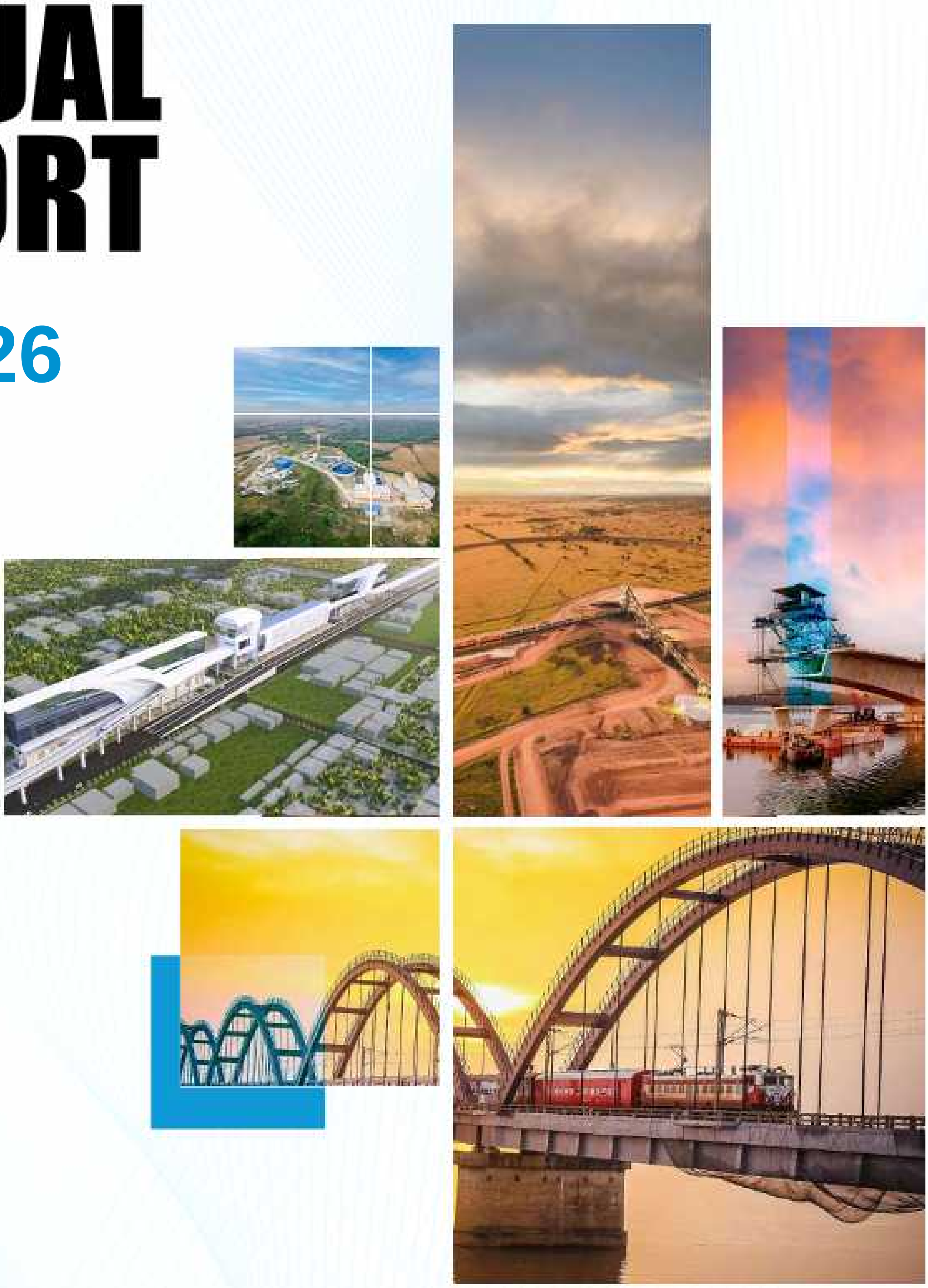
ANNUAL REPORT

2025 - 26



www.aarvee.com

aarvee

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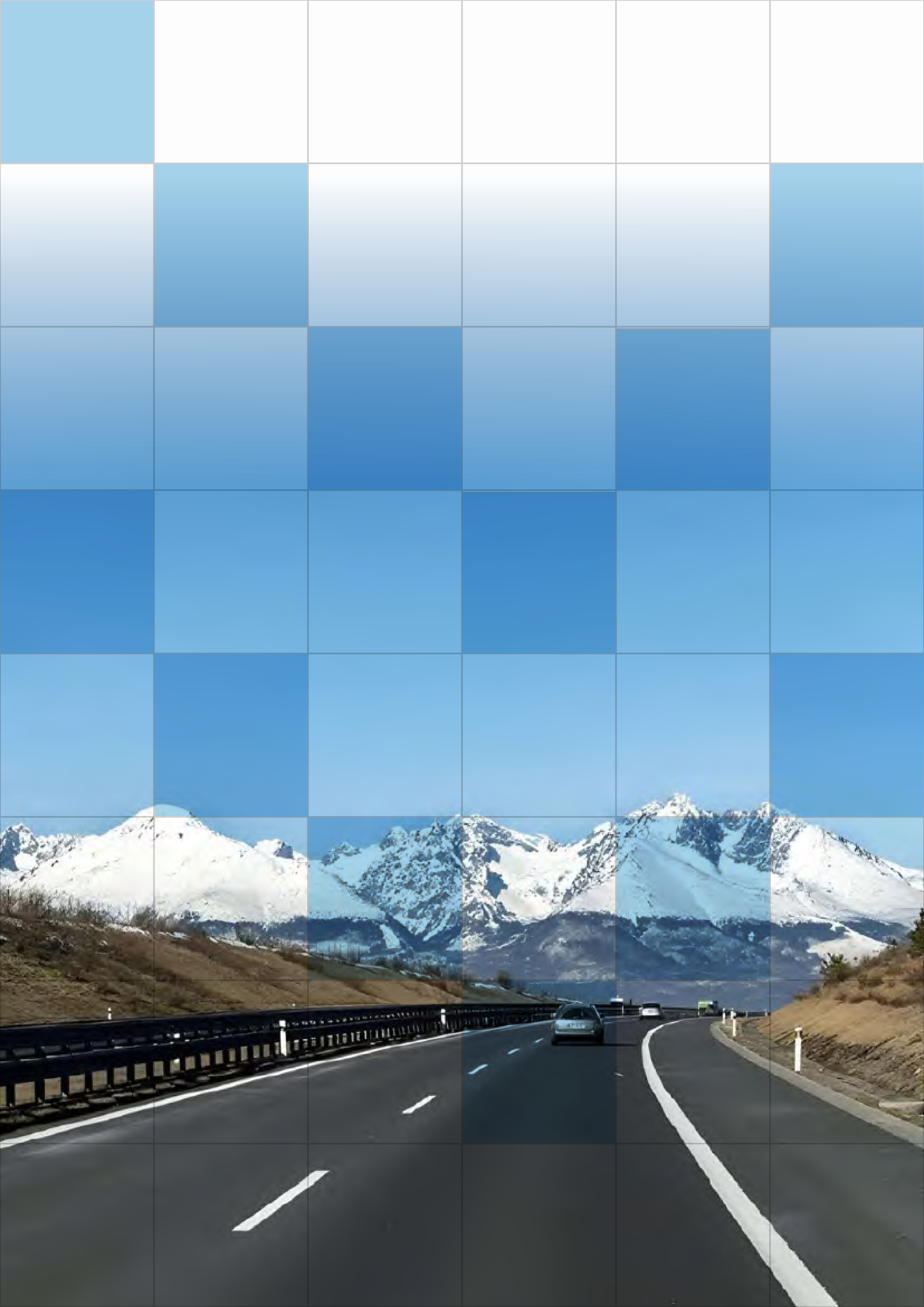


Message from the Chairman

Shri K. V. Rao
Chairman
Aarvee Engineering
Consultants Limited

"Good governance is the foundation upon which enduring institutions are built."

Dear Shareholders,

It is my privilege to address you for the first time as the Chairman of the Board of Aarvee Engineering Consultants Limited and to present the Twenty-First Annual Report of the Company for the financial year ended 31 March 2026.

This has been a landmark year in the evolution of Aarvee. The Company's transition from a private limited company to a public limited company and its journey towards listing on the Indian stock exchanges represent far more than changes in corporate structure. They reflect the maturity of an organisation that has earned the confidence of clients, employees and stakeholders through decades of professional excellence and ethical business practices.

Building Institutions, Not Merely Businesses

I have believe that institutions are built not only through financial success but through values, integrity and accountability. Corporate success must be measured not merely by growth in revenues or profitability but by the confidence that stakeholders place in an organisation.

In this context, I am pleased that Aarvee has consistently demonstrated a commitment to professionalism and technical excellence.

The Board remains conscious of its responsibility to protect the interests of all stakeholders while supporting the management in pursuing sustainable long-term growth.

Governance as a Strategic Strength

As the Company prepares to enter the public capital markets, corporate governance assumes even greater importance.

The Board has devoted considerable attention during the year towards strengthening governance practices, enhancing transparency, improving oversight mechanisms and aligning the Company's policies with the expectations of a listed entity.

The induction of experienced Independent Directors, constitution of statutory Board Committees and strengthening of internal control mechanisms are important milestones in this direction. It is our endeavour to bring in more women in leadership roles.

The Board firmly believes that good governance is not merely a matter of regulatory compliance but a culture that guides decision-making across the organisation.

We shall continue to uphold the principles of transparency, accountability, fairness and ethical conduct in every aspect of the Company's operations.

India's Infrastructure Opportunity

India is entering an unprecedented phase of infrastructure development.

Government initiatives in transportation, urban development, water resources, renewable energy, logistics and digital infrastructure are expected to generate significant opportunities over the coming decades.

Engineering consulting organisations such as Aarvee have an important role to play in supporting this national transformation.

The Board is encouraged by the Company's diversified capabilities across highways, railways, metro systems, water resources, urban infrastructure, mining infrastructure, geospatial engineering and power.

Combined with its growing international presence and experienced technical leadership, these strengths provide a solid platform for sustainable future growth.

Growth with commitment

The Board remains committed to ensuring that the Company's expansion is supported by prudent financial management, robust risk management systems and responsible corporate behaviour.

Equally important is the Company's commitment towards environmental sustainability, employee well-being, social responsibility and technological innovation.

Long-term value creation is possible only when commercial success is aligned with societal progress.

Appreciating the Management Team

On behalf of the Board, I would like to place on record our appreciation for the leadership provided by **Shri R. V. Chakrapani, Managing Director,** whose vision, entrepreneurial spirit and unwavering commitment have played a defining role in shaping Aarvee's remarkable journey from a modest engineering consultancy into one of India's respected multidisciplinary infrastructure consulting organisations.

The Board also appreciates the valuable contributions of the Executive Directors, senior management team and every employee whose dedication and professionalism continue to strengthen the Company.

The collective efforts of our people remain Aarvee's greatest competitive advantage.

Looking Towards the Future

The coming years present significant opportunities as well as new responsibilities.

Rapid technological advancement, increasing expectations of stakeholders, sustainability imperatives and evolving regulatory frameworks will require organisations to continuously adapt.

The Board is confident that Aarvee possesses the leadership, technical capabilities, governance framework and organisational culture necessary to successfully navigate these changes.

Our objective is not merely to achieve growth but to build an institution that commands enduring respect from clients, investors, employees and society.

Gratitude

I extend my sincere gratitude to our shareholders for their continued confidence in the Company.

I also acknowledge the valuable support received from our clients, employees, bankers, consultants, auditors, regulators and government authorities.

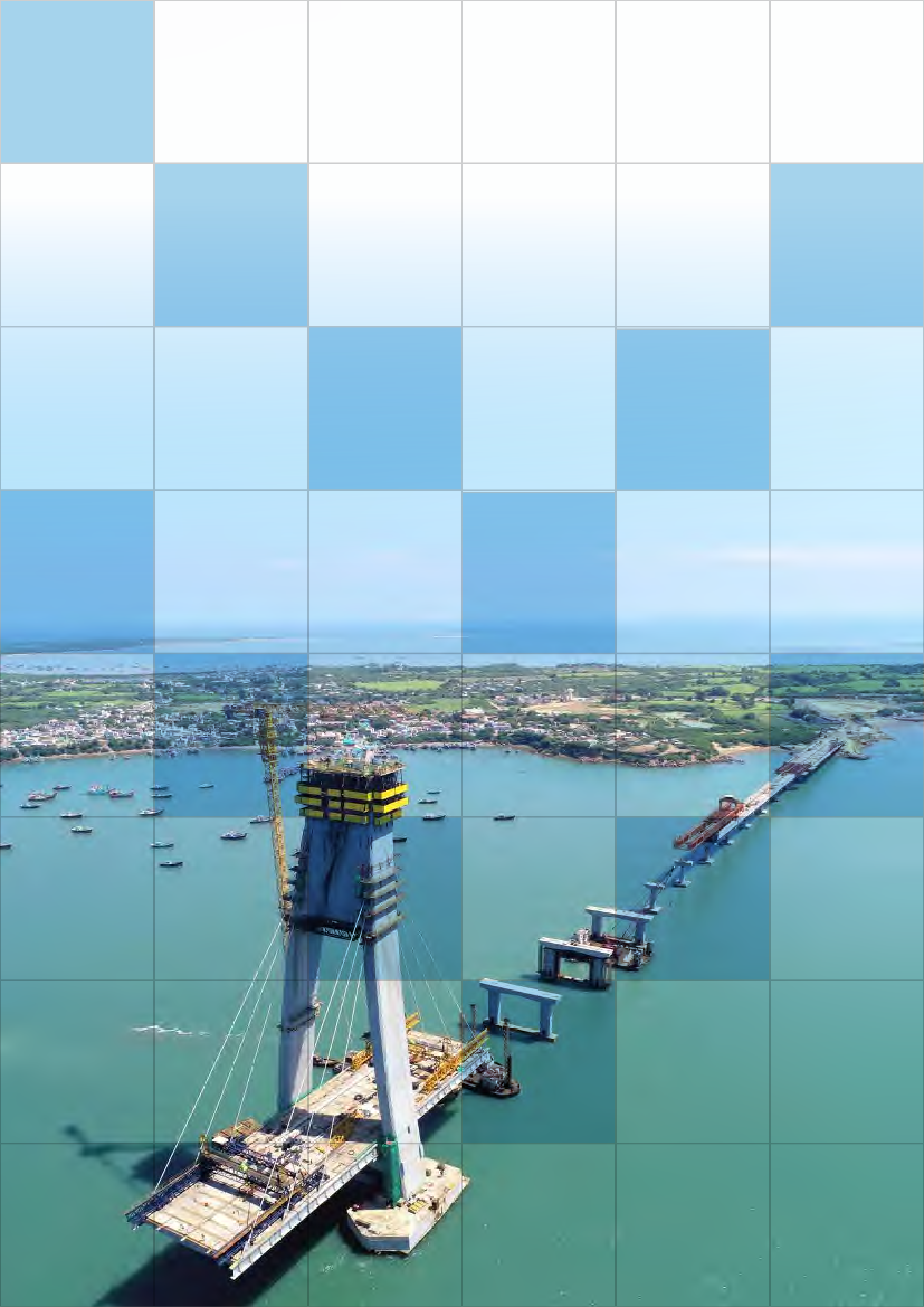
On behalf of the Board of Directors, I reaffirm our commitment to the highest standards of governance, transparency and responsible leadership.

As Aarvee enters this exciting new chapter, we look forward with confidence and optimism to creating sustainable value for all stakeholders while continuing to contribute meaningfully to India's infrastructure development.

I thank you for your continued trust and support.

