenue and margin benefits expected from greater scale, the GFRP Rebar ramp-up and the eventual entry into CFRP. We therefore view FY26 as a transition and investment phase, rather than a change in the underlying growth thesis, with our focus firmly on improving utilisation, margins and returns as these investments mature.

8. Risk Management

Aeron Composite Limited has a structured risk management framework to identify, monitor, and mitigate potential business challenges.

1. Raw Material Volatility: Can be mitigated through multi-supplier sourcing, long-term contracts, and R&D on alternate resins.

2. Technology Obsolescence: FRP technology evolves rapidly. Mitigation: DSIR-approved R&D, investments in automation & product development and CFRP expansion.

3. Competition: Entry of global players may intensify pricing pressures. Mitigation: diversified portfolio, strong export base, and focus on niche segments like GFRP Rebar.

4. Infrastructure Cyclicality: FRP demand tied to infra capex cycles. Mitigation: diversification across telecom, oil & gas, exports, and CFRP.

5. Quality & Compliance: Non-compliance with global/Indian standards may affect credibility. Mitigation: ISO-certified processes, in-house testing labs, and adherence to global benchmarks.

6. Forex & Export Risk: Exposure from sales in 39 countries. Mitigation: natural hedging, forward contracts, and geographic diversification.

7. Human Capital & Safety: Skilled workforce essential for composite manufacturing. Mitigation: continuous training, EHS standards, and retention policies.

9. Human Resources

- Skilled Workforce: Employees trained in multiple FRP processes — pultrusion, moulding and fabrication.

- R&D Talent: DSIR-approved in-house lab with dedicated engineers working on new resins, and product development.

- Culture & Retention: Focus on performance-linked incentives, career growth, and a safe work environment.

- Future Readiness: HR strategy aligned with Aeron's expansion into CFRP and high-value exports, ensuring a pipeline of specialized talent.

10. Internal Controls and Governance

1. Segregation of Duties
- Ensure no single individual controls all aspects of a transaction.
- Divide responsibilities across initiation, approval, execution, and review stages to reduce fraud and error risks.

2. Standardized Operating Procedures (SOPs)
- Document clear, repeatable processes for all critical operations.
- Align SOPs with regulatory requirements and internal policies.

3. Periodic Financial Reconciliations
- Reconcile accounts regularly to detect discrepancies early.
- Automate reconciliation through ERP systems where feasible.

4. Defined Key Controls and Risk Mapping
- Identify and document key controls linked to material risks.
- Use a risk-control matrix to track ownership, frequency, and effectiveness.

5. Regular Internal Audits
- Conduct independent reviews to assess control effectiveness.
- Use audit findings to refine processes and close control gaps.

6. Integrated Assurance Across Three Lines of Defence
- Coordinate efforts between operational teams, risk/compliance, and internal audit.
- Use dashboards to visualize control effectiveness across functions.

7. Technology-Enabled Controls
- Leverage ERP systems for automated checks, access controls, and audit trails.

8. Tone from the Top
- Senior leadership must champion ethical conduct and control discipline.
- Embed governance values into performance reviews and training.

9. Whistle-blower and Ethics Programs
- Maintain confidential reporting channels for misconduct.
- Promote awareness of ethical standards and anti-corruption policies.

10. Continuous Monitoring and Improvement
- Use KPIs and control dashboards to monitor performance.
- Update controls in response to regulatory changes, business expansion, or audit finding

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
AERON COMPOSITE LIMITED
Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan,
Ta & Dist-Mehsana, Jornang-382732, Gujarat, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AERON COMPOSITE LIMITED having CIN L25209GJ2011PLC065419 and having registered office at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Ta & Dist-Mehsana, Jornang-382732, Gujarat, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
01	Dilipkumar Ratilal Patel	00314623	13/05/201
02	Pankaj Shantilal Dadhaniya	02100802	13/05/2011
03	Ravi Pankajkumar Patel	03427590	30/09/2014
04	Chirag Chandulal Patel	03380703	01/06/2021
05	Naveen Kumar Mandovara	02817059	20/06/2024
06	Poonam Neelendu Savalia	06791412	20/06/2024

Ensuring the eligibility of for the continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR, M. A. NAKRANI & ASSOCIATES

Place: Ahmedabad
Date: 20/08/2026

Sd/-

M. A. NAKRANI
(Proprietor)
CP. NO. 4720
FCS No. 3220
UDIN: F003220H001168665

"ANNEXURE – A"

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. Conservation of Energy:

The steps taken or impact on conservation of energy	In its endeavors towards conservation of energy, your Company ensures optimal use of energy, avoid wastages and endeavors to conserve energy as far as possible
The steps taken by the Company for utilizing alternate sources of energy	The Company usually takes care for optimum utilization of energy.
The capital investment on energy conservation equipment	No capital investment on energy Conservation equipment made during the financial year.

B. Technology Absorption:

The efforts made towards technology absorption:	The nature of business of the company is not Technology intensive. However based on the technological innovation happening related to the business operations of the company, it is keen to upgrade its processes to improve service quality and reduce costs. Training is also imparted to the company's personnel on the latest development of technology related to the business of the company.
The benefits derived like product improvement, cost reduction, product development or import substitution:	
In case of imported technology: (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
The expenditure incurred on Research and Development.	The company has In-house Research & Development Centre in developmental activities for new products, improvement in existing products, processes etc. The amount of expenditure incurred on Research and Development is Rs. 93.57 Lacs as per note no. 40 of the Financial Statement of the company.

C. Foreign Exchange Earning and Outgoes:

(Rs. In lakh)

Sr. No.	Particulars	F.Y. 2025-26	F.Y. 2024-25
01	Foreign Exchange Earned	10679.07	12752.25
02	Foreign Exchange Expenditure	287.46	244.81

For and on behalf of Board of Directors of,

AERON COMPOSITE LIMITED
(Formerly known as Aeron Composite Private Limited)

Sd/-

Chirag Chandulal Patel
Managing Director
DIN: 03380703

Sd/-

Ravi Pankajkumar Patel
Whole Time Director
DIN: 03427590

Date: 20/05/2026
Place: Ahmedabad

"ANNEXURE – B"

PARTICULARS OF EMPLOYEES

Disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary during the financial year 2025-26, are as under.**

Sr. No	Name of Director / KMPs	Designation	Remuneration of Directors/KMPs for F.Y. 2025-26 in Rs.	Ratio of Remuneration of each Director to median remuneration of Employees	% increase / (decrease) In remuneration for F.Y. 2025-26
01	Dilipkumar Ratilal Patel	Chairman & Non Executive Director	Rs. 88.00 Lakh	29.33	2.08%
02	Chirag Chandulal Patel	Managing Director	Rs. 88.00 Lakh	29.33	2.08%
03	Pankaj Shantilal Dadhaniya	Whole Time Director	Rs. 88.00 Lakh	29.33	2.08%
04	Ravi Pankajkumar Patel	Whole Time Director	Rs. 88.00 Lakh	29.33	2.08%
05	Naveen Kumar Mandovara	Non-Executive Independent Director	NA	-	Not Applicable
06	Poonam Neelendu Savalia	Non-Executive Independent Director	NA	-	Not Applicable
07	Sanjaykumar Jyestharam Oza	Chief Financial Officer	Rs. 12.35 Lakh	4.12	37.53%
08	Vijay Mahendrabhai Dakshini	Company Secretary & Compliance Officer	Rs. 06.02 Lakh	2.01	54.76%

b. Percentage increase in the median remuneration of employees in the financial year:
In the financial year 2025-26, the percentage increase in median remuneration of employees was 20.35%.

c. Number of permanent employees on the payroll of Company:
There are 429 permanent employees on the payroll of Company as on March 31, 2026.

d. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration Affirmation that the remuneration is as per the remuneration policy of the Company:

Average annual increase in the salaries of the employees, other than managerial remuneration was 20.29 % whereas there was no increase/decrease in the remuneration to the managerial personnel i.e. Chairman and Managing Directors

e. Affirmation that the remuneration is as per the remuneration policy of the Company.
It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

f. During the financial year, there was no employee employed throughout the financial year or part of the financial year who was in receipt of remuneration in the aggregate of not less than Rs. 8.50 Lacs per month or Rs. 1.02 Crore per financial year.

g. The statement containing the names of the top ten employees in terms of remuneration drawn and other prescribed particulars pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is maintained pursuant to the provisions of Section 136 of the Companies Act, 2013. The said statement is available for inspection by any member at the Registered Office of the Company during business hours, between the prescribed period. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of Board of Directors of,

AERON COMPOSITE LIMITED
(Formerly known as Aeron Composite Private Limited)

Sd/-

Chirag Chandulal Patel
Managing Director
DIN: 03380703

Sd/-

Ravi Pankajkumar Patel
Whole Time Director
DIN: 03427590

Date: 20/05/2026
Place: Ahmedabad

"ANNEXURE – C"

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014]

1. **Brief Outline on the CSR Policy of the Company:**
   The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR as one of the key focus areas to adhere to global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

   This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

   In this year the focus of CSR activities was mainly towards Promotion of education and skill development, Healthcare initiatives.

2. **Composition of CSR Committee**
   As on 31st March, 2026 the Company's Corporate Social Responsibility Committee comprised of:

Name of the Director	Status in Committee	Nature of Directorship
Chirag Chandulal Patel	Chairman	Managing Director
Naveen Kumar Mandovara	Member	Non-Executive Independent Director
Pankaj Shantilal Dadhaniya	Member	Whole-Time Director

During the financial year 2025-26, there was 1 (One) Corporate Social Responsibility Committee Meeting was held on 02/03/2026 and this meeting was attended by all its members.

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** https://aeroncomposite.com/

4. **Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** Not Applicable

5. **The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable to the Company, since the Company did not meet the criteria specified under Section 135(5) of the Companies Act, 2013.