With warm regards,

K. V. Rao
Chairman
Aarvee Engineering Consultants Limited



Message from the Managing Director

Shri R. V. Chakrapani
Managing Director
Aarvee Engineering
Consultants Limited

Dear Shareholders,

I am pleased to present the Twenty-First Annual Report of Aarvee Engineering Consultants Limited for the financial year ended 31 March 2026.

FY 2025–26 has been an important year for Aarvee as we prepare for the next phase of the Company's growth. Since our founding in 1989, we have remained focused on a clear purpose: delivering technically sound, practical and high-quality engineering solutions for infrastructure.

Over the years, Aarvee has grown from a regional engineering consultancy into a multidisciplinary organisation working across sectors and geographies. This growth has been built steadily through the quality of our work, long-standing client relationships and the capabilities of our people.

A Strong Infrastructure Opportunity

India continues to invest significantly in transportation, urban infrastructure, water, energy and other critical sectors. The scale and complexity of this development are creating opportunities for engineering organisations that can bring together multidisciplinary capability, strong project delivery and technology.

Aarvee is well positioned within this environment. Our experience across highways, railways and metros, water resources, urban infrastructure, power, mining infrastructure, geospatial services and other sectors provides us with a broad platform for future growth.

Performance and Business Visibility

During the year, standalone revenue from operations increased to ₹6,712.61 million and total income stood at ₹6,820.75 million. Profit after tax was ₹628.09 million. On a consolidated basis, total income reached ₹6,928.99 million.

As on 31st March 2026, Our order book exceeds ₹24,000 million providing healthy visibility for the coming years. Equally important is the diversity of this order book across sectors, clients and project stages.

Our focus remains not only on growth, but on improving the quality of that growth through stronger execution, operating discipline and profitability.

Engineering, Technology and Delivery

Engineering remains at the core of Aarvee.

Our role is to help clients develop infrastructure that is technically sound, fit for purpose, efficient, and easy to construct. This requires strong engineering fundamentals supported by increasingly sophisticated technology and data.

Technology, for us, is not a separate business objective. It has always been a part of how good engineering is delivered.

Building a Broader Business

We are also continuing to strengthen Aarvee's presence in international markets.

Our approach to international growth is measured. We intend to build businesses where Aarvee's engineering capabilities provide a genuine competitive advantage and where we can develop sustained client relationships.

At the same time, we remain focused on strengthening our leadership in India, which continues to be the foundation of the Company.

Investing in Our People

Aarvee today has more than 4,000 employees and consultants

Their technical knowledge and commitment have enabled the Company to deliver increasingly large and complex assignments. As our business evolves, developing the next generation of technical specialists and leaders will remain a priority.

We will continue to invest in training, digital capabilities, leadership development and systems that allow our people to perform at their best.

The Next Phase

As Aarvee moves into its next phase, our priorities are clear: strengthen our leadership in infrastructure consulting, improve operational efficiency and profitability, accelerate digital engineering capabilities, expand selectively in international markets, develop our people and maintain strong standards of governance and integrity.

Our objective is straightforward: to build a stronger, more capable and more globally relevant Aarvee while remaining anchored in the engineering discipline and delivery standards on which the Company was built.

I would like to thank our clients for their continued trust, our employees for their contribution, and our shareholders, Board of Directors, bankers, consultants, auditors and other stakeholders for their support.

Nearly four decades after Aarvee began, our fundamentals remain unchanged: strong engineering, quality delivery, integrity and a commitment to our clients.

We enter the next phase of our journey with confidence in those foundations and clarity about the work ahead.

With warm regards,

R. V. Chakrapani
Managing Director

Awards & Recognition

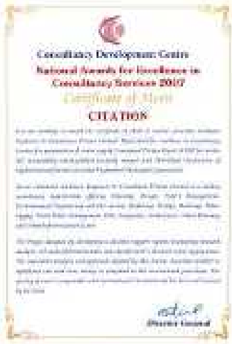
Recognition of Engineering Excellence and Professional Commitment

"Awards recognise achievement; sustained trust recognises consistency."

Industry Recognition

Over the years, Aarvee has received several awards and recognitions from industry bodies, government agencies and professional institutions. These recognitions reflect the Company's continued contribution to engineering consultancy, project execution, innovation, water management, infrastructure development and professionally managed growth.

Key Awards for our Projects

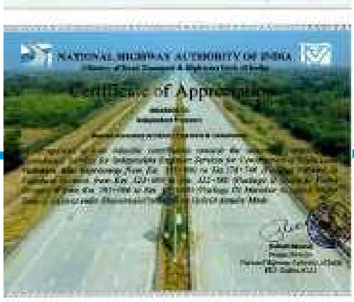

Consultancy Development Centre
National Awards for Excellence in Consultancy Services 2007
Certificate of Merit
CITATION
Director General


CII
Confederation of Indian Industry
National Award for Excellence in Water Management 2009
AARVEE ASSOCIATES ARCHITECTS ENGINEERS & CONSULTANTS PVT LTD, HYDERABAD


National Award - 2013
Consulting Engineers Association of India
Aarvee Associates Architects Engineers & Consultants Pvt. Ltd.


Construction Industry Development Council
CIDC Vishwakarma Award 2013
Aarvee Associates Architects Engineers & Consultants Pvt. Ltd.


NATIONAL HIGHWAYS AUTHORITY OF INDIA
Certificate of Appreciation
AWARDED TO
M/S AARVEE ASSOCIATES ARCHITECTS ENGINEERS & CONSULTANTS PVT LTD


NATIONAL HIGHWAY AUTHORITY OF INDIA
Certificate of Appreciation


Construction Industry Development Council
15th CIDC Vishwakarma Awards 2024
Aarvee Associates Architects Engineers & Consultants Private Limited, Hyderabad


Construction Industry Development Council
16th CIDC Vishwakarma Awards 2025
Aarvee Engineering Consultants Ltd


Construction Industry Development Council
17th CIDC Vishwakarma Awards 2026
Aarvee Engineering Consultants Limited

Director **Profiles**

Shri K. V. Rao

Chairman & Independent Director

Shri K. V. Rao brings to the Board decades of experience in public administration, policy implementation and institutional leadership.

As a retired IAS officer, his experience in governance, public systems and administrative decision-making provides valuable guidance to Aarvee as it transitions into a listed public company.

His presence as Chairman reinforces the Company's commitment to transparency, accountability, responsible leadership and institution-building.

Shri R. V. Chakrapani

Managing Director & Promoter

Shri R. V. Chakrapani is the founder and Managing Director of Aarvee. He founded Aarvee in 1989, and has built aarvee from a single person consultancy to the multi-sectorial infrastructure consultancy it is today.

His leadership combines engineering knowledge, entrepreneurial vision, client relationships and long-term institution-building.

Shri Venkateshwar Reddy Banda

Whole-time Director

Shri Venkateshwar Reddy Banda brings deep technical experience in infrastructure consulting and oversees the multiple division of the Company, covering Buildings, Irrigation, Geospatial, Urban Planning and Power. He has around 37 years of experience in infrastructure consulting.

His role is important in strengthening Aarvee's multidisciplinary capabilities beyond transportation.

Shri Kishore Kumar Mekala

Whole-time Director

Shri Kishore Kumar Mekala brings extensive experience in highways and transportation infrastructure. He oversees the highway division and has handled design, supervision and O&M projects across India and abroad. He has around 39 years of experience in infrastructure consulting.

His presence strengthens Aarvee's position in one of the most important infrastructure sectors in India.

Shri Malladi Murthy

Whole-time Director

Shri Malladi Murthy brings significant experience in railways and infrastructure consulting. He oversees the railways division of the Company and has prior experience with RITES Limited and Government infrastructure projects. He has around 40 years of experience in infrastructure consulting.

His expertise supports Aarvee's growth in railways, metro and related transportation infrastructure.

Smt. Sneha Redla

Director

Smt. Sneha Redla contributes to Aarvee's global operations and strategic expansion. She spearhead the company's international expansion, into developed markets - Australia, UK, Middle East and heads global operations and works closely on business strategy and project execution for railways and metro rail projects, as well as developing new verticals.

Her role is important as Aarvee seeks to strengthen its international footprint and global delivery capabilities.

Shri Nagarjun Redla

Director

Shri Nagarjun Redla brings international exposure and a next-generation perspective to the Board. With an engineering background, he has gained valuable experience through his associations with companies including Aiara Inc., Mateon Therapeutics Inc., and Invecas, Inc.

Shri B. Anand

Independent Director

Shri B. Anand is an alumnus of IIT and IIM and is known for his expertise in investment banking, corporate finance and strategic advisory. His presence on the board will strengthen the company's capital, commercial discipline and investments.

Shri P. S. Reddy

Independent Director

Shri P. S. Reddy brings deep capital markets and market infrastructure experience. He has served as Managing Director of MCX, held senior responsibilities at CDSL and worked with BSE as Chief General Manager.

His experience will strengthen governance regulation and risk management

Smt. Kshama V Kaushik

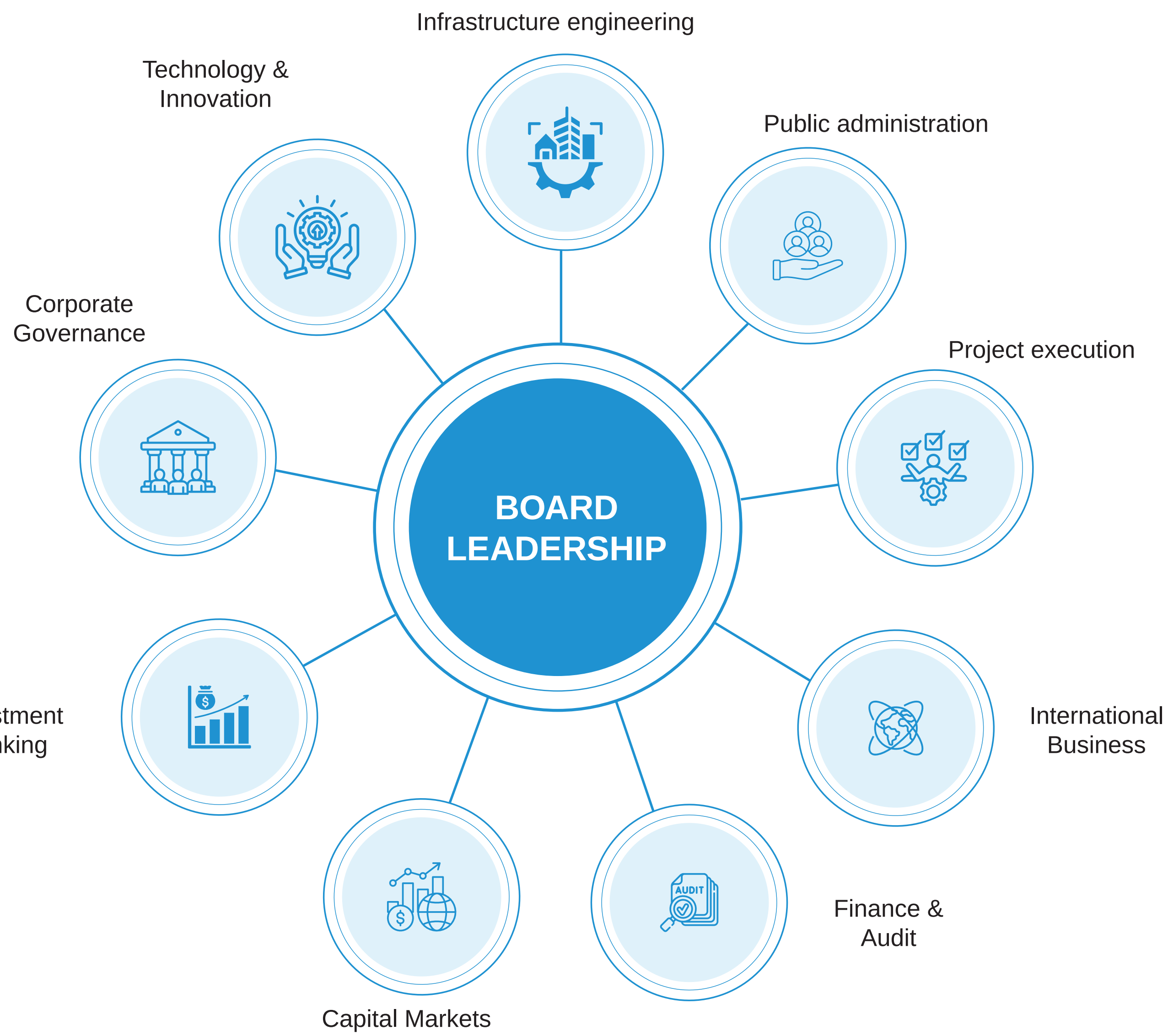
Independent Director

Smt. Kshama V Kaushik is a Chartered Accountant and has been earlier associated with PwC. Her background in finance, assurance, audit, risk and corporate governance strengthens the Board's oversight capabilities.

Her experience will be particularly relevant in areas such as financial reporting, internal controls, audit oversight, risk management and governance practices.

Collective Strength of the Board

Aarvee's Board brings together complementary experience across:



This collective strength supports the Company's transition into the public capital markets and provides a strong foundation for responsible growth.

The Board's role is to ensure that Aarvee continues to grow while preserving the values that have guided the Company for nearly four decades: **engineering excellence, professional integrity, client trust and responsible governance.**

Leadership **Team**

Execution Leadership Across Functions and Disciplines

"Strong institutions are built by teams that combine technical capability, functional discipline and shared purpose."

Leadership Beyond the Board

While the Board provides strategic direction and governance oversight, the day-to-day execution of Aarvee's business is driven by its leadership team across engineering, finance, secretarial, operations, project execution, business development, human resources, technology and administration.

Aarvee's leadership team plays an important role in translating the Company's strategy into operational performance. In a multidisciplinary infrastructure consulting business, leadership requires coordination across engineering disciplines, client requirements, project teams, regulatory processes, financial controls and delivery timelines.

The Company's senior leadership combines technical expertise, functional knowledge and project execution experience. This enables Aarvee to manage multiple assignments across sectors such as transportation, railways, metro rail, water resources, urban infrastructure, mining infrastructure, geospatial engineering and power.

Key Managerial Personnel

The Company's Key Managerial Personnel support the Board and management in strengthening governance, financial discipline, regulatory compliance and operational accountability.

Smt. Sugandha Khandelwal oversees secretarial and regulatory compliance of the Company. She is an associate member of the Institute of Company Secretaries of India and has around eight years of experience.

Her role assumes greater significance as Aarvee transitions into the public capital markets, where timely compliance, Board processes, stakeholder communication and regulatory governance become increasingly important.

Leadership contribution:

Strengthening secretarial governance, compliance discipline and Board-level processes.

Smt. Sugandha Khandelwal
Company Secretary & Compliance Officer

Smt. Geniya Banerjee
Chief Financial Officer

Smt. Geniya Banerjee is a Fellow Member of the Institute of Chartered Accountants of India and has over 25 years of experience in finance, accounting, treasury management, taxation, compliance, financial reporting, audit, budgeting and corporate finance.

Her experience in financial planning, reporting, treasury, statutory compliance, budgeting,due diligence and internal controls are vital to ensure good financial discipline

Leadership Philosophy

Aarvee's leadership philosophy is built around:

As the Company grows, building a deeper leadership pipeline will remain an important management priority.

Management Perspective

"Aarvee's leadership strength lies in the ability to combine engineering depth with functional discipline. As the Company enters its next phase of growth, developing future project leaders, strengthening functional leadership and preserving institutional knowledge will remain important priorities."

Aarvee At
A Glance

Managing Director
Shri R. V. Chakrapani

Chairman
Shri K. V. Rao

Established
1989

Employees & Consultants
4,000+

Corporate Status
Public Limited Company

Headquarters
Hyderabad,
Telangana, India

International Presence
20+ Countries

Who We Are

Aarvee Engineering Consultants Limited is one of India's leading multidisciplinary infrastructure consulting companies, delivering end-to-end engineering, design, project management and advisory services across transportation, water resources, urban infrastructure, mining, geospatial engineering, power and environmental sectors.

Over the past four decades, Aarvee has successfully executed projects that have contributed to nation building, economic development and sustainable infrastructure creation both in India and overseas.

Today, the Company combines engineering excellence with technology-driven solutions to deliver infrastructure that is efficient, resilient and future-ready.

What Makes Aarvee Different

Nearly Four Decades of Engineering Excellence
A proven legacy of delivering complex infrastructure projects.

Diversified Business Portfolio
Presence across multiple infrastructure sectors reduces dependence on any single segment.

Strong Order Book
Healthy project pipeline provides revenue visibility and supports long-term growth.

Technical Expertise
A multidisciplinary team of experienced engineers, planners, architects and project specialists.

Technology-Led Engineering
Adoption of latest technologies BIM, GIS, LiDAR, Digital Engineering, and advanced design tools.

Global Experience
Successful execution of projects across multiple international markets.

Strong Corporate Governance
Experienced Board, Independent Directors and governance practices aligned with listed-company standards.

Vision

To plan and engineer infrastructure that works so seamlessly, efficiently and reliably that it improves everyday life and helps nations move forward.

Mission

To enable our clients, governments and communities to create sustainable, resilient and fit-for-purpose infrastructure by combining technical excellence, real-world thinking and a project-first approach.

Our Growth Strategy

Over the next decade, **Aarvee aims** to:

- Strengthen leadership across infrastructure consulting.
- Expand international operations.
- Accelerate Digital Engineering and AI adoption.
- Enhance operational efficiency.
- Deliver sustainable shareholder value.
- Maintain the highest standards of governance and ethics.

Our
Business

Integrated Engineering
Solutions Across the Infrastructure Lifecycle

> Infrastructure is not built by isolated expertise.
> It is created by integrating knowledge across disciplines.

Building Infrastructure. Building Nations.

The projects we work on shape how people and economies move, connect and grow. Roads, railways, metros, water systems, energy infrastructure and urban networks become part of the economic backbone of the regions they serve.

Aarvee has consciously built its business around this understanding.

Across each sector in which we operate, we have developed a broad spectrum of capabilities in-house so that we can approach projects as a whole rather than as a series of disconnected design packages. By integrating planning, surveys, engineering and design within one organisation, our teams are able to understand interfaces earlier, improve coordination and develop solutions with greater accuracy, efficiency and constructibility.

Our role also extends across the infrastructure lifecycle. We support projects from their earliest stages of conception, feasibility and planning, through detailed design, project management and construction supervision, and into the operation and management of existing assets.

This combination of multidisciplinary engineering and lifecycle capability enables Aarvee to provide clients with integrated solutions focused on the performance of the entire project, not merely the delivery of an individual scope.

Roads & Bridges

Engineering the Arteries of National Growth

Key Capabilities

- National Highways
- Expressways
- State Highways
- Bridges
- Elevated Corridors
- Tunnels
- Interchanges
- Traffic Engineering
- Road Safety Audits
- Project Management

Representative projects

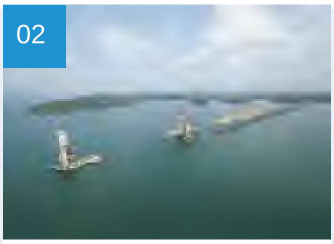
01

Kim Expressway

Gujarat, India

Completed

02



Extradosed Major Bridge across Sharavathi

Karnataka, India

Completed

03

Okha Beyt Dwarka Signature Bridge

Gujarat, India

Completed

04

Doubling of the Sagana-Marua Road

Kenya, Africa

Completed

Railways & Metro Rail

Future-ready Rail Systems, Delivered End to End

Key Capabilities

- Passenger & Freight
- Metro Rail & Light Rail
- High-Speed Rail
- Railway Stations & Depots
- Overhead Electrification
- Signalling & Telecommunication
- Loco & Wagon Services
- Construction Supervision

Representative projects

01

Bina - Kota Section of WCR

Madhya Pradesh, India

Completed

02

Phase II - Chennai Metro

Chennai, India

Completed

03

Mumbai - Ahmedabad High Speed Rail

Gujarat, India

Ongoing

04

Carmichael Rail Network

Queensland, Australia

Completed

Water Resources & Irrigation

Integrated Water, Urban Resilience, and Environmental Systems

Key Capabilities

- Irrigation Systems
- Dams & Barrages
- Lift Irrigation
- River & Lake conservation
- Construction Supervision
- Water Resource Management

Representative projects

01

Water Supply Project in Bundelkhand Region

Uttar Pradesh, India

Completed

02

Sandul Barrage

Odisha, India

Completed

03

Chanaka Korata Barrage

Madhya Pradesh, India

Completed

04

ISS Mahulpali

Odisha, India

Completed

Environment, Water Supply & Sanitation

Water Resources & Irrigation for a Changing Climate

Key Capabilities

- Water Supply
- Waste Water & Sewerage
- Storm Water Drainage
- Environmental Services
- Third Party Quality Assurance
- Project Managment

Representative projects

01

Prayagraj Smart City

Uttar Pradesh, India

Completed

02

TPQA & QC - Amrut

Telangana, India

Completed

03

Karimnagar Smart City

Telangana, India

Completed

04

Amaravati Capital City Project

Andhra Pradesh, India

Ongoing

Power & Renewables

Engineering
Reliable Infrastructure

Key Capabilities

- Transmission Infrastructure & Distribution
- Solar & Wind
- Hydro Power
- Pumped Hydro
- BESS

Geospatial Engineering

From Mapping to Geospatial Intelligence

Key Capabilities

- GIS
- LiDAR
- Drone Surveys
- Remote Sensing
- Spatial Analytics

Architecture & Buildings

Key Capabilities

Architecture

Structural Engineering

BIM

MEP

Planning

Planning & Urban design

Shaping Cities Through Vision, Structure, and Strategy

Key Capabilities

Urban Planning

Transport Planning

Urban Design & Development

Master Planning

Mining

Engineering Infrastructure
for Mining

Ports

Engineering Port Infrastructure
Systems

Airports

Engineering Infrastructure
for Mining

Ropeways

Ropeways and Aerial Transport
Infrastructure

Our People

The Strength Behind Every Engineering Achievement

"Great infrastructure is not built by machines. It is built by talented people working together with knowledge, integrity and purpose."

Our Greatest Asset

Every successful engineering organisation is ultimately built by its people.

Behind every bridge, railway corridor, metro system, irrigation project and urban development assignment delivered by Aarvee stands a team of dedicated engineers, planners, architects, surveyors, geospatial specialists, environmental experts, project managers and support professionals.

Today, 4,000+ employees & Consultants contribute to Aarvee's continued success.

Their knowledge, commitment and passion have enabled the Company to deliver engineering solutions that improve infrastructure, strengthen communities and contribute to national development.

While technology continues to transform engineering, people remain the driving force behind every innovation and every successful project.

4,000+ Employees & Consultants	Multidisciplinary Professionals	India & Overseas Teams	Years of Collective Engineering Experience

Building Engineering Excellence

Engineering is a profession of continuous learning.

As technologies evolve and infrastructure projects become increasingly complex, the ability to learn, adapt and innovate becomes essential.

At Aarvee,we have created a culture, learning & development in a constant process

Our objective is not merely to employ engineers but to develop future engineering leaders.

Our People Philosophy

LEARN
We promote continuous technical learning and professional development.

INNOVATE
We encourage creative thinking and technology adoption.

COLLABORATE
Multidisciplinary teamwork enables better engineering solutions.

LEAD
Leadership is developed at every level of the organisation.

GROW
Individual success contributes to organisational success.

Our Culture
The culture of Aarvee has been shaped over nearly four decades by shared values.

We believe in Values towards our project

PROFESSIONAL INTEGRITY	TECHNICAL EXCELLENCE	MUTUAL RESPECT	COLLABORATION
	OWNERSHIP	CUSTOMER COMMITMENT	

These values guide our decisions and define the way we work.

Diversity and Inclusion
The Company is committed to providing an inclusive workplace where every individual is respected, valued and given equal opportunities to contribute and grow.

An inclusive culture encourages innovation, enhances collaboration and supports better decision-making, Values towards our people

Learning & Development

Infrastructure engineering continues to evolve rapidly.

Accordingly, Aarvee encourages continuous capability development through:

TECHNICAL TRAINING	LEADERSHIP DEVELOPMENT	KNOWLEDGE-SHARING INITIATIVES

Continuous learning enables our professionals to remain future-ready.

Health, Safety and Well-being

The well-being of employees remains an important priority.

A safe workplace, healthy working environment and responsible work practices contribute significantly towards employee engagement and organisational excellence.

The Company continues to promote a culture where safety, respect and well-being remain integral to day-to-day operations.

Technology Empowering People

Technology is intended to enhance human capability, not replace it.

Digital Engineering, Artificial Intelligence, BIM, GIS and other advanced tools enable our engineers to make better decisions, improve productivity and deliver superior outcomes.

The future belongs to engineers who combine technical expertise with digital intelligence.

Aarvee remains committed to creating such professionals.

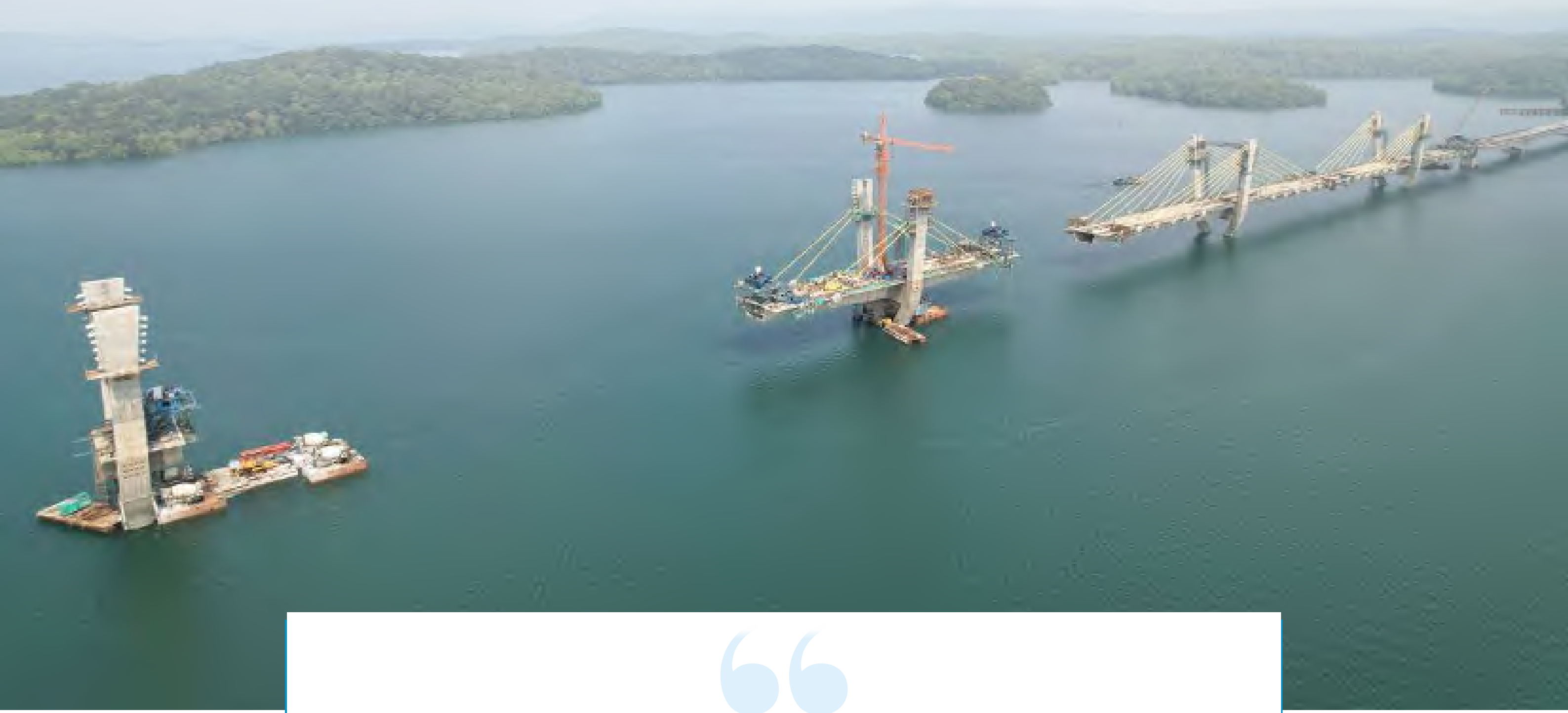
Looking Ahead

Our growth aspirations can be realised only through the continued dedication and development of our people.

We shall continue investing in learning, leadership, diversity, technology and employee engagement while preserving the culture that has guided Aarvee for nearly four decades.

The future of Aarvee will be shaped not only by engineering excellence but also by the passion, knowledge and integrity of its people.

Engineering a
Sustainable Future



Infrastructure should not merely support economic growth.
It should improve lives while preserving
resources for future generations.

Sustainability is Engineering Responsibility

At Aarvee, sustainability is not viewed as a separate initiative.
It is an integral part of responsible engineering.

Every engineering decision influences communities, natural resources, economic development and future generations.

Accordingly, the Company strives to integrate environmental responsibility, social commitment and sound governance into its engineering philosophy and business practices.

Our objective is to create infrastructure that is resilient, efficient and sustainable throughout its lifecycle.

Our Sustainability Philosophy

Environmental Responsibility
Design infrastructure that minimises environmental impact, promotes efficient use of resources and supports climate resilience.

Social Responsibility
Create engineering solutions that improve quality of life, strengthen communities and contribute to inclusive development.

Responsible Governance
Conduct business with integrity, transparency, accountability and ethical leadership.

Environmental Stewardship

Infrastructure projects increasingly require sustainable engineering approaches. Aarvee supports clients by incorporating environmental considerations into planning and design through:

- Efficient resource utilisation.
- Environmentally conscious engineering.
- Water conservation principles.
- Climate resilience.
- Sustainable urban development.
- Environmental impact studies.
- Green infrastructure concepts.

Engineering for Climate Resilience

Climate change presents new challenges for infrastructure planning.

- Extreme weather events.
- Flood resilience.
- Water security.
- Sustainable drainage.
- Long-term infrastructure durability.

Aarvee continues strengthening its engineering capabilities to address these evolving challenges.

Social Impact

Infrastructure ultimately exists to improve lives.
The projects undertaken by Aarvee contribute to:

> Every successful project therefore creates value beyond engineering.

- Better connectivity.
- Safer transportation.
- Reliable water supply.
- Improved urban mobility.
- Economic development.
- Employment generation.
- Better public services.

Our People and Communities

The Company remains committed to:

- Employee development.
- Safe workplaces.
- Diversity and inclusion.
- Respectful working environments.
- Community engagement.
- Ethical employment practices.

People remain central to sustainable growth.

Governance Supporting Sustainability

Long-term sustainability is supported by:

» Independent Board oversight.
» Ethical business practices.
» Transparent governance.
» Risk management.
» Internal controls.
» Regulatory compliance.
» Stakeholder engagement.

> The Company believes sustainable growth is possible only through responsible governance.

Corporate Social Responsibility

Corporate Social Responsibility reflects the Company's commitment to contributing positively to society.

Through its CSR initiatives, Aarvee seeks to support programme's that promote education, skill development, community welfare, environmental sustainability and inclusive growth.

The Company believes that responsible corporate citizenship strengthens society while creating enduring stakeholder value.