6.
   a) Average net profit of the company as per sub-section 5 of section 135: Rs. 14,12,36,356/-
   b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 28,39,043/-
   c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
   d) Amount required to be set-off for the financial year, if any: Nil
   e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 28,39,043/-

7.
   a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 28,50,000/-
   b) Amount spent in Administrative overheads: Nil
   c) Amount spent on Impact Assessment, if applicable: Nil
   d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 2850000/-
   e) CSR amount spent or unspent for the Financial Year: Nil

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 2850000/-	Nil	NA	NA	NIL	NA

f)Excess amount for set-off, if any: Rs. 10,957/-

Sl. No. (1)	Particular (2)	Amount(in Rs.) (3)
(I)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 2839043/-
(ii)	Total amount spent for the Financial Year	Rs. 2850000/-
(iii)	Excess amount spent for the Financial Year [(ii)-(I)]	Rs. 10957/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Rs. 10957/-

8.Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub¬section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficie ncy, if any
01	FY-1	NIL	NIL	NA	NA	NA	NA
02	FY-2	NIL	NIL	NA	NA	NA	NA
03	FY-3	NIL	NIL	NA	NA	NA	NA

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

For and on behalf of Board of Directors of,

AERON COMPOSITE LIMITED
(Formerly known as Aeron Composite Private Limited)

Sd/-

Chirag Chandulal Patel
Managing Director
DIN: 03380703

Sd/-

Ravi Pankajkumar Patel
Whole Time Director
DIN: 03427590

Date: 20/05/2026
Place: Ahmedabad

"ANNEXURE – D"

Form No. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March 2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
AERON COMPOSITE LIMITED
Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan,
Ta & Dist-Mehsana, Jornang-382732, Gujarat, India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AERON COMPOSITE LIMITED** (hereinafter called 'the Company') having CIN L25209GJ2011PLC065419. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31/03/2026 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2026 according to the provisions of:

a) The Companies Act, 2013 (the Act) and the rules made thereunder;
b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under to the extent applicable;
c) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
d) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent applicable;
e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; NOT APPLICABLE
   v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; NOT APPLICABLE
   vi. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, to the extent applicable to the Company during the audit period;
   vii. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025; NOT APPLICABLE
   viii. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; NOT APPLICABLE
   ix. Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018 ; NOT APPLICABLE
   x. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to the extent applicable;

f) As informed to me other laws specifically applicable to the company are as under:

   (a) All the labour laws as amended from time to time, to the extent applicable to the Company;
   (b) The Industrial Relations Code, 2020, and the rules/regulations/notifications and transitional provisions applicable thereunder, together with the Industrial Disputes Act, 1947, to the extent applicable during the relevant part of the audit period;
   (c) The Environment (Protection) Act, 1986;
   (d) The Water (Prevention and Control of Pollution) Act 1974;
   (e) The Air (Prevention and Control of Pollution) Act, 1981;
   (f) The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended from time to time, to the extent applicable to the Company;

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

In respect of other laws specifically applicable to the Company we have relied on information / records produced by the Company during the course of our audit and the reporting is limited to that extent.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the Composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, or shorter notice in compliance to the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that no other specific event/ action having a major bearing on the company's affairs in pursuance to the laws, rules, regulations, guidelines, etc. referred to above.

I further report that during the audit period there were no instances of: (i) Public / Right / Preferential Issue of Shares / Debentures / Sweat Equity etc.; (ii) Redemption / Buy-Back of securities; (iii) Merger / Amalgamation / Reconstruction, etc.; (iv) Foreign Technical Collaborations;

Place: Ahmedabad
Date: 20/08/2026

FOR, M. A. NAKRANI & ASSOCIATES

Sd/-

M. A. NAKRANI
(Proprietor)
CP. NO. 4720
FCS No. 3220
UDIN: F003220H001167955
Peer Review No. 7991/2026

Note: This Report is to be read with our letter of even date which is annexed as Annexure A and form an integral part of this Report.

"ANNEXURE A"

(To The Secretarial Audit Report)

To,
The Members of
AERON COMPOSITE LIMITED
Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan,
Ta & Dist-Mehsana, Jornang-382732, Gujarat, India

My Secretarial Audit Report of even date is to be read along with this letter.

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

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. Further, my audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in my report and the same pertain to the Financial Year ended on 31st March, 2026.

4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, I have obtained management representations regarding compliance with applicable laws, rules and regulations and the occurrence of relevant events and transactions.

6. The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

7. While forming an opinion on compliance and issuing the Secretarial Audit Report, I have also taken into consideration the compliance related actions taken by the Company after 31st March 2026 but before the issue of the Report.

8. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

FOR, M. A. NAKRANI & ASSOCIATES

Place: Ahmedabad
Date: 20/08/2026

Sd/-

M. A. NAKRANI
(Proprietor)
CP. NO. 4720
FCS No. 3220
UDIN: F003220H001167955
Peer Review No. 7991/2026

INDEPENDENT AUDITOR'S REPORT

To the Members of

AERON COMPOSITE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of AERON COMPOSITE LIMITED (Formerly known as Aeron Composite Private Limited) (CIN: L25209GJ2011PLC065419) (the "Company"), which comprises the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss and Statement of Cash Flow for the year then ended and notes to the Standalone Financial Statement, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its Profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Standalone the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 21 and 23 forming part of the Standalone Financial Statements regarding the regrouping/reclassification of foreign exchange fluctuation gain/loss relating to export sales from "Other Income" to "Other Operating Income" and foreign exchange fluctuation gain/loss relating to import purchases from "Other Income" to "Cost of Materials Consumed".

The management has considered such presentation appropriate considering that the related foreign exchange fluctuation arises from transactions undertaken in the ordinary course of the Company's operating activities. Accordingly, the aforesaid regrouping/ reclassification has been made to align the presentation with the current year classification.

The aforesaid matter is significant to an understanding of the presentation of the Company's operating results for the year. Such regrouping/reclassification has no impact on profit before tax, profit after tax, earnings per share, total equity or cash flows of the Company. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial Statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

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

In preparing the Standalone Financial Statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account of the Company.

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

   f) With respect to adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) In our opinion and to the best of our information and explanation given to us, the managerial remuneration paid/ provided by company to its directors during the year is in accordance with provisions of section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer to Note 33 to financial statements.)

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

      iii. There were no amounts which required to be transferred to the investor education and protection fund by the company.

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

      (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or Otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

      v. The company has not declared or paid any dividend during the year. Therefore, compliance of provisions of section 123 of the Act is not applicable.

      vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail was enabled. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

PLACE: AHMEDABAD
DATE: MAY 20,2026

FOR, DINESH R THAKKAR & CO.
CHARTERED ACCOUNTANTS
FRN: 102612W

KEYUR M. THAKKAR
(PARTNER)
M.NO.190243
UDIN: 26190243CXDSAL2796

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT F.Y. 2025-26

Referred to in Paragraph 1. Under the heading of "Report on other legal and regulatory requirements" section of our report of even date to the members of Aeron Composite Limited on the Standalone Financial Statements as of and for the year ended 31st March, 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the course of our audit and to the best of our knowledge and belief, we report that :

I. In respect of Property, Plant and Equipment and Intangible Assets: -

a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all the items which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and based on the examination of the conveyance deed provided to us, the title deeds of immovable properties disclosed in the Standalone Financial Statements are held in the name of the Company.

d) Based on our audit procedures and according to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

e) Based on our audit procedures and according to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under Prohibition of Benami Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act,1988 (45 of 1988)) and rules made thereunder during the year.

ii. In respect of its Inventories :-

a) According to the information and explanations given to us, the inventory has been physically verified by the management during the year including inventory lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. As explained to us and on the basis of records examined by us, the value of the discrepancies noticed on physical verification by management as compared to book records did not exceed 10% or more in aggregate for each class of inventory.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters, and no material discrepancies have been observed except as set out below:

(Rs. In Lakhs)

Type of Assets	Quarter Ended	Name of the Bank	Working Capital Limit Sanctioned	Amount Disclosed to bank at quarter ended	Amount as per Books of Account at quarter ended	Difference	Reason for Difference
Inventories	31.03.2026	HDFC Bank Ltd	2620.77	4,044.74	4,090.72	(45.98)	Difference due to Provisional Figures reported to banks earlier to finalisations of quarterly accounts.
		YES Bank Ltd	1800.00				
		Standard Chartered Bank	1500.00				

* Trade Receivables submitted to HDFC Bank Ltd. excludes advance received from trade receivable more than 90 Days as per requirement of Bank.

iii. In respect of Loans/Guarantee/Security/Investment given/made by the Company :-

The Company has not made any investment or granted any loans or advances in the nature of loans or provided any guarantee or security, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under the clauses (a) to (f) of paragraph 3(iii) of the companies (Auditor's Report) Order, 2020 is not applicable to the company.

Further, in accordance with General Circular No. 04/2015 dated 10.03.2015- loans and advances to employees other than the managing or whole-time directors (which is governed by section 185) are not governed by the requirements of section 186 of the Companies Act, 2013, therefore no further information is required to be furnished under this clause.

iv. In respect of Loans/Investments/Guarantees/Security by the Company :-

On the basis of our examination of the records, the company during the year has not granted any loans nor provided any guarantees or security in connection with a loan to any person or any other body corporate and also has not made any investments. Therefore, the requirement to report under clause (iv) of para 3 of the order are not applicable to the company.

v. In respect of Deposits :-
The Company has not accepted any public deposits and also no amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.

vi. In respect of Cost Records :-

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

vii. In respect of statutory dues:

a) The company is generally regular in depositing with Appropriate Authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Custom Duty and other statutory dues applicable to it. According to the information and explanation given to us, there were no undisputed amount payable in respect of such due which were outstanding as at 31st March, 2026 for a period more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no statutory dues outstanding as at 31 March 2026 which have not been deposited on account of disputes, except as stated below:

(Rs. In Lakhs)

Name of Statue	Nature of the Dues	Amount			Period to which the amount relates	Forum where dispute is pending
		Amount under Dispute	Amount deposited under Protest	Balance Not Deposited		
Central/State Goods and Service Tax Act, 2017	Goods and Service Tax	6.18	6.18	NIL	FY 2024-25	Preferred first appeal to Appellate Authority
Central/State Goods and Service Tax Act, 2017	Goods and Service Tax	5.89	5.89	NIL	FY 2025-26	Preferred first appeal to Appellate Authority

viii. In respect of Unrecorded Income :-

The company has not surrendered or disclosed any transaction, previously unrecorded in books of account, as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), therefore no further information is required to be furnished under this clause.

ix. In respect of Repayment of Loans :-

(a) Based on our audit procedures, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon due to any lender.

(b) Based on our audit procedures, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) Based on our audit procedures, we report that the term loan availed by the company during the year were applied for the purpose for which the loans were obtained.

(d) Based on an overall examination of standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) Based on our audit procedures, the company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the order is not applicable to the company.

(f) Based on our audit procedures, the company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the order is not applicable to the company.

x. In respect of Utilization of IPO and Private Placement and Preferential Issues :-

a) According to the information and explanations given to us, the company has not raised moneys by way of Initial public offer or further public offer (incl. debt Instrument) during the year.

However, the company has raised money by way of Initial public offer ("IPO") amounting ₹5610.00 Lakhs wherein it has issued 44,88,000 equity shares of ₹ 10/- each at issue price of ₹ 125 each on dated 4th September, 2024. The funds so raised have been applied for the purpose for which they were raised. Unutilised amount of Rs. 2810.27 Lakhs as at March 31, 2026 has been lying in monitoring account with Bank.