CSR Activities

Free Homeopathic Clinic

Location: Gollaprolu Village, East Godavari, Andhra Pradesh
Ongoing Since: FY 2022-23
Mode: Direct Implementation

Key Impact

- Serves 9,000+ patients annually
- 200+ New OP Registrations monthly
- 750+ consultations monthly
- Absolutely free consultation and medication
- Built strong community reputation through word-of-mouth referrals
- Provides basic medical care assurance to the local population

IIT Madras – Fellowship

- Funding: International students – M. Tech in Civil Engineering, Chennai, TN
- Ongoing Since: FY 2024-25 | Mode: Direct Implementation

IIT Tirupati & IIT Hyderabad

- Funding: RGUKT Interns
- 80+ students benefited from internship programme
- Mode: Direct Implementation

Other Education & Sports Initiatives

- IIT Madras – High-End Computational Facility
- NIT Surathkal, Karnataka – Educational Infrastructure
- ZP High School, Gollaprolu, AP – School Building Infrastructure
- Akshaya Foundation, Hyderabad – Girl Child Education (20 girls)
- Yacht Club, Hyderabad – Sports (Boat Rowing) – 150+ children

Cleft Repair Surgeries

- 40+ children benefited from cleft repair surgeries over 2 years
- Life-changing outcomes — improved speech, appearance, and confidence
- Partnership with St. Theresa Hospital ensures professional medical oversight


TIRUPATI

Indian Institute of Technology Tirupati

CIVIL ENGINEERING

Corporate Governance

Strengthening Governance for Sustainable Growth

> Good governance is not merely about compliance. It is about building an institution that earns the trust and confidence of all its stakeholders.

Under the Chairmanship of Shri K. V. Rao, the Board continues to strengthen its governance framework and promote a culture of transparency, accountability and responsible leadership.

Corporate Governance Philosophy

At Aarvee Engineering Consultants Limited, corporate governance is regarded as the cornerstone of sustainable growth, responsible leadership and long-term value creation. The Company firmly believes that high standards of governance foster transparency, accountability, ethical conduct and prudent decision-making while balancing the interests of shareholders, clients, employees, business partners and society.

As Aarvee enters a new phase of its corporate journey as a proposed listed public company, the Board remains committed to continuously strengthening the governance framework in line with global best practices and the expectations of a professionally managed listed enterprise.

For Aarvee, governance is not merely a matter of regulatory compliance; it is an integral part of the Company's culture and reflects its commitment to conducting business with integrity, professionalism and responsibility.

Board Committees

Recognising the importance of specialised oversight and effective governance, the Board has constituted all the statutory Committees prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Committee	**Nomination and Remuneration Committee**	**Stakeholders Relationship Committee**	**Corporate Social Responsibility Committee**

Each Committee operates under clearly defined terms of reference approved by the Board and plays an important role in strengthening governance, promoting accountability and supporting informed decision-making.

The Board periodically reviews the functioning of these Committees to ensure that they continue to operate effectively and contribute meaningfully to the Company's governance framework.

Governance in Practice

The Board firmly believes that governance is reflected not only through policies and processes but also through organisational culture and everyday business decisions.

The Company's governance framework is founded upon the following principles:

- Integrity and ethical conduct in all business dealings.
- Transparency in financial and operational reporting.
- Accountability across all levels of the organisation.
- Compliance with applicable laws, regulations and internal policies.
- Effective risk management and internal controls.
- Respect for the interests of all stakeholders.
- Responsible and sustainable business practices.

These guiding principles continue to shape the Company's decision-making process and reinforce stakeholder confidence.

Governance for the Future

Corporate governance is a continuous journey of improvement.

As Aarvee grows and expands its presence in the capital markets, the Board remains committed to continuously enhancing governance standards by adopting evolving best practices, strengthening internal systems, encouraging transparency and promoting a culture of responsibility throughout the organisation.

The Board will continue to focus on strategic oversight, prudent risk management, succession planning, digital governance, sustainability and long-term stakeholder value creation.

It is the Board's endeavour to build an institution that is respected not only for its engineering excellence but also for its governance standards and ethical leadership.

Commitment to Excellence

For nearly four decades, Aarvee has built its reputation on technical excellence, professional integrity and enduring client relationships.

As the Company enters a new chapter in its evolution, these values will continue to guide every decision of the Board and the management.

Under the leadership of **Shri K. V. Rao,** Chairman, and with the collective wisdom and experience of an accomplished Board comprising professionals from engineering, public administration, finance, capital markets and corporate governance, Aarvee is well positioned to pursue sustainable growth while upholding the highest standards of corporate governance.

The Board remains committed to fostering a culture where integrity, professional excellence and responsible leadership continue to serve as the foundation of the Company's long-term success.

Through sound governance, ethical conduct and responsible stewardship, Aarvee will continue striving to create sustainable value for its shareholders while contributing meaningfully to India's infrastructure development.

Management
Discussion & Analysis

Engineering Growth in a
Transforming Infrastructure Landscape

> The future belongs to organisations that anticipate change, adapt with agility and execute with excellence.

1.Introduction

Financial Year 2025–26 has been a defining year in Aarvee Engineering Consultants Limited's journey. While the Company continued to deliver engineering excellence across diverse infrastructure sectors, it also completed an important phase of its institutional evolution by strengthening its governance framework and preparing for its transition into the public capital markets.

India's infrastructure sector continues to present significant long-term opportunities, supported by sustained public investment, rapid urbanisation, increasing private sector participation and the growing adoption of technology-driven engineering solutions. These structural trends continue to create favourable opportunities for multidisciplinary engineering consulting organisations.

Against this backdrop, Aarvee has remained focused on disciplined execution, client satisfaction, operational excellence and responsible growth. Supported by a healthy order book, diversified service portfolio, experienced leadership and a highly skilled workforce, the Company enters the next phase of its journey with confidence and optimism.

This discussion provides management's perspective on the economic environment, industry trends, operational performance, opportunities, challenges and the Company's outlook.

2.Global Economic Environment

The global economy continues to navigate a period of transformation shaped by geopolitical developments, changing trade patterns, technological innovation, climate commitments and evolving infrastructure priorities.

Across developed and emerging economies, governments are increasingly recognising infrastructure investment as a catalyst for economic growth, employment generation and long-term competitiveness. Investments in transportation networks, urban infrastructure, water security, renewable energy and climate-resilient infrastructure continue to remain important policy priorities.

At the same time, digital technologies are redefining the engineering profession. Artificial Intelligence, Building Information Modelling (BIM), Digital Twins, Geographic Information Systems (GIS), advanced analytics and automation are changing the manner in which infrastructure is planned, designed, executed and managed.

For engineering consulting organisations, these developments present opportunities to combine traditional engineering expertise with digital capabilities to deliver integrated and sustainable solutions.

Aarvee continues to monitor these global developments and remains committed to strengthening its technical capabilities in line with evolving international best practices.

3.Indian Economic & Infrastructure Outlook

Infrastructure as the Foundation of India's Growth Story India continues to be one of the fastest-growing major economies in the world. Supported by sound macroeconomic fundamentals, favourable demographics, rapid urbanisation and increasing investments in infrastructure, the country is entering a phase of sustained long-term development.

> Infrastructure as the Foundation of India's Growth Story

The Government's continued emphasis on capital expenditure, logistics efficiency, urban transformation and industrial development is creating significant opportunities across the infrastructure value chain. Investments in transportation networks, water resources, urban infrastructure, railways, renewable energy and digital infrastructure are expected to remain central to India's economic growth strategy over the coming years.

Infrastructure today is no longer viewed merely as a public investment. It has become a strategic enabler of economic competitiveness, employment generation, regional development and improved quality of life.

Against this backdrop, the demand for integrated engineering consultancy services is expected to remain robust, supported by increasing project complexity, greater emphasis on sustainability and the adoption of advanced digital technologies.

Government's Infrastructure Focus

The Government of India has continued to place infrastructure development at the centre of its long-term economic strategy.

National initiatives focusing on multimodal connectivity, transportation networks, urban development, water security and logistics are transforming the infrastructure landscape. Programmes such as PM Gati Shakti, Bharatmala Pariyojana, Sagarmala, Dedicated Freight Corridors, Metro Rail expansion, High-Speed Rail, Smart Cities, Jal Jeevan Mission and various state-level infrastructure initiatives are expected to generate sustained demand for engineering consultancy services. Rapid Urbanisation in India continues to drive most of this demand for modern and sustainable infrastructure.

Future cities will require:

- Efficient transportation systems.
- Integrated urban planning.
- Smart mobility solutions.
- Water supply and wastewater management.
- Climate-resilient infrastructure.
- Digital public infrastructure.
- Sustainable environmental solutions.

Engineering consultancy firms capable of delivering multidisciplinary and technology-enabled solutions will play an increasingly important role in supporting this transformation.

Technology Reshaping Engineering

The engineering profession itself is undergoing significant transformation.

Artificial Intelligence, Building Information Modelling (BIM), Geographic Information Systems (GIS), LiDAR, drone-based surveys, digital collaboration platforms and data analytics are becoming integral components of modern infrastructure planning and execution.

Clients increasingly expect engineering consultants not only to provide technical expertise but also to deliver innovation, efficiency and lifecycle value through technology-enabled solutions. This shift is expected to redefine the competitive landscape of the engineering consulting industry over the coming decade.

Engineering: The Foundation of Infrastructure Development
Every infrastructure project begins as an idea. Before that idea can become a road, railway, metro system, water network or other physical asset, it must first be studied, planned and designed.

Engineering consultancy typically begins at this early stage through feasibility and concept studies that assess whether a project is technically practical, economically viable and suitable for development.

This is followed by field investigations and surveys, which provide the information needed to prepare the Detailed Project Report (DPR). The DPR brings together the key elements required to take the project forward, including engineering design, and financial assessment. It becomes an important basis for securing approvals, arranging funding and tendering the construction works.

Engineering consultants continue to play a role once construction begins. Project Management and Construction Supervision consultants monitor progress, quality, safety and compliance with the approved designs and specifications.

Engineering consultancy therefore supports an infrastructure project from its earliest stages through construction, helping clients make informed decisions, reduce project risk and develop assets that are practical, efficient and built to perform over the long term.

Opportunities for Aarvee

These long-term structural developments closely align with Aarvee's multidisciplinary capabilities and strategic direction. The Company's experience across transportation, railways, metro systems, water resources, urban infrastructure, mining, geospatial engineering and project management consultancy positions it well to participate in India's next phase of infrastructure development.

The Company's growing emphasis on digital engineering, technology adoption and integrated service delivery further strengthens its ability to respond to evolving client requirements.

In addition, Aarvee's international experience provides valuable exposure to global engineering standards and best practices, enhancing its capability to undertake increasingly complex assignments.

Management believes that the convergence of infrastructure investment, technological advancement and sustainability initiatives presents significant long-term opportunities for professionally managed engineering consulting organisations.

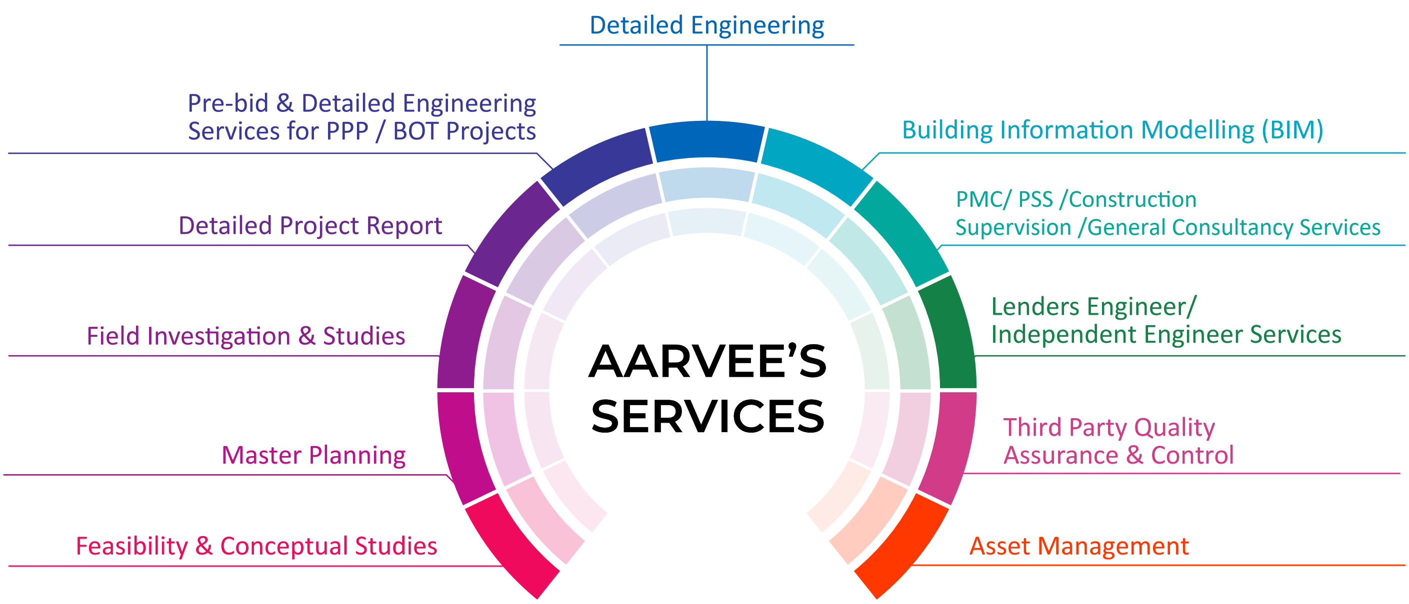
Looking Ahead

India's infrastructure journey is expected to continue over the coming decades.

The need for resilient transportation networks, sustainable urban development, efficient water management, digital engineering and climate-conscious infrastructure will continue to expand.

With nearly four decades of engineering experience, a diversified service portfolio, an experienced leadership team and a strong commitment to innovation, Aarvee believes it is well positioned to contribute meaningfully to India's infrastructure transformation while creating sustainable value for all stakeholders.

4.Aarvee's Service Offerings



Aarvee's services span the full lifecycle of an infrastructure asset, from the earliest stages of project development through construction and into the management of existing assets.

Over nearly four decades, we have consciously built capabilities across these stages so that our involvement does not end with the preparation of a design or report. Depending on the project, Aarvee may support a client from the first feasibility assessment through detailed engineering and construction, and later assist in managing the completed asset through digital and geospatial platforms.

Pre-Construction: From Project Concept to Detailed Design

Our involvement often begins at the genesis of a project. At this stage, we undertake feasibility and concept studies to assess whether the proposed infrastructure is technically and economically viable. These studies are followed by field investigations, including surveys, geotechnical investigations and other data collection required to understand existing site conditions. This information forms the basis for preparation of Detailed Project Reports (DPRs), which typically bring together engineering designs, cost estimates, land acquisition requirements, implementation planning and financial assessments.

Aarvee's strength at this stage comes from the integration of these activities. When surveys, investigations, planning and engineering are undertaken within a coordinated multidisciplinary team, design decisions can be made with a better understanding of actual ground conditions and the requirements of the project as a whole.

During Construction: Project Management and Supervision

Once a project moves into construction, we primarily work as a Project Management Consultant (PMC) or Construction Supervision Consultant. In this role, we act on behalf of the client to monitor the progress and quality of construction, review designs and drawings, administer contracts, coordinate stakeholders and help ensure that the project is delivered in accordance with approved specifications, timelines and contractual requirements.

Technology is becoming increasingly integrated into this work. Through our software development capabilities, Aarvee has developed proprietary Project Management Information Systems and dashboards to improve monitoring, reporting and decision-making.

Managing Existing Infrastructure

Our capabilities also extend beyond project completion. For existing infrastructure assets, including roads, railways and urban infrastructure, Aarvee undertakes asset mapping, digitisation and the development of geospatial platforms that allow clients to visualise, locate and access information relating to individual assets.

These systems bring infrastructure information onto map-based digital platforms, enabling users to view the location, condition and attributes of assets in an intuitive manner and creating a stronger foundation for future maintenance and asset management.

An Integrated Lifecycle Offering

Together, these capabilities allow Aarvee to participate across the entire infrastructure value chain: helping clients determine what should be built, developing the engineering required to build it, supporting its execution and enabling better management of the completed asset.

This lifecycle presence, combined with multidisciplinary engineering, geospatial and digital capabilities, is central to Aarvee's service model and allows us to remain involved not simply in individual assignments, but in the long-term performance of the infrastructure we help create.

> Transforming Ideas into Engineering Solutions

The Company's multidisciplinary capabilities enable it to offer integrated engineering solutions across transportation, railways, metro systems, water resources, urban infrastructure, mining infrastructure, geospatial engineering, power and other infrastructure sectors. This integrated approach enables clients to access multiple engineering diciplines through a single professional partner, thereby improving coordination, enhancing efficiency and delivering greater value throughout the project lifecycle.

Unlike capital-intensive construction businesses, engineering consultancy is fundamentally a knowledge-driven profession. The Company's principal assets are the expertise, experience and professional judgement of its engineers, planners, architects, surveyors and project management professionals. Continuous investment in technical capability, digital engineering tools and human capital therefore remains central to Aarvee's long-term business strategy.

As infrastructure projects become larger, technologically more sophisticated and increasingly focused on sustainability, clients are seeking engineering partners capable of providing integrated, technology-enabled and multidisciplinary solutions. Aarvee's continued investment in engineering excellence, digital technologies and professional talent positions the Company to respond effectively to these evolving market requirements.

Management Perspective

"Infrastructure projects are measured by what is ultimately built, but their success is largely determined by the quality of engineering that precedes construction. Aarvee's role is to transform infrastructure concepts into technically sound, economically viable and sustainable engineering solutions that create long-term value for clients and society.

Aarvee does not construct infrastructure. Aarvee enables infrastructure to be conceived, designed, managed and delivered successfully."

5.Diversification as a Strategic Strength

Building Sustainable Growth Through a Diversified Business Portfolio

Infrastructure development is closely linked to national priorities, economic cycles and public investment. The pace of investment across individual sectors may vary over time depending on government policies, budgetary allocations, technological developments and evolving infrastructure requirements.

Recognising this dynamic environment, Aarvee has, over nearly four decades, consciously expanded its capabilities across multiple infrastructure sectors. This strategy has enabled the Company to build a diversified business portfolio while reducing dependence on any single segment of the infrastructure industry.

Today, the Company provides infrastructure consulting and engineering solutions across a wide spectrum of sectors, including transportation, railways, metro rail, water resources, irrigation, urban infrastructure, mining infrastructure, geospatial engineering, power and other specialised engineering disciplines.

This diversified portfolio enables the Company to participate in a broad range of infrastructure programmes undertaken by Central and State Governments, public sector enterprises, multilateral funding agencies and private sector clients.

Diversification has also strengthened the Company's ability to respond to changing market conditions. As investment priorities evolve across sectors, Aarvee can leverage its multidisciplinary capabilities to pursue opportunities wherever infrastructure investments are being made.

The Company believes that this balanced portfolio not only enhances business resilience but also facilitates cross-disciplinary collaboration, enabling integrated engineering solutions for increasingly complex infrastructure projects.

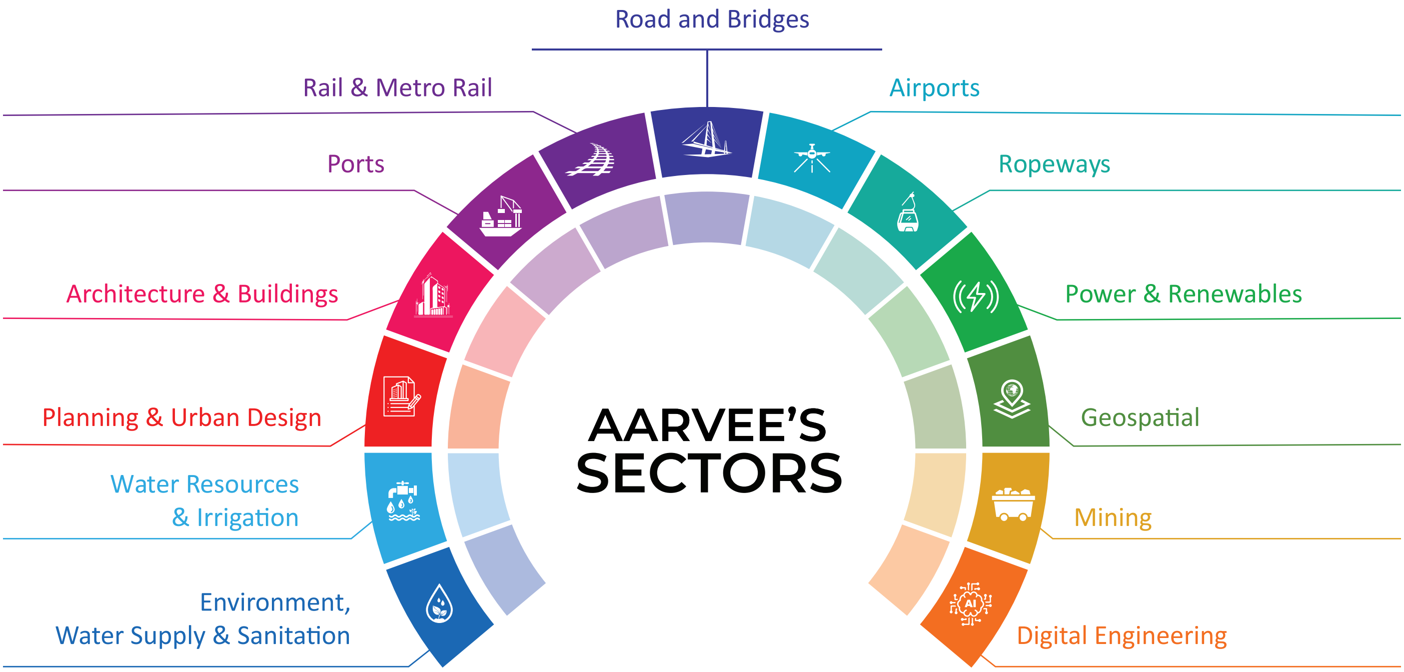
Diversification Beyond Sectors

The Company's diversification strategy extends beyond business verticals, it has extended across geographies as well. Today aarvee has offered services in over 20 countries across the globe.

This broad-based diversification contributes to greater operational flexibility and supports sustainable long-term growth.

“
Building Sustainable Growth Through a Diversified Business Portfolio

Diversified Business Portfolio



Supporting Long-Term Resilience

The Company's diversified business model has evolved over several decades in response to changing infrastructure priorities and client requirements.

Rather than depending upon a single market opportunity, Aarvee has continuously strengthened its technical capabilities, entered new sectors and expanded its service offerings.

This approach has enabled the Company to navigate different business cycles while maintaining its focus on engineering excellence and client service.

Management believes that diversification remains one of the Company's enduring strategic strengths and will continue to support sustainable growth in the years ahead.

Management Perspective

"Diversification has been a conscious element of Aarvee's growth strategy. By expanding across infrastructure sectors, engineering disciplines, client segments and geographies, the Company has strengthened its ability to respond to changing market conditions while continuing to deliver integrated engineering solutions. Management believes that this diversified business model enhances resilience, broadens growth opportunities and supports sustainable long-term value creation."

6.Operational Performance

Execution Across a Diversified Infrastructure Portfolio

During FY 2025–26, Aarvee continued to execute assignments across multiple infrastructure sectors, supported by its multidisciplinary engineering capabilities and long-standing client relationships.

The Company's operational performance during the year was supported by continued activity across transportation, railways, metro rail, water resources, urban infrastructure, mining infrastructure, geospatial engineering, power and related infrastructure consulting services.

For the year under review, the Company reported standalone revenue from operations of ₹6,712.61 million, compared with ₹5,545.39 million in the previous year. Standalone total income stood at ₹6,820.75 million, and profit after tax stood at ₹628.09 million. On a consolidated basis, total income stood at ₹6,928.99 million.

The growth in operations reflects the Company's ability to execute projects across sectors and geographies while continuing to build capabilities for future opportunities..

Order Book and Revenue Visibility

Aarvee's order book continued to provide visibility for future execution. The Company's order book is in excess of ₹24,000 million

> Execution Across a Diversified Infrastructure Portfolio

Sectoral Execution

During the year, the Company continued to serve clients across major infrastructure sectors.

Road and Bridges

Transportation infrastructure remained an important area of operations, with the Company continuing to provide services relating to highways, expressways, bridges, traffic engineering, project management and construction supervision.

Railways and Metro Rail

Railways and metro systems continued to present opportunities due to India's continued focus on rail modernisation, urban transit and high-speed mobility. Aarvee's multidisciplinary expertise in planning, design, supervision and project management enables participation in this segment.

Water Resources and Irrigation

Water security, irrigation and urban water systems remain important areas of national and state-level infrastructure development. The Company's capabilities in this sector support assignments relating to water supply, irrigation systems, drainage, barrages, river management and related engineering services.

Environment, Water Supply and Sanitation

Urbanisation continues to drive demand for integrated planning, roads, utilities, stormwater drainage, sewerage and municipal infrastructure. Aarvee's urban infrastructure capabilities allow the Company to support clients in planning and executing sustainable urban development projects.

Geospatial and Digital Engineering

he growing use of GIS, LiDAR, drone surveys and digital engineering continues to enhance project planning and engineering accuracy. Aarvee's geospatial capabilities strengthen its ability to deliver technology-enabled infrastructure consulting services.

Domestic and International Operations

India continued to remain the Company's principal market, supported by sustained infrastructure investments across Central and State Government programmes.

At the same time, Aarvee's international operations and overseas project experience provide the Company with exposure to global standards, diverse working environments and additional growth opportunities.

Client Relationships

Aarvee's business model is built on professional trust, technical capability and consistent delivery.

During the year, the Company continued to serve a broad client base comprising Central Government agencies, State Government departments, public sector undertakings, urban development authorities, metro rail corporations, multilateral-funded projects and private sector clients.

Long-term client relationships and repeat engagements remain important indicators of confidence in the Company's capabilities.

Operational Priorities

The Company's operational priorities during the year were:

- Strengthening execution discipline and delivery discipline
- Expanding digital engineering adoption
- Strengthening and scaling new growth sectors
- Strengthening processes and quality systems
- Improving internal processes to support a larger and more diversified order book

These priorities will remain central as the Company executes a larger and more diversified order book.

Management Perspective

"The Company's operational performance reflects the strength of its diversified infrastructure portfolio and its ability to execute assignments across multiple sectors. As infrastructure projects become larger, more complex and increasingly technology-driven, management believes that execution discipline, multidisciplinary capability and client responsiveness will remain critical to long-term success."

7.Financial Performance

During FY 2025-26, the Company delivered healthy growth in revenue and profitability on a standalone basis. Standalone revenue from operations increased from ₹5,545.39 million in FY 2024-25 to ₹6,712.61 million in FY 2025-26, reflecting growth of approximately 21.05%. Standalone total income increased from ₹5,617.08 million to ₹6,820.75 million, while standalone profit after tax increased from ₹568.84 million to ₹628.09 million.

This performance reflects continued execution across the Company's diversified infrastructure consulting portfolio and the strength of its business model.

Growth with
Financial Discipline

Standalone revenue from operations

Standalone Performance

Particulars	FY 2025–26	FY 2024–25	Growth
Revenue from Operations	₹6,712.61 million	₹5,545.39 million	21.05%
Total Income	₹6,820.75 million	₹5,617.08 million	21.43%
Profit Before Exceptional Item and Tax	₹887.22 million	₹783.71 million	13.21%
Profit Before Tax	₹837.51 million	₹783.71 million	6.86%
Profit After Tax	₹628.09 million	₹568.84 million	10.42%
EPS – Basic	₹14.73	₹13.54	8.79%

The Company recorded growth across revenue, total income and profit after tax. Profit before tax was impacted by an exceptional item of ₹49.71 million during the year. Despite this, the Company maintained positive earnings growth on a standalone basis.

Profitability

Standalone profit after tax increased by approximately 10.42%, from ₹568.84 million to ₹628.09 million. Standalone PAT margin, computed on total income, stood at approximately 9.21% for FY 2025-26, compared with approximately 10.13% in FY 2024-25.

The moderation in margin reflects the impact of higher operating costs associated with business scale-up, increase in employee benefit expenses, consultancy and technical charges, depreciation, finance cost and the exceptional item recognised during the year.

Standalone profit after tax

PAT increased from ₹568.84 million in FY 2024-25 to ₹628.09 million in FY 2025-26.

Expense Analysis

Total standalone expenses increased from ₹4,833.37 million in FY 2024-25 to ₹5,933.53 million in FY 2025-26. The major cost components were employee benefit expenses, consultancy and technical charges, depreciation and amortisation, finance cost and other expenses.

Employee benefit expenses increased from ₹2,679.61 million to ₹3,296.86 million, while consultancy and technical charges increased from ₹1,485.97 million to ₹1,853.79 million. These two items continue to represent the principal operating cost base of the Company, reflecting the people-intensive and knowledge-driven nature of the infrastructure consulting business.

Standalone expense mix FY 2025-26

- Major expense components as a share of total standalone expenses.
- Consultancy & technical charges
- Depreciation & amortisation
- Employee benefits
- Finance cost
- Other expenses
- Figures in ₹ million.

Consolidated Performance

On a consolidated basis, revenue from operations increased from ₹5,671.32 million in FY 2024–25 to ₹6,829.67 million in FY 2025-26, while consolidated total income increased from ₹5,743.07 million to ₹6,928.99 million. However, consolidated profit after tax decreased from ₹515.93 million to ₹380.12 million.

Earnings Per Share

Standalone basic and diluted earnings per share increased from ₹13.54 in FY 2024-25 to ₹14.73 in FY 2025-26. On a consolidated basis, basic and diluted earnings per share stood at ₹8.92 for FY 2025-26, compared with ₹12.28 in the previous year.

Management Perspective

“The Company’s financial performance during FY 2025-26 reflects continued growth in operations, supported by execution across multiple infrastructure sectors. As a knowledge-driven engineering business, the Company’s principal investments remain in people, technical capability, digital tools and project execution systems. Management believes that continued financial discipline, operational efficiency and a diversified order book will remain important drivers of sustainable growth.”