(Rs. In Lakhs)

Nature of the fund raised	Purpose for which funds were raised	Total Amount Raised	Amount utilized for the other purpose	Unutilized balance as at balance sheet date	Details of default	Subsequently rectified
Initial Public Offer	Funding the Capital Expenditure requirements towards setting up of an additional manufacturing unit	3,903.60	Nil	2810.27	Not Applicable	Not Applicable
Initial Public Offer	Issue related Expenses	313.55	Nil	Nil	Not Applicable	Not Applicable
Initial Public Offer	General corporate purpose	1392.85	Nil	Nil	Not Applicable	Not Applicable
Total		**5610.00**	-	**2810.27**	-	Not Applicable

b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore no further information is required to be furnished under this clause.

xi. In respect of Reporting of Fraud :-

a) Based upon the audit procedures performed, we report that no fraud by the company or any fraud on the company has been noticed or reported during year.

b) During the year, no report under sub section (12) of section 143 of the Companies Act has been filed by us in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. In respect of Nidhi Company:-

The Company is not a Nidhi Company as per the provision of companies Act, 2013. Therefore, the provision of clause 3 (xii) (a), (b) & (c) of the company's (Auditor's Report) order, 2020 is not applicable.

xiii. In respect of Related Party Transaction: -

In our opinion, the all transaction entered by the company with related parties are in compliance with the provision of section 177 and 188 of the Companies Act, 2013 and details thereof have been properly disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

xiv. In respect of Internal Audit: -

In our opinion and based on our examination, according to the size and nature of the business, the company has established the internal audit system as per the provision of section 138 of Companies Act, 2013. Further, we have considered the internal audit report issued to the company by the internal auditor for the year ended 31st March, 2026.

xv. In respect of Non- cash Transaction: -

The company has not entered into any non-cash transactions with the directors or persons connected with him during the year. Therefore, the provision of clause 3 (xv) of the company's (Auditor's Report) order, 2020 is not applicable.

xvi. In respect of Registration Under RBI Act, 1934:-

The registration under section 45 IA of Reserve Bank of India Act, 1934 is not required as the company is not engaged in the business of a non-banking financial institution (as defined in section 45-I(a) of the Reserve Bank of India Act, 1934) as its principal business and hence clause 3 (xvi) (a) to (d) of Company's (Auditor's Report) Order, 2020 is not applicable.

xvii. In respect of Cash Losses :-

The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

xviii. In respect of Auditor's Resignation: -

There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. In respect of Financial Position :-

On the basis of the financial ratios to disclosed in the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In respect of Corporate Social Responsibility :-

(a) Based upon the audit procedures performed, Company has fully spent the amount as required towards of Corporate Social Responsibility during the year as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to Information and explanation provided to us, the company does not have any ongoing project with respect to CSR. Hence, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

PLACE: AHMEDABAD
DATE: MAY 20,2026

FOR, DINESH R THAKKAR & CO.
CHARTERED ACCOUNTANTS
FRN: 102612W

KEYUR M. THAKKAR
(PARTNER)
M.NO.190243
UDIN: 26190243CXDSAL2796

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

F.Y. 2025-26

Referred to in (f) of Paragraph 2 under the heading of "Report on other legal and regulatory requirements" section of our report of even date to the members of Aeron Composite Limited on the Standalone Financial Statements as of and for the year ended 31st March, 2026

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

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of **AERON COMPOSITE LIMITED (Formerly known as Aeron Composite Private Limited)** ("the Company") as at 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013('Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and, deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

PLACE: AHMEDABAD
DATE: MAY 20,2026

FOR, DINESH R THAKKAR & CO.
CHARTERED ACCOUNTANTS
FRN: 102612W

KEYUR M. THAKKAR
(PARTNER)
M.NO.190243
UDIN: 26190243CXDSAL2796

AERON COMPOSITE LIMITED

(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

Balance Sheet as at March 31, 2026

(₹ in lakhs)

Particulars	Note	As at March 31 2026	As at March 31 2025
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	4	1,702.00	1,702.00
(b) Reserves and Surplus	5	9,268.08	8,396.45
Total		**10,970.08**	**10,098.45**
(2) Non-current liabilities			
(a) Long-term Borrowings	6	2,018.57	2,091.35
(b) Deferred Tax Liabilities (net)	7	5.69	-
Total		**2,024.26**	**2,091.35**
(3) Current liabilities			
(a) Short-term Borrowings	8	3,776.34	2,457.59
(b) Trade Payables	9		
- Due to Micro and Small Enterprises		1,233.65	759.60
- Due to Others		2,248.52	4,381.57
(c) Other Current Liabilities	10	560.47	505.60
(d) Short-term Provisions	11	347.21	339.10
Total		**8,166.19**	**8,443.46**
Total Equity and Liabilities		**21,160.53**	**20,633.26**
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	12	7,632.42	1953.71
(ii) Capital Work-in-progress	12	130.45	3471.85
(iii) Intangible Assets under Development	12	104.97	54.29
(b) Deferred Tax Assets (net)	13	-	35.64
(c) Long term Loans and Advances	14	178.34	43.08
(d) Other Non-current Assets	15	78.65	78.60
Total		**8124.83**	**5637.17**
(2) Current assets			
(a) Inventories	16	4090.72	5369.60
(b) Trade Receivables	17	4809.93	4515.23
(c) Cash and cash equivalents	18	3195.78	4567.59
(d) Short-term Loans and Advances	19	57.36	24.33
(e) Other Current Assets	20	881.91	519.34
Total		**13,035.70**	**14,996.09**
Total Assets		**21,160.53**	**20,633.26**

See accompanying notes to the financial statements 1-57

As per our report of even date
For **DINESH R THAKKAR & CO.**
Chartered Accountants
Firm's Registration No. 102612W

For and on behalf of the Board of
AERON COMPOSITE LIMITED
(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

KEYUR M. THAKKAR
PARTNER
Membership No. 190243

SANJAYKUMAR J. OZA
Chief Financial Officer

CHIRAG CHANDULAL PATEL
Managing Director
DIN: 03380703

VIJAY M. DAKSHINI
Company Secretary
M. No.: A34688

RAVI PANKAJKUMAR PATEL
Whole-Time Director
DIN: 03427590

Place: AHMEDABAD
Date: May 20, 2026

Place: AHMEDABAD
Date: May 20, 2026

AERON COMPOSITE LIMITED

(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

Statement of Profit and loss for the year ended 31 March 2026

(₹ in lakhs)

Particulars	Note	Year Ended March 31 2026	Year Ended March 31 2025
Revenue from Operations	21	22,183.75	21,801.09
Other Income	22	274.97	259.19
Total Income		**22,458.72**	**22,060.28**
Expenses			
Cost of Material Consumed	23	11,872.24	14,786.70
Change in Inventories of work in progress and finished goods	24	1,545.99	-2448.91
Employee Benefit Expenses	25	1,793.50	1,798.79
Finance Costs	26	343.85	242.91
Depreciation and Amortization Expenses	27	663.13	320.38
Other Expenses	28	5,049.44	5,542.01
Total expenses		**21,268.15**	**20,241.88**
Profit/(Loss) before Exceptional and Extraordinary Item and Tax		**1,190.57**	**1,818.40**
Exceptional Item	29	18.71	-
Profit/(Loss) before Extraordinary Item and Tax		**1,171.86**	**1,818.40**
Extraordinary Item		-	-
Profit/(Loss) before Tax		**1,171.86**	**1,818.40**
Tax Expenses	30		
- Current Tax		258.89	517.37
- Deferred Tax		41.34	-33.30
Profit/(Loss) after Tax		**871.63**	**1,334.33**
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic (In Rs.)	31	5.12	8.84
-Diluted (In Rs.)	31	5.12	8.84

See accompanying notes to the financial statements 1-57

As per our report of even date
For **DINESH R THAKKAR & CO.**
Chartered Accountants
Firm's Registration No. 102612W

For and on behalf of the Board of
AERON COMPOSITE LIMITED
(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

KEYUR M. THAKKAR
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Place: AHMEDABAD
Date: May 20, 2026

AERON COMPOSITE LIMITED

(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

Cash Flow Statement for the year ended March 31 2026 (₹ in lakhs)

Particulars	Note	Year Ended March 31 2026	Year Ended March 31 2025
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax		1,171.86	1,818.40
Adjustment for:			
Depreciation and Amortisation Expense		663.13	320.38
Effect of Exchange Rate Change (Unrealised)		(101.18)	(23.65)
Loss/(Gain) on Sale / Discard of Assets (Net)		(12.68)	(3.04)
Bad debt, provision for doubtful debts, (Net)		20.80	24.52
Non Cash Expenses (Provision for Expenses)		49.37	60.19
Interest Income		(247.16)	(211.77)
Finance Costs		315.48	236.75
Operating Profit before working capital changes		1,859.62	2,221.78
Adjustment for:			
Inventories		1,278.88	(2,860.55)
Trade Receivables		(211.34)	(370.78)
Loans and Advances		(59.87)	(7.74)
Other Current Assets		(256.79)	126.21
Other Non current Assets		2.29	-
Trade Payables		(1,666.51)	1,011.58
Other Current Liabilities		52.66	(382.48)
Short-term Provisions		(30.80)	154.68
Long-term Provisions		-	(269.88)
Cash (Used in)/Generated from Operations		968.14	(377.18)
Income Tax paid(Net)		409.70	506.74
Net Cash (Used in)/Generated from Operating Activities		558.44	(883.92)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment & Intangible assets under Development & Capital Work-in-Progress		(3,134.05)	(3,625.03)
Sale of Property, Plant and Equipment		20.23	9.65
Interest received		246.33	208.66
Net Cash (Used in)/Generated from Investing Activities		(2,867.49)	(3,406.72)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of Share Capital		-	5,610.00
Issue Expense on account of IPO of shares		-	(395.78)
Proceeds from Long Term Borrowings		164.01	1,861.70
Repayment of Long Term Borrowings		(236.79)	(173.88)
Proceeds from / (Repayment of) Short Term Borrowings (Net)		1,318.76	1,678.38
Interest Paid		(313.27)	(227.17)
Net Cash (Used in)/Generated from Financing Activities		932.71	8,353.25
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,376.35)	4,062.61
Cash and Cash Equivalents at the beginning of the year		4,567.59	508.53
Exchange difference of Foreign Currency Cash and Cash equivalents		4.54	(3.55)
Cash and Cash Equivalents at the end of the year	18	**3,195.78**	**4,567.59**

Components of cash and cash equivalents	Note	Year Ended	Year Ended
Cash on hand		43.74	36.05
Cheques, Drafts On Hand		-	-
Balances with banks in current accounts/IPO monitoring account		3,110.82	285.22
Bank Deposit having maturity of less than 3 months		36.31	-
Others		-	-
Cash and cash equivalents as per Cash Flow Statement		**3,190.87**	**321.27**
Other Bank Balance			
Bank Deposit having maturity of greater than 3 months and less than 12 months		4.91	4,246.32
Bank Deposit having maturity of greater than 12 months		5.07	3.13
Less: Deposits reclassified to other non current assets		-5.07	-3.13
Cash and bank balance as per Balance Sheet		**3,195.78**	**4,567.59**