Growth

Revenue from Operations: 21.05%

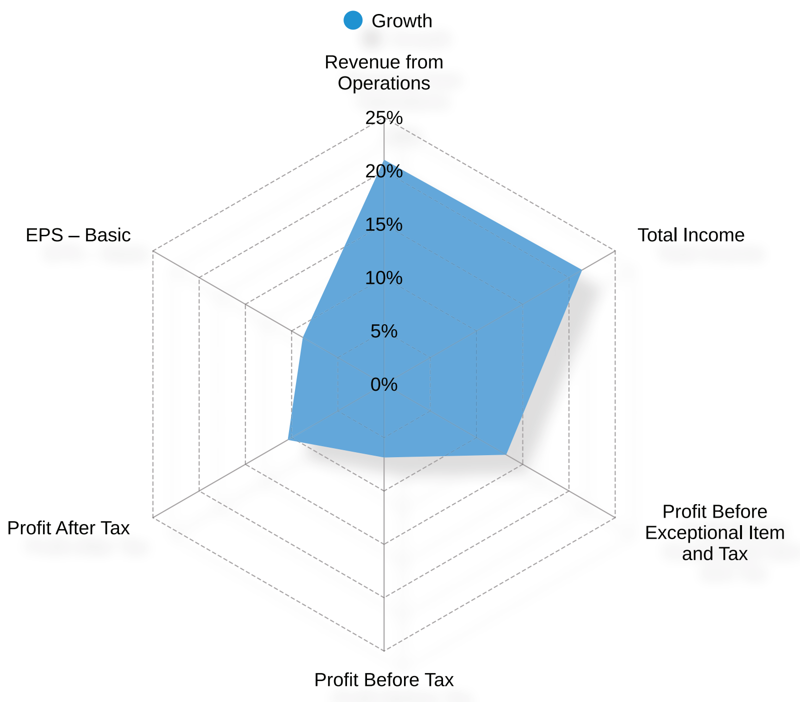
Total Income: 21.43%

Profit Before Exceptional Item and Tax: 13.21%

Profit Before Tax: 6.86%

Profit After Tax: 10.42%

EPS – Basic: 8.79%



8.Technology & Innovation

Technology is becoming increasingly important to infrastructure consulting as projects grow in scale and complexity and as new tools and equipment that capture data better have emerged vastly improving coordination, monitoring and decision-making.

At Aarvee, technology adoption is integrated into the engineering delivery rather than treated as a separate initiative. The Company continues to strengthen the use of digital tools across surveying, design, geospatial analysis, project coordination, documentation and project monitoring.

Key areas of focus include GIS, LiDAR and advanced survey technologies, Building Information Modelling (BIM), digital project documentation, project dashboards and selective use of Artificial Intelligence.

These tools help improve survey accuracy, design coordination, multidisciplinary collaboration, project visibility and access to technical information.

The Company's approach to innovation remains practical and outcome-driven, with priority given to technologies that improve engineering quality, productivity, project monitoring and client service.
Near- and medium-term priorities include:

- Wider adoption of GIS, LiDAR and BIM;
- Stronger digital documentation and knowledge management;
- Project monitoring dashboards and workflow standardisation;
- Automation of repetitive reporting and engineering processes; and

> Strengthening Engineering Through Digital Capabilities

Over time, the Company also intends to build capabilities in digital engineering, advanced analytics and more integrated digital platforms.

9.Human Capital

Infrastructure consulting is fundamentally a knowledge-driven business. The quality of the Company's deliverables depends upon the technical competence, experience, judgement and commitment of its professionals.

As at 31 March 2026, Aarvee had 4,000+ employees & Consultants reflecting the scale of its multidisciplinary engineering operations. The Company's workforce comprises engineers, architects, planners, project management professionals, survey specialists, geospatial experts, environmental professionals, finance, legal, secretarial, HR and other support teams.

The Company recognises that its long-term competitiveness depends upon retaining experienced professionals, developing technical depth, strengthening leadership capability and building institutional knowledge. Continuous learning, knowledge sharing and professional development therefore remain important priorities.

Aarvee views its employees not merely as a workforce but as the foundation of its engineering capability. The Company will continue to focus on building a stronger leadership pipeline, developing future project leaders and equipping its professionals with the skills required for an increasingly digital,multidisciplinary and sustainability-focused engineering environment.

Management Perspective

"Aarvee's business strength lies in the knowledge, experience and commitment of its people. As infrastructure projects become larger and more complex, the Company's ability to build multidisciplinary teams, develop future leaders and preserve institutional knowledge will remain central to sustainable growth."

10.Opportunities

India's infrastructure development is expected to remain a long-term structural growth opportunity. The scale of investment required in transportation, urban mobility, water security, logistics, mining, energy, digital infrastructure and sustainable urban development is significant.

For Aarvee, these opportunities are relevant because the Company has developed multidisciplinary capabilities across several of these sectors over nearly four decades. The Company's ability to provide infrastructure consulting and engineering solutions across the project lifecycle enables it to participate in opportunities arising from both new infrastructure creation and upgradation of existing infrastructure assets.

The following table summarises key opportunity areas and their relevance to Aarvee.

Opportunity Landscape

Opportunity Area	Why it Matters	Aarvee's Capability
Highways & Expressways	National connectivity, logistics efficiency and regional economic development continue to require investment in road infrastructure.	Established transportation engineering capabilities covering feasibility studies, DPRs, design, supervision and project management.
Railways	Rail modernisation, capacity expansion, freight corridors and station redevelopment are important for improving mobility and logistics efficiency.	Expertise in railway alignment studies, engineering design, project management consultancy and construction supervision.
Metro Rail & Urban Transit	Rapid urbanisation is increasing demand for efficient, sustainable and high-capacity public transport systems.	Multidisciplinary urban transit capabilities covering planning, design coordination, structures, utilities and project management.
High-Speed Rail	High-speed mobility represents a specialized and technically demanding infrastructure opportunity.	Technical experience in railway and large transportation infrastructure projects, with ability to work with complex engineering standards.
Environment, water supply and Sanitation	Water utilities, Drinking water supply, Waste water treatment, Sanitation are critical for growing cities & villages.	Market leader in large scale rural & urban water supply, wastewater management and reuse, stormwater drainage, environmental planning, and river and lake conservation.
Water Resources & Irrigation	Water security, irrigation and climate resilience remain national and state-level priorities.	Capabilities in water resources, irrigation systems, barrages, water supply, drainage and related engineering services.
Urban Infrastructure	Growing cities require integrated planning for roads, utilities, stormwater drainage, sewerage, water supply and sustainable development.	Urban planning and municipal infrastructure capabilities supported by multidisciplinary engineering teams.

Mining Infrastructure	Industrial growth and mineral development require supporting infrastructure, logistics and engineering planning.	Mining infrastructure consulting capabilities, including planning support, haul roads, infrastructure design and related services.
Geospatial Engineering	Infrastructure planning increasingly depends upon accurate spatial data, mapping, surveys and digital terrain information.	GIS, LiDAR, drone survey, remote sensing and digital mapping capabilities supporting multiple sectors.
Power & Renewables Infrastructure	Energy transition, grid expansion and renewable energy integration require supporting infrastructure and engineering solutions.	Engineering capabilities relevant to power, utilities, transmission, distribution and related infrastructure assignments.
Digital Engineering	Clients increasingly expect technology-enabled engineering, faster coordination, better documentation and lifecycle value.	Progressive adoption of BIM, GIS, LiDAR, digital documentation, project monitoring systems and AI-enabled knowledge tools.

International Opportunities

Aarvee's international presence provides an additional avenue for growth, diversification and capability development. The Company follows a differentiated approach to overseas markets, recognising that the opportunity varies significantly across geographies.

In high-growth economies across Africa and parts of Asia, continued investment in roads, railways, urban infrastructure, water systems and other public assets creates demand for cost-effective, technically sound and practical engineering solutions. Aarvee's experience in India and other emerging markets is well suited to these requirements.

In developed markets such as Australia, the United Kingdom and parts of the Middle East, the opportunity is different. Demand is being driven by the renewal and modernisation of ageing infrastructure, investment in energy and utilities, and increasing emphasis on sustainability, resilience and digital engineering.

The Company's multidisciplinary capabilities, experience across diverse project environments and ability to combine engineering depth with competitive delivery models provide a platform to pursue selected opportunities in these markets.

International expansion will remain focused and selective, with emphasis on building sustainable client relationships, developing local capability and pursuing sectors where Aarvee has a clear technical and commercial advantage.

11.Challenges

Infrastructure consulting operates in a complex environment involving multiple stakeholders, long project cycles, evolving client requirements, technological change and regulatory oversight. While the long-term opportunity in the infrastructure sector remains significant, the Company recognises that sustainable growth requires continuous attention to execution discipline, talent development, financial prudence and operational resilience.

Aarvee's experience over nearly four decades has enabled the Company to understand the inherent challenges associated with infrastructure consulting and to respond through diversification, technical capability, client engagement, internal controls and continuous improvement.

Project Execution and Timelines

Infrastructure projects often involve multiple stakeholders, statutory approvals, land acquisition and dependencies outside the consultant's control. Delays in project commencement or execution can affect deployment schedules, billing and utilisation of technical resources.

Aarvee seeks to manage this through efficient project monitoring, resource planning and regular engagement with clients and project stakeholders.

Talent as a Strategic Challenge

Human capital remains central to the Company's business. The ability to attract, retain and develop engineers, planners, geospatial specialists, project managers and domain experts directly influences project quality and execution capacity.

As infrastructure projects become more complex and technology-driven, the demand for skilled professionals is expected to increase. Aarvee will continue to invest in recruitment, training and leadership development to strengthen its professional capabilities.

Working Capital and Receivables

As project cycles go through delays the timing of payment milestones can vary across projects and may result in periodic working capital requirements.

Effective working capital management therefore remains an important area of management focus.

International Operations

Expansion into international markets introduces additional considerations including local regulations, market conditions, currency movements, talent availability and differences in contracting practices.

The Company therefore intends to pursue international growth selectively, with emphasis on markets and sectors where its technical capabilities and delivery model provide a sustainable advantage.

Technology and Evolving Client Requirements

Digital engineering, advanced surveying, data analytics and AI are progressively changing both project delivery and client expectations. Maintaining competitiveness requires continued investment in technology, systems and employee capabilities.

Aarvee's approach remains focused on adopting technologies that improve engineering quality, productivity, monitoring and client service.

The Company continues to monitor these risks as part of its operating and governance processes and seeks to balance growth opportunities with appropriate execution and financial discipline.

12.Outlook

Preparing for Sustainable Growth

The long-term outlook for the infrastructure consulting industry remains positive, supported by India's continuing emphasis on infrastructure development, urbanisation, logistics efficiency, water security, sustainable development and technology-enabled project delivery.

At the same time, the business environment is expected to remain dynamic. Infrastructure projects are becoming larger, more complex and more multidisciplinary, clients increasingly expect consultants to bring together engineering expertise, project management discipline, digital capabilities, sustainability awareness and strong execution systems.

Aarvee believes that these changes are consistent with the direction in which the Company has evolved over the years. The Company's diversified capabilities across transportation, railways, metro rail, water resources, urban infrastructure, mining infrastructure, geospatial engineering and other infrastructure sectors provide a broad platform for future participation in infrastructure development.

The Company's order book, sectoral diversification, experienced professionals and continuing investments in technology provide visibility for future execution. However, management remains conscious that sustainable growth will depend upon disciplined project delivery, quality of engineering outputs, prudent financial management, timely collections, effective talent development and continuous improvement in internal systems.

As Aarvee enters the next phase of its journey as a public company, management's focus will remain on strengthening the fundamentals of the business rather than pursuing growth for its own sake. The key priorities will include:

- Maintaining engineering quality and delivery discipline;
- Improving operational efficiency and project monitoring;
- Deepening client relationships across sectors;
- Enhancing digital engineering and knowledge management capabilities;
- Developing future technical and managerial leadership;
- Improving working capital discipline;
- Expanding selectively in domestic and international opportunities; and
- Upholding strong governance and ethical business practices.

The Company believes that engineering consulting will continue to play an important role in converting infrastructure vision into implementable projects. As public and private investment in infrastructure continues, the demand for experienced, multidisciplinary and technology-enabled consulting organisations is expected to remain relevant.

Management remains cautiously optimistic about the future. While short-term challenges relating to competition, project cycles, talent, technology transition and working capital will require continued attention, Aarvee's experience over nearly four decades provides confidence in its ability to adapt to changing conditions.

The Company will continue to build upon its established strengths — engineering excellence, multidisciplinary capability, client trust, people, technology and governance — to create sustainable long-term value for shareholders and other stakeholders.

Management Perspective

"Management believes that the next phase of growth in infrastructure consulting will be shaped by multidisciplinary expertise, digital capability, execution discipline and responsible governance. Aarvee's focus will remain on strengthening these fundamentals while participating selectively and sustainably in India's long-term infrastructure development."

"Aarvee's journey over nearly four decades has been shaped by engineering capability, adaptability and client trust. As the Company enters a new chapter, management remains committed to building an organisation that is resilient, professionally governed, technology-enabled and focused on sustainable value creation."

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 21ST ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF AARVEE ENGINEERING CONSULTANTS LIMITED ("COMPANY") WILL BE HELD ON MONDAY, THE 27TH DAY OF JULY, 2026 AT 12.00 NOON (IST) AT 4TH FLOOR, TRENDSET TOWERS, ROAD NO. 2, BANJARA HILLS, HYDERABAD-500034, TELANGANA, INDIA WITH A FACILITY TO PARTICIPATE THROUGH PHYSICAL AND VIDEO CONFERENCING ("VC")/OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business

1. Adoption Of Audited Financial Statements Of The Company For The Financial Year Ended 31st March, 2026.

To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Board of Directors and the Auditors thereon, and, if thought fit, to pass 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 the Auditors thereon, as circulated to the Members be and are hereby received, considered and adopted."

"**RESOLVED FURTHER THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Auditors, as circulated to the Members, be and are hereby received, considered and adopted."

2. Appointment Of Director In Place Of Mr. Kishore Kumar Mekala, Whole-Time Director, Who Retires By Rotation.

Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee and the Board of Directors, members are requested to appoint a Director in place of Mr. Kishore Kumar Mekala, who retires by rotation and being eligible, offers himself for re-appointment, and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** Mr. Kishore Kumar Mekala (DIN: 00175494), Whole-time Director of the Company, who retires by rotation as a Director pursuant to Section 152 of the Companies Act, 2013, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company and shall continue as Whole-time Director of the Company for the remaining period of tenure of his appointment, liable to retire by rotation."

3. Appointment A Director In Place Of Ms. Sneha Redla, Director Who Retires By Rotation.

Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee and the Board of Directors, members are requested to appoint a Director in place of Ms. Sneha Redla, who retires by rotation and being eligible, offers herself for re-appointment, and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Ms. Sneha Redla (DIN: 09592284), Director of the Company, who retires by rotation as a Director pursuant to Section 152 of the Companies Act, 2013, and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. Appointment Of Statutory Auditors Of The Company And To Fix Their Remuneration.

M/s. M. Bhaskara Rao & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company by the Board of Directors in their meeting held on 03.11.2025, and by the Members of the Company in the Extra-ordinary General Meeting held on 10.11.2025, to fill the casual vacancy caused due to resignation of existing auditors, and to hold office till the ensuing Annual General Meeting, and based on the recommendations of the Audit Committee and the Board of Directors, members are requested to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, M/s. M. Bhaskara Rao & Co., Chartered Accountants, Hyderabad, Firm Registration No. 000459S (Peer Reviewed), be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years, (01.04.2026 to 31.03.2031) from the conclusion of this 21st Annual General Meeting, at such remuneration, plus applicable taxes and reimbursement of out-of-pocket expenses, as may be mutually agreed between by the Board of Directors of the Company and the Statutory Auditors".

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this resolution."

Special Business

5. Approval For The Payment Of Remuneration To Mr. Venkateshwar Reddy Banda, Din: 01623401, Whole-Time Director Of The Company.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 2(78), 196, 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereto and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and the Articles of Association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors, and subject to such other approvals as may be necessary, consent of the members of the Company, be and is hereby accorded for payment of remuneration to Mr. Venkateshwar Reddy Banda, DIN: 01623401, Whole-Time Director of the Company, for a period of three years commencing from 01 April, 2026 as described hereunder;

Remuneration:
Remuneration shall be upto Rs. 2,00,00,000/- (Indian Rupees Two Crore Only) per Annum. The salary may progressively go up, subject to his performance and industry trends, subject to the confirmation of the board of directors.

RESOLVED FURTHER THAT the remuneration so approved shall be payable irrespective of the amount of profits of the Company for such financial year and also in the event of absence or inadequacy of profits.