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

See accompanying notes to the financial statements

As per our report of even date
For **DINESH R THAKKAR & CO.**
Chartered Accountants
Firm's Registration No. 102612W

For and on behalf of the Board of
AERON COMPOSITE LIMITED
(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

KEYUR M. THAKKAR
PARTNER
Membership No. 190243
Place: AHMEDABAD
Date: May 20 2026

SANJAYKUMAR J. OZA
Chief Financial Officer

CHIRAG CHANDULAL PATEL
Managing Director
DIN: 03380703

VIJAY M. DAKSHINI
Company Secretary
M. No.: A34688

RAVI PANKAJKUMAR PATEL
Whole-Time Director
DIN: 03427590
Place: AHMEDABAD
Date: May 20 2026

AERON COMPOSITE LIMITED

(Formerly Known as Aeron Composite Private Limited)

Notes forming part of the Financial Statements

1. COMPANY INFORMATION

Aeron Composite Private Limited ('the company'), incorporated under the Companies Act, 1956 vide CIN - U25209GJ2011PTC065419 having its registered office at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Jornang, Mahesana, Gujarat, India, 382732 Gujarat and engaged in the business of manufacturing and supplying of Fiber Glass Reinforced Polymer Products i.e. FRP products including FRP Pultruded Products, FRP Moulded Gratings & FRP Rods tailored for various industrial applications. The Company provide comprehensive solution which includes conceptual design, prototype development, testing, manufacturing, logistic support, installation and after sales service. FRP product is a composite material consisting of a polymer matrix (resins) reinforced with fibers such as fiberglass, carbon or aramid. This combination offers numerous benefits, including corrosion resistance, chemical resistance, high strength, lightweight properties, electrical and thermal non-conductivity, and ease of fabrication.

The equity shares of the Company bearing CIN L25209GJ2011PLC065419 were listed on Emerge Platform of National Stock Exchange of India Limited (NSE SME Emerge) w.e.f September 4, 2024 as the company has come out with intial public issue amounting Rs 5610.00 Lakhs wherein it has issued 44,88,000 equity shares of Rs.10/- each at issue price of Rs.125 each.

2. SIGNIFICANT ACCOUNTING POLICIES

a Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis.The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

b Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c Accounting Convention

The company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis.

Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles. The accounting Policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

d Property, Plant and Equipment

Property, Plant & Equipment are stated at as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Input tax credit of GST, Grants on capital goods are accounted for by reducing the cost of Capital Goods. Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognized in the Statement of Profit and Loss when they are incurred. When assets are disposed or retired, their cost is removed from the financial statements. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss for the relevant financial year.

e Intangible assets

Intangible assets purchased are initially measured at cost. The cost of an intangible asset comprise its purchase price including any costs directly attributable to making the asset ready for their intended use.

f Depreciation and amortization

Depreciation has been provided on the Fixed Asset on the Written Down Value (WDV) method and in accordance with the useful life of the Asset as prescribed under Schedule II of the Companies Act, 2013.Depreciation on additions during the year is provided on prorata time basis.Depreciation method, useful life & residual value are reviewed periodically.

g Impairment of assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognised as income in the statement of profit and loss. An impairment loss is charged off to profit and loss account as and when asset is identified for impairment.

h Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis. Cost includes direct material and labour cost and a proportion of manufacturing overheads. Cost of Finished Goods and Work in Progress includes all Costs of Purchases, Conversion Cost and other cost Incurred in bringing the inventories to their present location and Condition. The Management estimates the work in progress according to stage of completion. The Net realizable value is estimated selling price in the ordinary course of business less the estimated costs of Completion and estimated cost necessary to make the finished goods/product ready for sale.

i Cash and cash equivalents

The Company considers all highly liquid Investments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

j Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

k Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

l Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods:-

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Income from services:-

Revenue from services is recognized when services have been rendered and there should be no uncertainty regarding consideration and its ultimate collection.

Other income:-

Interest income is recognised on Accrual basis taking into account the amount outstanding and the rate applicable. All other income is recognised on accrual basis.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

m Employee Benefits

Post-employment benefit plans

Defined contribution plans : The Company's contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit schemes (i.e Gratuity), the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

Short Term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

n Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.All other borrowing costs are charged to profit and loss account.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

o Research and Development Expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

p Foreign currency transactions

Initial Recognition :- Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion :- Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at the rates of exchange prevailing on that date.Gains/losses arising on account of realisation/settlement of foreign exchange transactions and on translation of foreign currency assets and liabilities are recognised in the Profit and Loss Account.

Forward Exchange Contracts not intended for trading or speculation purposes :- The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

q Taxation

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax.

Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

r Segment accounting

As per Accounting Standard 17 on "Segment Reporting" (AS 17), the company has only one Primary reportable segment viz Fiber Glass Reinforced Polymer Plastic products (i.e. manufacturing & Supplying of FRP Products). However, the Company is having revenue from its customers which are located outside India of more than 10% of its total revenue. Accordingly, as per AS-17 Segment Reporting, the company has identified geographic segment as its secondary reportable segment.

s Government Grants

Government Grants are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants will be received.

Government grants whose primary conditions that company should purchase, construct or otherwise acquired capital assets are presented by deducting them from carrying value of assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Grants related to the revenue are adjusted against expenses to the extent there is certainty to receive.

t Earnings Per Shares

Basic earning per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by taking into account the weighted average number of equity shares outstanding during the period and the weighted average number of equity shares which would be issued on conversion of all dilutive potential equity shares into equity shares.

In case of bonus issue the weighted average number of equity shares outstanding during the period and for all periods presented should be adjusted for events, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

u Provisions, Contingent liabilities and Contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements. However, Contingent assets are assessed continually and when it becomes reasonably certain that inflow of economic benefit will arise.

v Contingencies and Events Occurring After the Balance Sheet Date

Events that occur between balance sheet date and date on which these are approved, might suggest the requirement for an adjustment(s) to the assets and the liabilities as at balance sheet date or might need disclosure. Adjustments are required to assets and liabilities for events which occur after balance sheet date which offer added information substantially affecting the determination of the amounts which relates to the conditions that existed at balance sheet date.

3 Additional Notes

a) In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated. The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for. All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

b) The company does not expect any statutory liabilities other than those provided in the books of account.

As per our report of even date
For **DINESH R THAKKAR & CO.**
Chartered Accountants
Firm's Registration No. 102612W

For and on behalf of the Board of
AERON COMPOSITE LIMITED
(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

KEYUR M. THAKKAR
PARTNER
Membership No. 190243

SANJAYKUMAR J. OZA
Chief Financial Officer

CHIRAG CHANDULAL PATEL
Managing Director
DIN: 03380703

VIJAY M. DAKSHINI
Company Secretary
M. No.: A34688

RAVI PANKAJKUMAR PATEL
Whole-Time Director
DIN: 03427590

Place: AHMEDABAD
Date: May 20, 2026

Place: AHMEDABAD
Date: May 20, 2026

AERON COMPOSITE LIMITED
(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

Notes forming part of the Financial Statements

4 Share Capital

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Authorised Share Capital		
Equity Shares, of Rs. 10 each, 1,92,50,000 (Previous Year -1,92,50,000) Equity Shares	1,925.00	1,925.00
Cumulative Preference Shares, of Rs. 10 each, 7,50,000 (Previous Year -7,50,000) Preference Shares	75.00	75.00
Issued, Subscribed and Fully Paid up Share Capital		
Equity Shares, of Rs. 10 each, 1,70,20,000 (Previous Year -1,70,20,000) Equity Shares fully paid up	1,702.00	1,702.00
Total	**1,702.00**	**1,702.00**

Pursuant to Shareholders' resolution dated 22nd April, 2024, the Increase in the authorized share capital of the Company from ₹ 375.00 Lakhs divided into 30,00,000 Equity Shares and 7,50,000 preference shares of ₹ 10/- each to ₹ 2000 Lakhs divided into 1,92,50,000 Equity Shares and 7,50,000 Preference shares of ₹ 10/- each ranking pari-passu with the existing share capital.

(i) Reconciliation of number of shares

Particulars Equity Shares	As at March 31 2026		As at March 31 2025	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
Opening Balance	1,70,20,000	1,702.00	15,66,500	156.65
Issued during the year by way of Bonus	-	-	1,09,65,500	1,096.55
Issued during the year by way of IPO	-	-	44,88,000	448.80
Closing balance	1,70,20,000	1,702.00	1,70,20,000	1,702.00

Cummulative Preference Shares

Particulars	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
Opening Balance	-	-	-	-
Issued during the year	-	-	-	-
Deletion	-	-	-	-
Closing balance	-	-	-	-

(ii) Rights, preferences and restrictions attached to shares
Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares	As at March 31 2026		As at March 31 2025	
Name of Shareholder	No. of shares	In %	No. of shares	In %
Pankaj Shantilal Dadhaniya	13,95,336	8.20%	13,95,336	8.20%
Alpesh Shantilal Dadhaniya	13,95,328	8.20%	13,95,328	8.20%
A. International Private Limited	34,32,000	20.16%	34,32,000	20.16%

(iv) Shares held by Promoters at the end of the year March 31, 2026

Name of Promoter	Class of Shares	No. of shares	% of total shares	% Change during the year
Pankaj Shantilal Dadhaniya	Equity	13,95,336	8.20%	0.00%
A. International Private Limited	Equity	34,32,000	20.16%	0.00%
Dilipkumar Ratilal Patel	Equity	4,80,000	2.82%	0.00%
Ravi Pankajkumar Pate	Equity	5,32,000	3.13%	0.00%
Chirag Chandulal Patel	Equity	4,55,000	2.67%	0.00%

Shares held by Promoters at the end of the year March 31 2025

Name of Promoter	Class of Shares	No. of shares	% of total shares	% Change during the year
Pankaj Shantilal Dadhaniya	Equity	13,95,336	8.20%	-2.93%
A. International Private Limited	Equity	34,32,000	20.16%	-7.23%
Dilipkumar Ratilal Patel	Equity	4,80,000	2.82%	-1.01%
Ravi Pankajkumar Patel	Equity	5,32,000	3.13%	-1.12%
Chirag Chandulal Patel	Equity	4,55,000	2.67%	-0.96%

5 Reserves and Surplus

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Capital Redemption Reserve		
Opening Balance	50.00	50.00
Closing Balance	50.00	50.00
Securities Premium		
Opening Balance	5,071.89	306.48
Add: Issue of Shares	-	5,161.20
Less: Utilisation towards Issue expenses incurred on IPO of shares	-	395.78
Closing Balance	5,071.89	5,071.89
Statement of Profit and loss		
Balance at the beginning of the year	3274.56	3,036.78
Add: Profit/(loss) during the year	871.63	1,334.33
Less: Appropriation		
-Bonus shares Issued	-	1,096.55
Balance at the end of the year	4,146.19	3,274.56
Total	**9,268.08**	**8,396.45**

6 Long term borrowings

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Secured Term loans from banks		
-Term Loan	2,003.30	2,069.81
-Vehicle Loan	15.27	21.54
Total	**2,018.57**	**2,091.35**

Particulars of Long term Borrowings

Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments (Amount in Rs.)	No of Remaining Installment
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	33,874	68
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 2.75%	2,06,977	14
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	3,58,561	68
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	7,38,402	68
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	1,71,554	68
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	2,750	68
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	20,833	68
YES BANK Term Loan	Pari passu Charge on Current Assets	EBLR + 3%	62,914	68
HDFC Term Loan	Pari passu on Stock, Book Debts, Plant and Machinery and other Current Assets	Linked with 3M T Bills	23,91,278	73
HDFC Term Loan (Covid Limit)	Pari passu on Stock, Book Debts, Plant and Machinery and other Current Assets	Linked with HBEBLR	2,23,413	24
HDFC Equipment Loan	Hypothecation of Equipment	10.25%	32,385	11
HDFC Vehicle Loan	Vehicle	9.10%	19,315	13
HDFC Vehicle Loan	Vehicle	9.00%	46,425	1
HDFC Vehicle Loan	Vehicle	8.20%	19,307	0
HDFC Vehicle Loan	Vehicle	10.01%	18,620	31
HDFC Vehicle Loan	Vehicle	12.50%	21,243	32
HDFC Equipment Loan	Hypothecation of Equipment	9.17%	69,950	24

HDFC Bank Limited :
Primary :- First charge pari passu on stock, book debts, P & M and other current assets of the company.
Collateral :- First charge pari passu on properties as mentioned below. Collateral coverage of 40% to be maintained in multiple banking arrangement with Yes Bank Limited, (i) -Block No. 54/2, Bileshwarpura, Mehsana Highway, Kalol, Gujarat, India (Owner: M/s. A International Private Limited), (ii) -Plot No. 367, Bavla Nalsarovar Road, Phase 3, Kenzville Village- Metaal, Tal: Bavla, Dist: Ahmedabad (Owner: Ripa Pankaj Dadhaniya), (iii) -Survey No. 170 to 174, Akhaj Road, Ambaliyasan- Mehsana Highway, Opp. Jornang Gate Road, Chhatral, Mehsana (Owner: M/s. Aeron Composite Limited), (iv) -Revenue Survey No.327/4/1, opp. Shagun 108 Flat, S P Ring Road, Zundal Circle, Gandhinagar (Owner: Chandulal R Patel), (v) - Fixed Deposit of Rs 50,00,000/-.

Personal Guarantee of - Pankaj Shantilal Dadhaniya, Chandulal R Patel, Dilipbhai Ratilal Patel, Ravi Pankajkumar Patel, Pankajbhai Ratilal Patel, Chirag Chandulal Patel, M/S A International Pvt Ltd, Ripa Pankaj Dadhaniya.

Yes Bank Limited :
Primary :- Pari passu charge on current assets with HDFC Bank by way of hypothecation on all current assets, MFA of the company both present and future.

Collateral :- HDFC will share pari passu on below mentioned properties, (i) -Industrial Block No 54/2, Near Chamak Polymer, Bileshwarpura, Mehsana Highway, Taluka Kalol, Gandhinagar owned by A International Pvt Ltd, (ii) -Vacant Plot Revenue Survey No 327/4/1, F P NO 157, TPS NO 240, Opp. Shagun, 108, Shagun Flat, S P Ring Road, Zundal Circle, Ahmedabad, (iii)- Land at 170, Opp Jornang Gate Road, Akhaj Road, Jornang, Mehsana near Chhatral.

Personal Guarantee of - Hemang Bipinbhai Patel, Ravi Pankajkumar Patel, Ripa Pankaj Dadhaniya, Dilipkumar Ratilal Patel, Pankajkumar Ratilal Patel, Pankaj Shantilal Dadhaniya, Chandulal Ratilal Patel, Chirag Chandulal Patel.

Further Corporate Guarantee of A. International Private Limited, an enterprise under influence of KMP.

a) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
b) The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.
c) HDFC Bank Monthly Installments includes Interest and Principal and Yes Bank Monthly Installments consists of only Principal amount.

7 Deferred tax liabilities Net

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Deferred tax Liability (Net)	5.69	-
Total	**5.69**	**-**

Refer Note No. 13.1 for significant Components of Deferred Tax

8 Short term borrowings

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Current maturities of long-term debt	421.09	203.48
Secured Loans repayable on demand from banks	2,566.59	2,254.11
Unsecured Loans repayable on demand from banks	788.66	-
Total	**3,776.34**	**2,457.59**

Particulars of Short term Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
YES BANK (WCTL)*	7.90% (Linked with 1M Reporate)	Hypothecation on all current assets (under pari passu charge with HDFC bank Limited), MFA of the company both present and future.
STANDARD CHARTERED BANK (Overdraft)**	3M MIBOR +3%	Refer notes below:
YES BANK (Cash Credit)	EBLR+ 2.83%	Hypothecation of stock and Book Debts (under pari passu charge with HDFC bank Limited)
HDFC BANK (Cash Credit)	Linked with 3M T Bills	Hypothecation of Stock, Book debt and all Other current assets of the Company
HDFC BANK (Export Packing Credit)	Linked with 3M T Bills	Hypothecation of Stock, Book debt and all Other current assets of the Company
STANDARD CHARTERED BANK (Bill Discounting)**	Spread as specified by the bank at the time of drawndown over applicable Benchmark for a Rupee Facility	Refer notes below:

* Sub-Limit of Cash Credit Facility
Refer Note 6 for Collateral Securities Offered to HDFC BANK and YES BANK With Reference to Standard Chartered Bank :
Personal Guarantee of Chirag Chandulal Patel, Pankaj Shantilal Dadhaniya, Ravikumar Pankaj Patel, Pankajkumar Ratilal Patel, Dilipbhai Ratilal Patel, and Chandulal R Patel.
Corporate Guarantee of A. International Private Limited.
Also 10% Cash Margin on Export Invoice Financing, Import Invoicing Financing, Financing SBCL/BG and Import loan. Charge on Current Assets of the company alongwith HDFC and YES BANK.
**Sub Limit of Export Invoice Financing Facility

9 Trade payables

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Due to Micro and Small Enterprises	1,233.65	759.60
Due to others	2,248.52	4,381.57
Total	**3,482.17**	**5,141.17**

9.1 Trade Payable ageing schedule as at As at March 31 2026

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of Transactions				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,233.65	-	-	-	1,233.65
Others	2,246.34	2.07	0.11	-	2,248.52
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Sub total	**3,479.99**	**2.07**	**0.11**	**-**	**3,482.17**
MSME - Undue					-
Others - Undue					-
MSME - Unbilled dues					-
Others - Unbilled dues					-
Total					**3,482.17**

9.2 Trade Payable ageing schedule as at As at March 31 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of Transactions				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	759.31	-	-	0.29	759.60
Others	4,381.46	0.11	-	-	4,381.57
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Sub total	**5,140.77**	**0.11**	**-**	**0.29**	5,141.17
MSME - Undue					-
Others - Undue					-
MSME - Unbilled dues					-
Others - Unbilled dues					-
Total					**5,141.17**

Trade Payables includes amounting Rs 156.03 Lakhs for Capital Goods for the year ended March 31, 2026 and amounting Rs 524.08 Lakhs for the year ended March 31, 2025.

9.3 Micro and Small Enterprise

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
	Amount	Amount
(a)(i) the principal amount remaining unpaid to any supplier at the end of accounting year;	1,233.65	759.60
(a)(ii) the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	1.98	2.39
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Not Ascertained	Not Ascertained
(d) the amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the company.

10 Other current liabilities (₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Interest accrued but not due on borrowings	16.40	14.02
Statutory dues	35.25	44.46
Salaries and wages payable	100.52	94.09
Advances from customers	347.87	241.07
Unpaid Expenses	60.43	111.96
Total	**560.47**	**505.60**

11 Short term provisions (₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Provision for employee benefits	88.17	118.56
Provision for Anti-Dumping Duty Expenses	257.06	207.70
Provision for Income tax (Net of Advance)	-	10.45
Provision for MSME	1.98	2.39
Total	**347.21**	**339.10**

11.1 Movement in provisions

The following table sets out the movement in Provisions for Anti-Dumping Duty in accordance with AS - 29 Provisions, Contingent Liabilities and Contingent Assets:

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening Balance	207.70	76.40
Add: Provision made during the year	49.36	131.30
Less: Utilised during the year	-	-
Closing Balance	**257.06**	**207.70**

12 Property, Plant and Equipment (₹ in lakhs)

Name of Assets	Gross Block				Depreciation and Amortization				Net Block	Net Block
	As on Apr-01-25	Addition	Deduction	As on Mar-31-26	As on Apr-01-25	for the year	Deduction	As on Mar-31-26	As on Mar-31-26	As on Mar-31-25
(i) Property, Plant and Equipment										
Land	424.17	-	-	424.17	-	-	-	-	424.17	424.17
Plant and Equipment	2,757.53	1,591.54	25.96	4,323.11	1,314.17	376.39	18.41	1,672.15	2,650.95	1,443.36
Furniture and Fixtures	5.44	1.92	-	7.36	4.25	0.64	-	4.89	2.47	1.19
Vehicles	57.31	7.06	-	64.37	39.00	6.55	-	45.55	18.82	18.31
Office equipment	46.64	10.73	-	57.37	37.14	7.16	-	44.30	13.07	9.50
Computers	123.80	69.17	-	192.97	66.63	51.72	-	118.35	74.62	57.17
Factory Building	-	4,668.98	-	4,668.98	-	220.67	-	220.67	4,448.31	-
Total	**3,414.90**	**6,349.40**	**25.96**	**9,738.33**	**1,461.19**	**663.13**	**18.41**	**2,105.91**	**7,632.42**	**1,953.71**
Previous Year	**2,908.76**	**513.19**	**7.05**	**3,414.90**	**1,141.25**	**320.38**	**0.44**	**1,461.19**	**1,953.71**	**1,767.51**
(ii) Capital Work-in-progress									**130.45**	**3,471.85**
(iii) Intangible Assets under Development									**104.97**	**54.29**

a) The title deeds of all the immovable properties are held in the name of the company.