RESOLVED FURTHER THAT the Members of the Company hereby authorise the Board including any Committee of the Board constituted to exercise its powers, through the powers conferred by this Resolution, to decide all questions arising out of this matter, to vary, alter and modify the terms and conditions governing the remuneration of the Whole Time Director of the Company, and to do all acts, deeds and things as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto, without being required to seek any further consent or approval of the members."

6. Approval For The Payment Of Remuneration To Mr. Kishore Kumar Mekala, Din: 00175494, Whole-Time Director Of The Company.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 2(78), 196, 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereto and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and the Articles of Association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors and subject to such other approvals as may be necessary, consent of the members of the Company, be and is hereby accorded for payment of remuneration to Mr. Kishore Kumar Mekala, DIN: 00175494,
Whole-Time Director of the Company, for a period of three years commencing from 01 April, 2026 as described hereunder;

Remuneration:
Remuneration shall be upto Rs. 2,00,00,000/- (Indian Rupees Two Crore Only) per Annum. The salary may progressively go up, subject to his performance and industry trends, subject to the confirmation of the board of directors.

RESOLVED FURTHER THAT the remuneration so approved shall be payable irrespective of the amount of profits of the Company for such financial year and also in the event of absence or inadequacy of profits.

RESOLVED FURTHER THAT the Members of the Company hereby authorise the Board including any Committee of the Board constituted to exercise its powers, through the powers conferred by this Resolution, to decide all questions arising out of this matter, to vary, alter and modify the terms and conditions governing the remuneration of the Whole Time Director of the Company, and to do all acts, deeds and things as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto, without being required to seek any further consent or approval of the members."

7. Approval For The Payment Of Remuneration To Mr. Malladi Murthy, Din: 02635227, Whole-Time Director Of The Company.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 2(78), 196, 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V thereto and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and the Articles of Association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee and approval of Board of Directors and subject to such other approvals as may be necessary, consent of the members of the Company, be and is hereby accorded for payment of remuneration to Mr. Malladi Murthy, DIN: 02635227, Whole-Time Director of the Company, for a period of three years commencing from 01 April, 2026 as described hereunder;

Remuneration:
Remuneration shall be upto Rs. 2,00,00,000/- (Indian Rupees Two Crore Only) per Annum. The salary may progressively go up, subject to his performance and industry trends, subject to the confirmation of the board of directors.

RESOLVED FURTHER THAT the remuneration so approved shall be payable irrespective of the amount of profits of the Company for such financial year and also in the event of absence or inadequacy of profits.

RESOLVED FURTHER THAT the Members of the Company hereby authorise the Board including any Committee of the Board constituted to exercise its powers, through the powers conferred by this Resolution, to decide all questions arising out of this matter, to vary, alter and modify the terms and conditions governing the remuneration of the Whole Time Director of the Company, and to do all acts, deeds and things as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto, without being required to seek any further consent or approval of the members."

8. Approval For Securing The Borrowings Of The Company Under Section 180(1)(A) Of The Companies Act, 2013.

*To consider and, if thought fit, to pass the following resolution as a **Special Resolution:***

"**RESOLVED THAT** in supersession of all the earlier resolutions passed by members of the Company and the resolutions passed in Extra-ordinary General Meeting held on 10.06.2025 and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, for the time being in force and all other enabling provisions if any, and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof) to mortgage / pledge / hypothecate and / or create any charge with such ranking on movable and immovable properties, tangible and intangible assets of the Company, both present and future, on the part or whole or substantially the whole of the undertaking(s), asset(s) and property(ies) of the Company, in such form and manner, of every nature and kind whatsoever, both present and future, in favour of bank(s) / financial institution(s) / non-banking financing company(ies) / lender(s) / security trustee(s) / debenture trustee(s) / third party(ies) and / or issue of debentures / bonds / other instruments / securities, and for securing any borrowings (including foreign currency) of the Company or group companies, or obtaining any other facilities or schemes, for the due payment of the principal and/ or together with interest, charges, costs, expenses and all other monies payable by the Company in respect of such borrowings, provided that the aggregate borrowings so secured shall not exceed Rs.500 Crores (Rupees Five Hundred Crores only) at any point of time."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the members of the Board (including any Committee of the Board) be and are hereby severally authorized to represent, deal, discuss, finalise, settle, sign, execute, submit and rectify all such documents / deeds / writings / papers / agreements / contracts / understandings / arrangements / letters as may be required, and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulty or doubt that may arise at any stage in relation thereto or otherwise, including giving authority / delegating the powers to others, without requiring the Board to secure any further consent or approval of the members of the Company in this matter."

By Order of the Board of Directors
For Aarvee Engineering Consultants Limited

Sugandha Khandelwal
Company Secretary & Compliance Officer
M.No. A48323

Place: Hyderabad
Date: 04/07/2026

NOTES:

1. The Annual General Meeting ("AGM") of the Company will be held at the venue specified in the Notice of the Meeting, which is situated within the same city as the Registered Office of the Company. In addition, the Company has provided Members with the facility to participate in the AGM through electronic means using Microsoft Teams. Members participating through electronic means shall be able to participate in the proceedings of the Meeting in accordance with the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company.

2. Members may attend the AGM through electronic means using Microsoft Teams. The meeting details are as follows:

Join: https://teams.microsoft.com/meet/46330532825129?p=eIvSnW4fJpGsK692ph
Meeting ID: 463 305 328 251 29
Passcode: 6gh9NJ9A

The helpline number for any query or assistance relating to participation in the AGM through Microsoft Teams is +91 91542 59400.

3. Members may join the Meeting through Microsoft Teams 15 (Fifteen) minutes before the scheduled time of the Meeting, and the facility shall remain available up to 15 (Fifteen) minutes after the scheduled commencement of the Meeting.

4. Members may raise questions during the Meeting or may send their queries in advance, at least one day before the date of the AGM, by e-mail to cs@aarvee.net.

5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business set out in the accompanying Notice forms an integral part of this Notice.

6. The Notice of the AGM and all accompanying documents are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company. Members who have not yet registered their e-mail addresses are requested to submit a duly filled and signed Member Updation Form by e-mail to cs@aarvee.net for registration of their e-mail addresses.

7. Members intending to participate through Microsoft Teams are requested to download the Microsoft Teams application in advance and join the Meeting using the Meeting ID, Passcode or meeting link provided by the Company.

8. Members may participate in the AGM through a smartphone, tablet or laptop. However, for a better experience and seamless participation, Members are advised to join the Meeting through a laptop connected to a stable broadband or LAN connection.

9. Members are requested to enable their camera and use a stable internet connection with adequate bandwidth to avoid interruptions during the Meeting.

10. Participants joining through mobile devices or tablets, or laptops connected through mobile hotspots, may experience audio or video interruptions due to network fluctuations. Members are therefore advised to use a stable Wi-Fi or LAN connection wherever possible.

11. A Member entitled to attend and vote at the AGM may appoint a proxy to attend and vote on his/her behalf. The instrument appointing the proxy, duly completed and signed, must be deposited at the Registered Office of the Company not less than 48 (Forty-Eight) hours before the commencement of the AGM. A blank Proxy Form is enclosed with this Notice.

12. Members attending the AGM in person are requested to bring the Attendance Slip duly filled in and signed for admission to the Meeting.

13. All documents referred to in this Notice and the accompanying Explanatory Statement shall be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the AGM.

14. Members are requested to promptly notify the Company of any change in their postal address, e-mail address, contact number or other relevant particulars.

15. Pursuant to Section 101 of the Companies Act, 2013 read with the applicable Rules made thereunder, Members

are requested to register their e-mail addresses with the Company to facilitate electronic communication and receipt of Notices and other statutory documents.

Explanatory Statement

(Pursuant to Section 102(1) of the Companies Act, 2013)

ITEM NO. 5,6 and 7

Pursuant to Section 197 of the Companies Act, 2013 (the Act), the total managerial remuneration payable by a public company, to its Directors, including Managing Director and Whole-time Director, and its Manager in respect of any financial year, shall not exceed 11% of net profits of that Company for that financial year computed as per provisions of Section 198 of the Act, as detailed hereunder:

A) To Managing Director / Whole-time Director / Manager:

Condition	Maximum Remuneration in any financial year
Company with one Managing Director (MD) or Whole-time Director (WTD) or Manager	shall not exceed 5 % of the net profits of the company
with more than one MD or WTD or Manager	shall not exceed 10 % of the net profits of the company

B) To Other Directors:

Condition	Maximum Remuneration in any financial year
Company with one Managing Director (MD) or Whole-time Director (WTD) or Manager	shall not exceed 1 % of the net profits of the company
with more than one MD or WTD or Manager	shall not exceed 3 % of the net profits of the company

As per the Companies (Amendment) Act, 2017, w.e.f. September 12, 2018, the Companies may pay remuneration exceeding the aforesaid limit of 11%, subject to the provisions of Schedule V to the Act, as well as other above limits, with the approval of the members of the Company in general meeting by way of Special Resolution.

The Company is required to comply with the provisions of Section 188, 197 and 198 of the Companies Act, 2013 ('Act'), read with Schedule V thereof and the Rules made thereunder, and the Articles of Association of the Company for Overall Maximum Managerial Remuneration and Managerial Remuneration in Case of Absence or Inadequacy of Profits payable by the Public Company to its Directors and also as part of related party transaction.

Requisite details relating to the proposal as prescribed in Schedule V of the Companies Act, 2013 are given herein:

1. General Information

a. **Nature of Industry:** The Company provides consultancy across infrastructure sectors, offering services in planning, design, project management, and modernization of new and existing projects
b. **Date or expected date of commencement of commercial production:** The company commenced its business on 28 February, 2005;
c. **In case of new companies, the expected date of commencement of activities as per the project approved by financial institutions appearing in the prospectus:** Not Applicable.
d. **Financial Performance:** Financial performance for the last three Financial Years is as per details below: (In Millions)

Particulars	(Standalone) F.Y 2025-26	(Standalone) F.Y 2024-25	(Standalone) F.Y 2023-24
Total Revenue	6,820.75	5,617.08	5,073.16
Profit Before taxes	837.51	783.71	604.43
Profit After taxes	628.09	568.84	443.03
Basic/Diluted EPS (In Rs)	14.73	13.54	74
Total Assets	6,159.68	4,300.63	3,694.57
Shares Outstanding (No.)	4,30,94,812	4,20,00,000	60,00,000

e) Foreign investments or collaborations, if any: Except for equity shares of the Company held by Non-resident shareholders, there is no foreign investment or collaborations in the Company.

2. Information about Appointee:

Particulars	Venkateshwar Reddy Banda	Kishore Kumar Mekala	Malladi Murthy
Background details	**Venkateshwar Reddy Banda**, is one of the Whole-time Directors of our Company. He holds a Bachelor's Degree in Technology and a Master's Degree in Technology, both from Jawaharlal Nehru Technological University, Hyderabad. He also holds a Diploma from the State Board of Technical Education and Training, Andhra Pradesh. He has received the title of Senior Professional Engineer in Civil Engineering with specialisation in Structural Engineering from Engineering Council of India. He was an individual annual member of Committee for International Commission on Large Dams, India in 2023. He is a life member of Indian Concrete Institute. He has been associated with our Company since its incorporation. In the past, he was associated with Aarvee Associates. He oversees the BIGUPS division of our Company which encom-passes Buildings, Irrigation, Geospatial, Urban Planning and Power sub-divisions. He has around 37 years of experience in the infrastructure consulting.	**Kishore Kumar Mekala,** is one of the Whole-time Directors of our Company. He holds a Bachelor's Degree in Engineering from Nagpur University, Nagpur. He has been associated with our Company since 2009. He oversees the highway division in our Company in handling design, supervision and O&M Projects across the country and abroad. Prior to joining our Company, he was associated with Asia Foundation and Constructions Limited and Nag Infrastructure Consulting Engineers Private Limited. He is a guest faculty at Indian Academy of Highway Engineers (Ministry of Road Transport and Highways, Government of India) in relation to EPC Agreement documents for highway projects. He has also been part of the G-1 Committee for Project Preparation, Contract Management, Quality Assurance and Public- Private Partnership Committee, Indian Roads Congress. He has around 39 years of experience in infrastructure consulting	**Malladi Murthy,** is one of the Whole-time Directors of our Company. He holds a Bachelor's Degree in Technology from College of Engineering, Kakinada. He also holds a Master's Degree in Technology from Indian Institute of Technology, Madras. He holds a Diploma in Alternative Dispute Resolution from NALSAR University of Law, Hyderabad and a Diploma in Computer Application from National Institute for Training in Industrial Engineering. He was elected as a member of the Institution of Engineers (India). He is a member of Consulting Engineers Association of India. He has been associated with our Company since 2005. He oversees the railways division in our Company. Prior to joining our Company, he was associated with RITES Limited and with Srisailam Left Bank Canal Scheme of Government of Andhra Pradesh. He has around 40 years of experience in the infrastructure consulting
Past Remuneration (Per Month)	Rs.8,70,000/-	Rs.8,81,667/-	Rs.8,79,167/-
Recognition or awards	As mentioned in the Profile Above	As mentioned in the Profile Above	As mentioned in the Profile Above
Job Profile and its suitability-	As mentioned in the Profile Above	As mentioned in the Profile Above	As mentioned in the Profile Above
Remuneration Proposed(Per Annum)	Upto Rs.2,00,00,000/-	Upto Rs. 2,00,00,000/-	Upto Rs. 2,00,00,000/-
Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration payable is comparable to the remuneration paid to a person holding similar position in other companies of similar size as that of the Company.		

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	There is no pecuniary relationship except the remuneration drawn in their capacity as Director(s) of the Company.

3. Other Information

a. **Reasons for Higher Remuneration:** The proposed increase in director remuneration reflects their critical role in driving the Group's growth and profitability across global operations. Their strategic leadership, ability to navigate complex business environments, and consistent delivery of value across regions warrant recognition through a revised compensation structure aligned with industry standards.

b. **Steps taken or proposed to be taken for improvement:** The Company is actively implementing cost-optimization measures and streamlining operational processes to enhance efficiency and prevent potential losses. Through continuous evaluation and improvement across functions, these initiatives are aimed at strengthening financial performance and driving operational excellence.

c. **Expected increase in productivity and profits in measurable terms:** The Company expects an increase in productivity over the coming months through improved project management, adoption of advanced engineering tools, and streamlined operations. This is projected to translate into growth in net profits, driven by higher project volumes, improved billing efficiency, and expansion into high-margin sectors such as infrastructure, energy, and digital engineering services.

None of the Directors, Key Managerial Personnel, or their relatives, except Directors specified above, is in any way concerned or interested, financially or otherwise, in the said resolution.

Therefore, the Board of Directors considered the same and recommends the members to pass the Special Resolution as set out at Item No. 5,6 and 7 of this Notice.

Item No. 8

The Members of the Company had earlier approved the borrowing powers and its limits under Section 180(1)(c) of the Companies Act, 2013 up to Rs.500 Crores (Rupees Five Hundred Crores only).

Section 180(1)(a) of the Companies Act, 2013 empowers the Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings subject to the approval of members by passing special resolution in the general meeting within the overall ceiling prescribed by the members of the Company in terms of Section 180(1)(c) of the Companies Act, 2013.

Hence, it is proposed to seek necessary members approval for a sum not exceeding Rs.500 Crores (Rupees Five Hundred Crores only).

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding, if any, in the Company.

The Board recommends the Special Resolution set out at Item No. 8 for approval of the Members.