b) The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

c) CWIP as at March 31, 2026 of ₹ 130.45 lakhs relating to Building under Construction on the land, owned by the company, located at Survey No.170 to 174, Jornang-Akhaj Road, Via Ambaliyasan, Jornang, Mahesana, Gujarat, India, 382732.

d) As per AS-16: Borrowing Cost, an amount of ₹ 169.27 lakhs (Previous Year ₹ NIL) have been capitalised during the financial year ended March 31, 2026

e) Intangible Assets under Development as at March 31, 2026 related to ERP Software under development amounting ₹ 104.97 Lakhs.

f) The projects under development mentioned above are expected to complete as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

(ii) Capital Work-in-progress (₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening Balance	3,471.85	361.15
Add: Addition during the year	257.86	3,110.71
Less: Capitalised during the year	3,599.26	-
Closing Balance	**130.45**	**3,471.85**

Capital Work-in-Progress Ageing Schedule (₹ in lakhs)

Capital Work-in Progress	Amount in CWIP for a period of				As at Mar-31-26	Amount in CWIP for a period of				As at Mar-31-25
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	128.20	2.25	-	-	130.45	3,110.71	361.15	-	-	3,471.85
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

(iii) Intangible Assets under Development

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening Balance	54.29	47.07
Add: Addition during the year	50.68	7.22
Less: Capitalised during the year	-	-
Closing Balance	**104.97**	**54.29**

Intangible assets under development ageing Schedule

(₹ in lakhs)

Intangible assets under development	Amount in CWIP for a period of				As at Mar-31-26	Amount in CWIP for a period of				As at Mar-31-25
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	50.68	7.22	8.75	38.32	104.97	7.22	8.75	38.32	-	54.29
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

13 Deferred tax assets net

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Deferred tax assets net	-	35.64
Total	**-**	**35.64**

13.1Significant Components of Deferred Tax

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Deferred Tax Asset		
Expenses provided but allowable in Income tax on Payment basis	5.27	5.27
Provision for doubtful debts	11.41	6.17
Provision for Anti-dumping Duty	64.70	52.28
Provision for Gratuity	-	-
Gross Deferred Tax Asset (A)	**81.38**	**63.72**
Deferred Tax Liability		
Difference between WDV As per Companies Act and WDV as per Income tax Act	87.07	17.44
Expenses provided but allowable in Income tax on Payment basis	-	10.63
Gross Deferred Tax Liability (B)	**87.07**	**28.07**
Net Deferred Tax Asset/ (Net Deferred Tax Liability) (A)-(B)	**(5.69)**	**35.64**

14 Long term loans and advances

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Capital Advances	178.34	43.08
Total	**178.34**	**43.08**

15 Other non current assets

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Security Deposits	73.18	75.47
Bank Deposit having maturity of greater than 12 months	5.07	3.13
Others	0.40	-
Total	**78.65**	**78.60**

16 Inventories

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Raw materials	1,383.98	1,127.15
Work-in-progress	854.47	2,251.13
Finished goods	1,695.70	1,493.71
Consumables	23.65	13.37
Goods-in-transit*	132.92	484.24
Total	**4,090.72**	**5,369.60**

*Inventories Includes Goods-in-transit representing finished goods in respect of which control, including significant risks and rewards of ownership and related rights and obligation have not yet been transferred to customers as at the reporting date.

17 Trade receivables

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Unsecured considered good	4,855.25	4,539.75
Provision for doubtful debts	(45.32)	(24.52)
Total	**4,809.93**	**4,515.23**

17.1 Trade Receivables ageing schedule as at March 31 2026

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of Transactions					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	4,417.57	173.16	176.51	51.58	36.43	4,855.25
Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Sub total	**4,417.57**	**173.16**	**176.51**	**51.58**	**36.43**	**4,855.25**
Undue - considered good						-
Undue - considered doubtful						-
Provision for doubtful debts						(45.32)
Total						**4,809.93**

17.2 Trade Receivables ageing schedule as at March 31 2025

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of Transactions					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	4,074.77	357.66	66.98	21.77	18.57	4,539.75
Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Sub total	**4,074.77**	**357.66**	**66.98**	**21.77**	**18.57**	**4,539.75**
Undue - considered good						-
Undue - considered doubtful						-
Provision for doubtful debts						(24.52)
Total						**4,515.23**

The provision for doubtful debts of ₹45.32 lakhs (Previous year: Rs 24.52 Lakhs) represents a management estimate made on a prudential basis against certain aged trade receivables and other identified credit risks. While no specific trade receivable has been classified as doubtful as at March 31, 2026, the provision has been recognised considering the uncertainty associated with the timing and extent of recoveries. Management continues to pursue recovery of these balances and believes that the net carrying amount of trade receivables is recoverable.

18 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Cash on hand	43.74	36.05
Balances with banks in current accounts	3,110.82	285.22
Bank Deposit having maturity of less than 3 months		
- Deposits held as margin money or security against borrowings, guarantees and other commitments	36.31	-
Cash and cash equivalents - total	3,190.87	321.27
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months	4.91	4,246.32
Deposits with original maturity for more than 12 months	5.07	3.13
(Less): Long term Deposits reclassified to other non current assets	(5.07)	(3.13)
Total	**3,195.78**	**4,567.59**

19 Short term loans and advances

(₹ in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Loans and advances to employees	57.36	24.33
Total	**57.36**	**24.33**

20 Other current assets

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Advance income tax (net of provisions)	172.61	-
Advance To Suppliers	307.79	100.72
Charges Receivable From YES Bank	25.54	-
Export Incentive Receivables	81.17	53.44
GST credit/ refund receivable	261.00	269.40
Income Tax Receivable	-	32.26
Interest accrued	3.93	3.11
Pre-Paid Expense	15.11	17.99
Security Deposit	14.11	20.65
Subsidy Receivable	-	21.12
VAT credit/ refund receivable	0.65	0.65
Total	**881.91**	**519.34**

21 Revenue from operations

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Sale of products	21,450.43	21,113.71
Sale of services	109.53	112.71
Other operating revenues		
-Export Incentive	248.05	304.29
-Foreign Exchange fluctuation on Customers (Net)	375.74	270.38
Total	**22,183.75**	**21,801.09**

21.1 Revenue from major Products & Services

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
A) Manufactured Goods- FRP Products	21,450.43	21,113.71
B) Sale of services comprise		
i) Installation & Erection Charges	37.53	46.71
ii) Machinery Rent Income	72.00	66.00
Total	**21,559.96**	**21,226.42**

Export Sales

During the year ended March 31, 2026, the Company has reclassified foreign exchange fluctuation gain/loss relating to export sales from “Other Income” to “Other Operating Income”, The management has considered such presentation to be more appropriate having regard to the fact that export sales constitute a substantial portion of the Company's turnover and the related foreign exchange fluctuation arises from the Company's principal revenue generating activities. Accordingly, such foreign exchange fluctuation has been considered operational in nature and presented under “Other Operating Income”. Accordingly, foreign exchange fluctuation gain aggregating to Rs. 375.74 Lakhs for the year ended March 31, 2026 and corresponding previous year amount aggregating to Rs. 270.38 Lakhs for the year ended March 31, 2025 have been regrouped/reclassified to conform with the current year presentation.

22 Other Income

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Interest Income	247.15	211.77
Other non-operating income (net of expenses)	15.14	44.38
Profit/(Loss) of on sale of Capital Goods	12.68	3.04
Total	**274.97**	**259.19**

*Interest Income includes amounting Rs 209.72 Lakhs from Deposits out of IPO Proceeds for the year ended March 31,2026 and Rs 182.09 Lakhs from Deposits out of IPO Proceeds for the year ended March 31,2025.

23 Cost of Material Consumed

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Raw Material Consumed		
Opening stock	1,127.15	694.11
Purchases*	12,129.07	15,219.74
Less: Closing stock	1,383.98	1,127.15
Total	11,872.24	14,786.70
Total	**11,872.24**	**14,786.70**

Import Purchases

* During the year ended March 31, 2026, the Company has reclassified foreign exchange fluctuation gain/loss relating to import purchases from "Other Income" to "Cost of Materials Consumed", the management has considered such presentation to be more appropriate having regard to the fact that the aforesaid foreign exchange fluctuation arises from import purchases and is directly attributable to procurement of materials forming part of the Company's operating costs. Accordingly, such foreign exchange fluctuation has been presented under "Cost of Materials Consumed".

Accordingly, foreign exchange fluctuation loss aggregating to Rs. 4.63 Lakhs for the year ended March 31, 2026 and corresponding previous year gain aggregating to Rs. 22.01 Lakhs for the year ended March 31, 2025 have been regrouped/reclassified to conform with the current year presentation.

24 Change in Inventories of work in progress and finished goods

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Opening Inventories		
Finished Goods	1,493.71	441.61
Work-in-progress	2,251.13	1,338.56
Goods-in-transit	484.24	-
Less: Closing Inventories		
Finished Goods	1,695.70	1,493.71
Work-in-progress	854.47	2,251.13
Goods-in-transit	132.92	484.24
Total	**1,545.99**	**(2,448.91)**

25 Employee benefit expenses

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Salaries and wages	1,611.94	1,600.62
Contribution to provident and other funds	45.02	53.79
Staff welfare expenses	104.47	86.58
Gratuity Expenses	32.07	57.80
Total	**1,793.50**	**1,798.79**

The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (Aeron Composite Employees Group Gratuity Fund).

Defined Benefit Plan

Changes in the present value of the defined benefit obligation

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Defined Benefit Obligation at beginning of the year	336.88	281.27
Current Service Cost	139.74	122.86
Interest Cost	24.27	20.01
Actuarial (Gain) / Loss	(130.52)	(85.83)
Benefits Paid	(18.52)	(1.42)
Past Service Cost	24.53	-
Defined Benefit Obligation at year end	**376.38**	**336.88**

Changes in the fair value of plan assets

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Fair value of plan assets as at the beginning of the year	285.05	-
Expected return on plan assets	20.77	-
Contributions by the Employer	51.83	281.27
Benefits paid	(8.48)	-
Actuarial gain/ (loss) on plan assets	(16.62)	3.78
Fair value of plan assets as at the end of the year	**332.55**	**285.05**

Reconciliation of present value of defined benefit obligation and fair value of assets (₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Present value obligation as at the end of the year	(376.38)	(336.88)
Fair value of plan assets as at the end of the year	332.55	285.05
Funded status/(deficit) net liability	(43.83)	(51.83)
Unrecognized Past Service Cost at the end of the Period	5.82	-

Expenses recognized in Profit and Loss Account (₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Current service cost	139.73	122.86
Interest cost	24.27	20.01
Net actuarial loss/(gain) recognized during the year	(113.90)	(89.61)
Total expense recognised in Profit and Loss	**50.10**	**53.25**

Actuarial assumptions

Particulars	As at March 31 2026	As at March 31 2026
Discount Rate	7.48%	6.83%
Expected Rate of return on Plan assets	7.48%	6.83%
Expected Rate of increase in Compensation Level	15.00%	15.00%
Rate of Employee Turnover	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

26 Finance costs

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Interest expense		
-Interest on Bill Discounting	0.18	-
-Interest on Cash Credit	115.35	127.32
-Interest on PCFC & EPCL	14.32	33.70
-Interest on Term Loan	184.47	30.21
-Interest on Vehicle Loan	1.15	1.39
-Others	-	2.94
Other borrowing costs	21.02	41.19
Net gain/loss on foreign currency transactions and translation	7.36	6.16
Total	**343.85**	**242.91**

27 Depreciation and amortization expenses

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Depreciation on property, plant and equipment	663.13	320.38
Total	663.13	320.38

28 Other expenses

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Consumption of stores and spare parts	699.04	1,042.98
Power and fuel	217.45	224.84
Processing Charges	1,904.35	1,826.21
Rent	238.31	423.37
Printing, stationery & communication	47.49	33.62
Travelling and conveyance	69.36	104.85
Insurance	54.69	47.13
Professional fees	124.49	108.82
Repairs to buildings	59.08	30.83
Repairs to machinery	33.32	53.17

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Repairs others	34.80	17.65
Rates and taxes	6.85	27.48
Advertisement and Business Promotion	144.09	83.85
Bad and doubtful debts/advances	20.80	24.52
Commission	215.94	163.85
Corporate Social Responsibility (CSR)	28.50	15.12
Freight and forwarding charges	949.43	1,181.12
Miscellaneous expenses	201.45	132.60
Total	**5,049.44**	**5,542.01**

29 Exceptional item

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Past service Cost- Gratuity	18.71	-
Total	**18.71**	**-**

Statutory Impact of New Labour Codes :-
The Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 ("New Labour Codes") with effect from November 21, 2025, which consolidates 29 existing labour laws. The Labour Codes, amongst other things, introduced changes including a uniform definition of wages and enhanced benefits relating to leaves. In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on the Actuarial Valuation, the Company has assessed the impact of these regulatory changes towards additional Gratuity and has recognised a charge of Rs. 18.71 lakhs, being past service cost disclosed under Exceptional Items in these financial results for the half year and year ended March 31, 2026.

The Government is in the process of notifying the related rules under the New Labour Codes. The impact of these rules will be evaluated and accounted for in accordance with the applicable Accounting Standards in the period in which they are notified.

30 Tax Expenses

(₹ in lakhs)

Particulars	As at March 31 2026	As at March 31 2025
Current Tax	258.89	517.37
Deferred Tax	41.34	(33.30)
Total	**300.23**	**484.07**

Significant components of Deferred Tax charged during the year

(₹in lakhs)

Particulars	As at March 31 2026	As at March 31 2026
Difference between WDV As per Companies Act and WDV as per Income tax Act	69.64	(18.05)
Provision for Anti-dumping Duty	(12.43)	(30.03)
Expenses provided but allowable in Income tax on Payment basis	(10.63)	16.99
Provision for doubtful debts	(5.24)	(6.17)
Gratuity (Net)	-	3.96
Total	**41.34**	**(33.30)**

31 Earning per share

Particulars	As at March 31, 2026	As at March 31, 2025
Profit attributable to equity shareholders (₹ in lakhs)	871.63	1,334.33
Weighted average number of Equity Shares*	1,70,20,000	1,50,89,546
Earnings per share basic (in ₹)	5.12	8.84
Earnings per share diluted (in ₹)	5.12	8.84
Face value per equity share (in ₹)	10	10

*During the previous year ended March 31, 2025 the Company has issued 1,09,65,500 equity shares by way of bonus.

32 Auditors' Remuneration (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Payments to auditor as		
- Statutory Audit Fees	3.00	3.00
- for other attestation	1.10	0.35
Total	**4.10**	**3.35**

33 Contingent Liabilities and Commitments (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Contingent liabilities		
- Guarantees		
- (i) Bank Guarantees issued in favour of various to the third parties towards	**410.25**	**176.41**
- Claims against the Company not acknowledged as debt		
- (i) Central/State Goods and Service Tax Act,2017 - GST Demand under Appeal – FY 2024-25*	6.18	6.18
- (ii) Central/State Goods and Service Tax Act,2017 - GST Demand under Appeal– FY 2025-26**	5.89	-
B. Commitments		
- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	251.75	433.00
Total	**674.07**	**615.59**

* The company had preferred first appeal against demand order for amounting Rs. 6.18 Lakhs issued by GST Department dated October 01, 2024. The company has already paid the said amount of Rs 6.18 Lakhs to GST department as money paid under protest.

** The company had preferred first appeal against demand order for amounting Rs. 5.89 Lakhs issued by GST Department dated January 01, 2026. The company has already paid the said amount of Rs 5.89 Lakhs to GST department as money paid under protest.

34 Earnings in Foreign Currencies (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Export of Goods calculated on FOB basis	10,679.07	12,752.25
Total	**10,679.07**	**12,752.25**

35 Expenditure made in Foreign Currencies (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Freight and forwarding charges	-	8.44
Professional Fees	-	0.43
Advertisement and Business Promotion	4.54	-
Travelling Expenses	14.35	22.43
Commission	264.50	211.40
Miscellaneous Expenses	4.07	2.11
Total	**287.46**	**244.81**

36 Value of Import on CIF basis (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials	1,814.23	2,379.26
Capital goods	194.59	104.57
Total	**2,008.82**	**2,483.84**

37 Value of imported and indigenous raw materials, spare parts and components consumed (₹ in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount	%	Amount	%
Raw Materials				
- Imported	2,828.54	23.82%	2,370.55	16.03%
- Indigenous	9,043.70	76.18%	12,416.16	83.97%
Spare parts and components				
- Imported	-	0.00%	-	0.00%
- Indigenous	699.04	100.00%	1,042.98	100.00%
Total	**12,571.28**		**15,829.69**	

38 Segment Reporting

(₹ in lakhs)

Additional Information by Geographies

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue by Geographical Market		
In India	10,660.72	8,629.20
Outside India #	11,523.03	13,171.89
Revenue from Operations	**22,183.75**	**21,801.09**
Segment Results		
Unallocated*	1,515.71	2,061.31
Less: Unallocated Finance Costs	(343.85)	(242.91)
Net Profit Before Tax	**1,171.86**	**1,818.40**
Geographic Segment Assets representing Carrying Amount of Trade Receivables Only*		
In India	2,705.29	1,341.07
Outside India	2,149.96	3,198.67
Total	**4,855.25**	**4,539.74**

Accounting Policies adopted for Segment

As per Accounting Standard 17 on "Segment Reporting" (AS 17), the company has only one Primary reportable segment viz Fiber Glass Reinforced Polymer Plastic products (i.e. manufacturing & Supplying of FRP Products). However, the Company is having revenue from its customers which are located outside India of more than 10% of its total revenue. Accordingly, as per AS-17 "Segment Reporting", the company has identified geographic segment as its secondary reportable segment.

*The company has maintained records for cost of material consumed and other expenses incurred for manufacturing of goods in books of accounts. However, Product manufacturing operations and overseas liabilities are integrated in-nature for domestic and exports sales. Accordingly, the export segment results & Segment liabilities is not identifiable. Similarly, Segment Assets related to outside India is identifiable to the extent of outstanding Trade Receivables only.

During the year ended March 31, 2026, the Company has reclassified foreign exchange fluctuation gain/loss relating to export sales from “Other Income” to “Other Operating Income”, Accordingly, foreign exchange fluctuation gain aggregating to Rs. 375.74 Lakhs for the year ended March 31, 2026 and corresponding previous year amount aggregating to Rs. 270.38 Lakhs for the year ended March 31, 2025 have been regrouped/reclassified to conform with the current year presentation.

Other segment footnote

No single external customer represents 10% or more of the Company’s total revenue for the years ended March 31, 2026 and March 31, 2025 respectively.

39 Related Party Disclosure

(I) List of Related Parties	Relationship
Dilipkumar Ratilal Patel	Chairman & Non-Executive Director
Chirag Chandulal Patel	Managing Director
Ravi Pankajkumar Patel	Whole Time Director
Pankaj Shantilal Dadhaniya	Whole Time Director
Pankajkumar Ratilal Patel	Relative of KMP
Sanjaykumar J. Oza	Chief Financial Officer
Vijay M. Dakshini	Company Secretary & Compliance Officer
Bipinkumar Ratilal Patel	Relative of KMP
Prabhaben Chandulal Patel	Relative of KMP
Manishaben Dilipkumar Patel	Relative of KMP
Vishal Dilipkumar Patel	Relative of KMP
Tejal Jayesh Patel	Relative of KMP
Kantaben Bipinbhai Patel	Relative of KMP
Alpesh Shantilal Dadhaniya	Relative of KMP
Ripaben Pankaj Dadhaniya	Relative of KMP
Pravinaben Pankajkumar Patel	Relative of KMP
Payalben Chirag Patel	Relative of KMP
Chandulal Ratilal Patel	Relative of KMP
Jayesh Dilipkumar Patel	Relative of KMP
Ruhiben Hemang Patel	Relative of KMP
Disha Ravi Patel	Relative of KMP
Shantilal Shambhubhai HUF(Karta Pankaj Shantilal Dadhaniya)	Relative of KMP
Jal Agro Industries	Enterprise under significant Influence of KMP
A. International Pvt Ltd	Enterprise under significant Influence of KMP

Chamak Polymers Pvt Ltd	Enterprise under significant Influence of KMP
Chamak Paint Industries	Enterprise under significant Influence of KMP
A. Innovative Food Products Limited (Formerly Known as A. Innovative Food Products LLP)	Enterprise under significant Influence of KMP
Chamak Paint & Coating Pvt Ltd.	Enterprise under significant Influence of KMP
Innomach Engineering Private Limited	Enterprise under significant Influence of KMP
Naveen Kumar Mandovara	Independent Director
Poonam Neelendu Savalia	Independent Director
Aalekh Realty LLP	Enterprise under significant Influence of KMP
Pehchan Buildcon LLP	Enterprise under significant Influence of KMP
Pride Assignments LLP	Enterprise under significant Influence of KMP
Galaxy Oils LLP	Enterprise under significant Influence of KMP
Nachiketa Infragreen Private Limited	Enterprise under significant Influence of KMP
Aeron Composite Employees's Group Gratuity Fund	Post-Employment Benefit Plan

(ii) Related Party Transactions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Transactions with Whole Time Director		
Salary		
- Pankaj Shantilal Dadhaniya	88.00	86.21
- Ravi Pankajkumar Patel	88.00	86.21
Rent Expense		
- Pankaj Shantilal Dadhaniya	6.54	6.06
Transactions with Chairman & Non-Executive Director		
Salary		
- Dilipkumar Ratilal Patel	88.00	86.21
Transactions with Relative of KMP		
Salary		
- Pankajkumar Ratilal Patel	80.00	73.33
- Jayesh Dilipkumar Patel	-	60.00
Rent Expense		
- Prabhaben Chandulal Patel	6.54	6.06
- Manishaben Dilipkumar Patel	6.54	6.06
- Kantaben Bipinbhai Patel	6.54	6.06
- Ripaben Pankaj Dadhaniya	6.54	6.06
- Pravinaben Pankajkumar Patel	6.54	6.06
Transactions with Chief Financial Officer		
Salary		
- Sanjaykumar J. Oza	12.35	8.98
Transactions with Enterprise under significant Influence of KMP		
Sales (Capital Goods)		
- Chamak Polymers Pvt Ltd	-	55.89
Purchases		
- Chamak Polymers Pvt Ltd	79.00	365.71
- Chamak Paint & Coating Pvt Ltd.	392.07	507.01
- Innomach Engineering Private Limited	1.65	21.75
Purchases- Machinery		
- Chamak Polymers Pvt Ltd	17.43	-
- Innomach Engineering Private Limited	11.72	15.19
Manpower Supply Income		
- Chamak Polymers Pvt Ltd	180.51	139.29
Machinery Rent Income		
- Chamak Polymers Pvt Ltd	72.00	66.00
Job Work charges Exps		
- Chamak Polymers Pvt Ltd	422.76	454.94
Sales/Revenue from Operations		
- A. Innovative Food Products Limited (Formerly Known as A. Innovative Food Products LLP)	1.45	0.98
- Chamak Paint & Coating Pvt Ltd.	-	1.17
- Innomach Engineering Private Limited	7.90	-
Purchase or related Expenses		
- A. Innovative Food Products Limited (Formerly Known as A. Innovative Food Products LLP)	1.23	-

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Transactions with Company Secretary & Compliance Officer		
Salary		
- Vijay M. Dakshini	6.02	3.89
Transactions with Independent Director		
Sitting Fees to Director		
- Naveen Kumar Mandovara	0.90	1.00
- Poonam Neelendu Savalia	0.80	1.00
Transactions with Managing Director		
Salary		
- Chirag Chandulal Patel	88.00	86.21
Transactions with Post-Employment Benefit Plan		
Contribution to Gratuity Fund		
- Aeron Composite Employees's Group Gratuity Fund	54.96	-

(iii) Related Party Transactions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Enterprise under significant Influence of KMP		
Trade Payable due to MSME		
- Chamak Paint & Coating Pvt Ltd.	51.37	16.55
Advance to Suppliers		
- Chamak Polymers Pvt Ltd	1.89	-
Balances with Company Secretary & Compliance Officer		
Trade Payable due to Other		
- Vijay M. Dakshini	0.50	0.50
Balances with Chief Financial Officer		
- Sanjaykumar J. Oza	0.98	0.67
Balances with Post-Employment Benefit Plan		
Advance Contribution towards Group Gratuity Fund		
- Aeron Composite Employees's Group Gratuity Fund	0.40	-

40 Research and Development activities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue Expenditure	93.57	91.36
Capital Expenditure	-	-
Total	**93.57**	**91.36**

The company has In-house Research & Development Centre engaged in developmental activities for new products, improvement in existing products, processes etc.

41 Statement of Utilization of Funds Raised Through IPO

(₹ in lakhs)

Object of the Issue	Original Allocation	Fund Utilised till March 31,2026	Fund Unutilised as at March 31,2026
a) Funding the Capital Expenditure requirements towards setting up of an additional manufacturing unit	3,903.60	1,093.33	2,810.27
b) Issue related Expenses	313.55	313.55	-
c) General corporate purpose	1,392.85	1,392.85	-
Total	**5,610.00**	**2,799.73**	**2,810.27**

The balance amount of Rs 2810.27 Lakhs remains unutilised as at March 31,2026 and has been placed in monitoring account with Bank.

42 Loans and Advances given to Related Parties

No loans or advances in the nature of loans are granted to promoters, directors, KMP and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

43 Security of Current Assets Against Borrowings

The Company has borrowings from banks or financial institutions on the basis of security of current assets during the year. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account except mentioned below:

Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Account (₹ in lakhs)

Quarter	Name of the Bank	Particulars	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
Q4, FY 2025-26	Yes, HDFC & Standard Chartered Bank	Inventories	4,090.72	4,044.74	(45.98)	Difference due to Provisional Figures reported to banks earlier to finalisationsof quarterly accounts.

44 Details of Benami Property held

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

45 Relationship with Struck off Companies

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

46 Registration of Charge

There are no charges or satisfaction thereof pending for registration with the Registrar of Companies beyond the statutory period prescribed under the Companies Act, 2013 except in respect of charge creation relating to the tractor loan availed from HDFC Bank Limited. Also charge satisfaction relating to the vehicle loan (Wagon R) availed from HDFC Bank Limited is under process.

47 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

48 Ratio Analysis

Particulars	Numerator/Denominator	As at March 31, 2026	As at March 31, 2025	Change in %
(a) Current Ratio	Current Assets / Current Liabilities	1.60	1.78	-10.12%
(b) Debt-Equity Ratio	Total Debts / Shareholder's Equity	0.53	0.45	17.27%
(c)Debt Service Coverage Ratio	Earning available for Debt Service / Debt Service	4.75	10.55	-54.93%
(d) Return on Equity Ratio	Profit after Tax / Average Shareholder's Equity	8.27%	19.55%	-57.68%
(e) Inventory turnover ratio	Cost of Goods Sold / Average Inventories	2.84	3.13	-9.43%
(f) Trade receivables turnover ratio	Total Turnover / Average Trade Receivable	4.76	5.03	-5.50%
(g) Trade payables turnover ratio	Total Purchases / Average Trade Payable	2.81	3.28	-14.29%
(h) Net capital turnover ratio	Total Turnover / Average Working Capital	3.88	5.18	-25.00%
(I) Net profit ratio	Net Profit / Total Turnover	3.93%	6.12%	-35.80%
(j) Return on Capital employed	Earning before interest and taxes / Capital Employed	8.91%	13.81%	-35.44%
(k) Return on investment	Return on Investment / Total Investment	0.00%	0.00%	-

Reasons for Variances

c) The decrease in Debt Service Coverage Ratio is primarily due to reduction in earnings available for debt servicing during the year coupled with increase in finance cost and repayment obligations.

d) The decrease in Return on Equity Ratio is mainly attributable to lower profit after tax during the year along with increase in average shareholders' equity.

i) The decrease in Net Profit Ratio is primarily due to increase in employee benefit expenses, finance costs and depreciation expenses during the year, resulting in lower profitability.

j) The decrease in Return on Capital Employed is mainly due to reduction in earnings before interest and tax during the year coupled with increase in capital employed on account of increase in borrowings and fixed assets.

* Certain comparative figures used in the computation of ratios for the year ended 31 March 2025 have been regrouped/reclassified to align with the current year's presentation. Consequently, the corresponding comparative ratios have been revised and may not be comparable with those reported in the previous year's financial statements.

49 Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

50 Disclosure where company has received fund from other person or entity to lend or invest in other person or entity

The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

51 Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

52 CSR Expenditure (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Amount required to be spent by the company during the year	28.39	19.38
Amount of expenditure incurred	28.50	15.12

Additional disclosures relating to CSR expenditure

Based on the guidance note on "Accounting for Expenditure on Corporate Social Responsibility Activities" (CSR) issued by the Institute of Chartered Accountants of India and In compliance with the section 135 of Companies Act 2013, the Company has spent Rs. 28.50 lakhs towards CSR activities during the year against the statutory requirement of Rs. 28.39 lakhs and accordingly there is no unspent CSR amount as at March 31, 2026.

Surplus of previous financial year offset against current year CSR Obligation:-

In respect of F.Y. 2024-25, the company has already spent amount of Rs.15.12 lakhs towards CSR expenditure for the year ended March 31,2025. Excess spent towards CSR obligation in F.Y.2023-24 amounting Rs. 4.96 lakhs (i.e.Amount spent Rs. 17.00 lakhs as against the CSR obligation Rs. 12.03 lakhs in F.Y. 2023-24), out of the said excess expenditure, Rs. 4.26 lakhs has been set off against CSR obligation of F.Y. 2024-25.

Nature of CSR activities

a) Nature of CSR activities for the year ended March 31, 2026 include primarily in the areas of Promotion of education and skill development, Healthcare initiatives.

   i) Funding for building renovation work for education purpose amounting Rs. 10.50 Lakhs
   ii) Financial assistance for children's education amounting Rs. 5.00 Lakhs
   iii) Providing accommodation with food facility to the patients and their relatives in Ahmedabad and surrounding hospitals amounting Rs. 13.00 Lakhs.

b) Nature of CSR activities for the year ended March 31, 2025 include primarily in the areas of Promotion of education and skill development, Healthcare initiatives.

   i) Blind People's Association amounting Rs. 4.72 Lakhs
   ii) Financial Assistance for Children's Education amounting Rs. 2.00 Lakhs
   iii) Support for accommodation and food facilities for patients and their attendants in Ahmedabad and surrounding hospitals amounting Rs. 8.00 Lakhs
   iv) Contribution to Education Trust amounting Rs.0.40 lakhs.

Details of related party transactions

Nil

53 Details of Crypto Currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

54 Other Statutory Disclosures as per the Companies Act, 2013
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

55 Subsequent Events
There is no adjusting event occurred between reporting date and date of signing the financial statements.

56 Regrouping
Previous year's figures have been regrouped and rearranged, wherever necessary, to make them comparable with the current year's figures. Refer Note Nos. 21 and 23 for details of regrouping/reclassification.

57 Approval of financial statements
The financial statements for the year ended March 31,2026 were approved by the Board of Directors on May 20, 2026.

As per our report of even date
For **DINESH R THAKKAR & CO.**
Chartered Accountants
Firm's Registration No. 102612W

For and on behalf of the Board of
AERON COMPOSITE LIMITED
(Formerly Known as Aeron Composite Private Limited)
(CIN: L25209GJ2011PLC065419)

KEYUR M. THAKKAR
PARTNER
Membership No. 190243

SANJAYKUMAR J. OZA
Chief Financial Officer

CHIRAG CHANDULAL PATEL
Managing Director
DIN: 03380703

VIJAY M. DAKSHINI
Company Secretary
M. No.: A34688

RAVI PANKAJKUMAR PATEL
Whole-Time Director
DIN: 03427590

Place: AHMEDABAD
Date: May 20, 2026

Place: AHMEDABAD
Date: May 20, 2026

THE COMPOSITE EXPERT...