By Order of the Board
For Aarvee Engineering Consultants Limited

Sugandha Khandelwal
Company Secretary & Compliance Officer
M. No. A48323

Place: Hyderabad
Date: 04/07/2026

ANNEXURE TO NOTICE

Details of Directors seeking re-appointment at the ensuing Annual General Meeting

[Pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if applicable]

(a) Mr. Kishore Kumar Mekala (DIN: 00175494)

Name of Director	Mr. Kishore Kumar Mekala
DIN	00175494
Date of Birth	29-08-1965
Age	60 years
Qualification	Bachelor's Degree in Engineering from Nagpur University
Experience / Brief Resume & Nature of Expertise	He has been associated with our Company since 2009. He oversees the highway division in our Company in handling design, supervision and O&M Projects across the country and abroad. Prior to joining our Company, he was associated with Asia Foundation and Constructions Limited and Nag Infrastructure Consulting Engineers Private Limited. He is a guest faculty at Indian Academy of Highway Engineers (Ministry of Road Transport and Highways, Government of India) in relation to EPC Agreement documents for highway projects. He has also been part of the G-1 Committee for Project Preparation, Contract Management, Quality Assurance and Public- Private Partnership Committee, Indian Roads Congress. He has around 39 years of experience in infrastructure consulting
Date of first appointment on the Board	01-05-2009
Terms and conditions of re-appointment	Liable to retire by rotation. Remuneration as set out at Item No. 2 of the Notice, if applicable.
Remuneration last drawn (FY 2025-26)	Rs. 10.58 Million
Remuneration proposed to be paid (FY 2026-27)	As per Item No. 6 of the Notice
Shareholding in the Company	Nil
Relationship with other Directors/ KMP	None
Number of Board Meetings attended during FY 2025-26	12 out of 14
Directorships held in other companies	Nil
Membership/Chairmanship of Committees of other companies	Membership- CSR Committee Executive Committee Chairmanship- Nil

(b) Ms. Sneha Redla (DIN: 09592284)

Name of Director	Ms. Sneha Redla
DIN	09592284
Date of Birth	16-09-1986
Age	39 years
Qualification	Bachelor's Degree in Engineering from Osmania University, Hyderabad. She also holds a Master's Degree in Science from the University of Illinois

Experience / Brief Resume & Nature of Expertise	She has been associated with our Company since 2011. She is currently the Chief Executive Officer of Hyve Global Engineering Private Limited. She heads the global operations division of our Company and oversees our global design team. She also leads our international Subsidiaries in Australia and the UK, and is also responsible for expanding our presence, branding and reputation. In addition, she works closely on business strategy and project execution for our railways and metro rail projects. She has around 15 years of experience in driving business strategy, project operations and business development.
Date of first appointment on the Board	30-09-2024
Terms and conditions of re-appointment	Liable to retire by rotation. Remuneration as set out at Item No. 3 of the Notice, if applicable.
Remuneration last drawn (FY 2025-26)	Rs.6.68 Million
Remuneration proposed to be paid (FY 2026-27)	As per Item No. 3 of the Notice
Shareholding in the Company	20,96,000 equity shares
Relationship with other Directors/ KMP	Daughter of Mr. Venkatachala Chakrapani Redla (Managing Director) and Sister of Mr. Nagarjun Redla (Director)
Number of Board Meetings attended during FY 2025-26	14 out of 14
Directorships held in other companies	Hyve Global Engineering Private Limited Aarvee Engineering Consultants Pty Ltd- Australia Aarvee Associates Limited- UK
Membership/Chairmanship of Committees of other companies	Membership- Stakeholders Relationship Committee IPO Committee Chairmanship- Risk Management Committee

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]

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

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

1. Name: ______________________ Address: ____

E-mail Id: __________________________________ Signature: _______________, or failing him

2. Name: ______________________ Address: ____

E-mail Id: __________________________________ Signature: _______________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Monday, July 27th , 2026 at 12:00 Noon (IST) at its 4th Floor, Trendset Towers, Road No. 2, Banjara Hills, Hyderabad-500034, Telangana, India, and at any adjournment thereof in respect of such resolutions as are indicated above:

Signed this ____ day of ______________ 2026.

Signature of Shareholder(s) ___________________________

Signature of Proxy holder(s) ___________________________

Please affix Revenue Stamp

Attendance Slip

To be handed over at the entrance of the meeting hall

Name of the Member
Name of the proxy (To be filled if the proxy attends instead of the member)

Registered Folio No.	
Client ID	
No. of shares held:	

I/We hereby record my/our presence at the 21st Annual General Meeting to be held at M/s. Aarvee Engineering Consultants Limited (Formerly Aarvee Associates Architects Engineers and Consultants Private Limited) held at its 4th Floor, Trendset Towers, Road No. 2, Banjara Hills, Hyderabad-500034, Telangana, India, on Monday, 27th July 2026 at 12:00 Noon (IST).

Hyderabad, ___/___/2026 (Member's/Proxy's Signature)

(To be signed at the time of handing over the slip)

Member/Proxy holder are requested to bring their copies of the Annual Report at the Annual General Meeting. Copies will not be distributed at the Meeting. Member/Proxy holder should also bring a valid photo identity (i.e. PAN/AADHAR etc.) for identification purpose.

DETAILS OF VENUE OF THE 21st ANNUAL GENERAL MEETING

Day, Date, Time & Address: Monday, 27th July 2026 at 12:00 Noon (IST) at 4th Floor, Trendset Towers, Road No.2, Banjara Hills, Hyderabad-500034, Telangana, India

Route Map

DIRECTORS' REPORT

To
The Members,
Aarvee Engineering Consultants Limited
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited)
Your Directors' are pleased to present the 21st Annual Report of the Company for the year ended 31 March 2026.

1. FINANCIAL SUMMARY/HIGHLIGHTS

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(i) of the Companies (Accounts) Rules, 2014)

As on 31 March 2026, the Financial's of the Company are summarized as under;

(Rs in Millions)

Particulars	Standalone		Consolidated	
	2025-2026	2024-2025	2025-2026	2024-2025
Revenue from Operations	6,712.61	5,545.39	6829.67	5,671.32
Other Income	108.14	71.69	99.32	71.75
Total Income	**6,820.75**	**5,617.08**	**6,928.99**	**5,743.07**
Finance Cost	157.28	141.91	156.65	142.59
Depreciation and amortization expense	174.12	133.58	186.06	136.37
Employee Benefit Expenses	3,296.86	2,679.61	3,480.53	2,760.42
Consultancy and technical Charges	1,853.79	1,485.97	1,950.74	1,545.33
Other Expenses	451.48	392.30	514.11	421.23
Total Expenses	**5,933.53**	**4,833.37**	**6,288.09**	**5,005.94**
Profit before Exceptional item and tax	887.22	783.71	640.89	737.13
Exceptional Item	49.71	-	49.71	-
Profit/(Loss) before tax	**837.51**	**783.71**	**591.19**	**737.13**
Current Tax	238.83	209.52	240.89	210.72
Deferred Tax	(29.41)	5.35	(29.41)	5.29
Earlier Year Taxes	-	-	(0.40)	-
Share of profit/loss for joint venture entities	**-**	**-**	**-**	5.19
Profit/ (Loss) for the period (After Tax)	628.09	568.84	380.12	515.93
Total comprehensive income for the year attributable to equity shareholders	**647.36**	**559.45**	**399.50**	**506.10**
Earnings per equity share (Basic)	**14.73**	**13.54**	**8.92**	**12.28**
Earnings per share (Diluted)	**14.73**	**13.54**	**8.92**	**12.28**

2. MATERIAL EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

(Pursuant to Section 134(3)(I) of the Companies Act, 2013)

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this Directors' Report.

3. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year under review, the Company has recorded Total Income of 6,820.75 Millions against 5,617.08 Millions in the previous year and Profit after Tax ("PAT") of 628.09 Millions against 568.84 Millions in the previous year. The Directors continue to strive towards improving the performance of the company and ensure a better performance in the upcoming years.

On consolidated basis, the Total Income has also marked an increase to 6,928.99 Millions from 5,743.07 Millions. Further, Profit after Tax ("PAT") has been decreased to 380.12 Millions from 515.93 Millions.

The Directors further inform that during the year, the Company progressed its strategic initiative of undertaking a proposed Initial Public Offer of equity shares. In this regard, the Company had filed a Draft Red Herring Prospectus dated September 25, 2025 with the Securities and Exchange Board of India and the Stock Exchanges.

The Directors are pleased to inform that the Company has received the Observation Letter dated February 04, 2026 from the Securities and Exchange Board of India ("SEBI"), along with in-principle approvals dated December 31, 2025 from National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), permitting the use of their respective names in the offer documents for the proposed issue.

The Board has taken note of the aforesaid communications and considers the same as an important milestone in the Company's ongoing capital market readiness and growth journey.

4. REVIEW OF PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS

The Directors are pleased to report that the Company delivered a resilient performance during the year, despite challenging global and domestic conditions. While many sectors saw slowdowns, we remained resilient, agile, and focused—achieving growth through engineering excellence and customer-centric innovation.

We further strengthened our position as a global engineering and technology solutions provider, helping clients design, build, and operate next-generation systems with high standards of safety, reliability, and sustainability. Our deep technical expertise and advanced digital capabilities enabled us to consistently create value, even in a volatile market.

The Company recorded healthy revenue growth during the year, reflecting the strength of its business model and continued customer confidence. Profitability, however, was impacted by higher operating costs associated with business expansion and certain one-time and exceptional items recognized during the year. Notwithstanding these factors, the Company maintained a strong financial position and continued to invest in strategic initiatives that support long-term, sustainable growth.

Looking ahead, the Company remains focused on accelerating innovation, strengthening global partnerships, and pursuing strategic opportunities aligned with our long-term vision of enabling a digital, autonomous, and sustainable future. With a strong foundation in place, we are confident that the momentum built during this extraordinary year will drive continued growth and create lasting value for all stakeholders.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(ii) of the Companies (Accounts) Rules, 2014)

During the year, there were no changes in the nature of the business, and the Company continued with its existing operations and line of business.

6. RESERVES

(Pursuant to Section 134(3)(j) of Companies Act, 2013)

The Company has transferred 628.09 Million to the reserves during the financial year.

7. EXTRACTS OF ANNUAL RETURN

(pursuant to section 134(3)(a) of the Companies Act, 2013)

As the Company has website, the amended provisions of section 134(3)(a) of the Companies Act, 2013 regarding placing of Annual Return. The Annual Return of the Company is placed on the website of the Company at www.aarvee.com .

8. CHANGE IN THE REGISTERED OFFICE OF THE COMPANY

During the year under review, there was no change in the Registered Office of the Company.

9. COMPOSITION OF BOARD

The composition of the Board of Directors of the Company as at 31 March 2026 is as follows:

S. No.	NAME OF THE DIRECTORS	DESIGNATION
1	Mr. Visweswara Rao Kandula	Chairman of the Board & Independent Director
2	Venkatachala Chakrapani Redla	Managing Director
3	Venkateshwar Reddy Banda	Whole Time Director
4	Kishore Kumar Mekala	Whole Time Director
5	Malladi Murthy	Whole Time Director
6	Sneha Redla	Director
7	Nagarjun Redla	Director
8	Mr. Anand Boddapaty	Independent Director
9	Mr. Subbi Reddy Venkatrama Padala	Independent Director
10	Ms. Kshama Venkataramiah Kaushik	Independent Director

During the year under review, Mr. Nagarjun Redla was reclassified under the Promoter category of the Company.

CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the financial year, the following are the changes that took place in the Composition of Board of Directors and Key Managerial Personnel (KMP):

S.No.	Name of the Director/KMP	Designation	Effective Date of Appointment
1	Mr. Visweswara Rao Kandula	Independent Director	04/08/25
2	Mr. Anand Boddapaty	Independent Director	04/08/25
3	Mr. Subbi Reddy Venkatrama Padala	Independent Director	04/09/25
4	Ms. Kshama Venkataramiah Kaushik	Independent Director	04/09/25
5	Mr. Venkata Subrahmanyam Valavala*	Chief Financial Officer	30/06/25

Since no Director resigned during the year, the disclosure in your Director’s Report as required u/s 168(1) of the Companies Act, 2013 is not required.

Subsequent to the close of the financial year, Mr. Venkata Subrahmanyam Valavala resigned as Chief Financial Officer of the Company with effect from June 1, 2026. The Board appointed Ms. Geniya Banerjee as Chief Financial Officer with effect from June 1, 2026.

10. COMMITTEES OF THE BOARD

Consequent upon the conversion of the Company into a Public Limited Company with effect from 06 February 2025 and in accordance with the applicable provisions of the Companies Act, 2013, the Board reviewed the composition of its existing committees and constituted/reconstituted the statutory and functional committees of the Board during the year under review to ensure compliance with the applicable provisions of the Act and to assist the Board in effectively discharging its responsibilities.

A) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility ("CSR") Committee of the Board has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013.

Pursuant to the reconstitution of the Board and the induction of Independent Directors following the conversion of the Company into a Public Limited Company, the CSR Committee was reconstituted by the Board at its meeting held on

12th August 2025.

Prior to the reconstitution, the CSR Committee comprised the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Mr. Venkatachala Chakrapani Redla (DIN: 00576037)	Managing Director	Chairman
2	Mr. Kishore Kumar Mekala (DIN: 00175494)	Whole-time Director	Member
3	Mr. Malladi Murthy (DIN: 02635227)	Whole-time Director	Member

Upon reconstitution, the CSR Committee comprised the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Mr. Visweswara Rao Kandula (DIN: 00353681)	Director (Independent and Non-Executive)	Chairman
2	Mr. Venkatachala Chakrapani Redla (DIN: 00576037)	Managing Director (Promoter and Executive)	Member
3	Mr. Kishore Kumar Mekala (DIN: 00175494)	Whole-time Director (Professional and Executive)	Member
4	Mr. Venkateshwar Reddy Banda (DIN:01623401)	Whole-time Director (Professional and Executive)	Member

B) AUDIT COMMITTEE

In compliance with Section 177 of the Companies Act, 2013 read with Rule 6 and Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014, the Board has constituted an Audit Committee with effect from 12th August 2025.

The Audit Committee comprises of the following:

Sl. No.	**Name**	**Designation**	**Designation in Committee**
1	Mr. Anand Boddapaty (DIN: 00186190)	(Independent and Non-Executive)	Chairman
2	Mr. Visweswara Rao Kandula (DIN: 00353681)	(Independent and Non-Executive)	Member
3	Mr. Malladi Murthy (DIN: 02635227)	Whole-Time Director (Executive)	Member

C) NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Board constituted the Nomination and Remuneration Committee at its meeting held on 12th August 2025 in compliance with Section 178 of the Companies Act, 2013.

The Committee comprises of the following

Sl. No.	**Name**	**Designation**	**Designation in Committee**
1	Mr. Visweswara Rao Kandula (DIN: 00353681)	(Independent and Non-Executive)	Chairman
2	Mr. Anand Boddapaty (DIN: 00186190)	(Independent and Non-Executive)	Member
3	Mr. Nagarjun Redla (DIN: 10773396)	Director (Professional and Non-Executive)	Member

The Nomination and Remuneration Committee was re-constituted on 24th September 2025 with the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Mr. Anand Boddapaty (DIN: 00186190)	(Independent and Non-Executive)	Chairman
2	Mr. Visweswara Rao Kandula (DIN: 00353681)	(Independent and Non-Executive)	Member
3	Mr. Nagarjun Redla (DIN: 10773396)	Director (Professional and Non-Executive)	Member

D) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board constituted the Stakeholders Relationship Committee at its meeting held on 12th August 2025 in compliance with Section 178 of the Companies Act, 2013.

The Committee comprises the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Mr. Visweswara Rao Kandula (DIN: 00353681)	(Independent and Non-Executive)	Chairman
2	Mr. Venkateshwar Reddy Banda (DIN:01623401)	Whole-time Director (Professional and Executive)	Member
3	Ms. Sneha Redla (DIN:09592284)	Director (Promoter and Executive)	Member

No meeting of the Stakeholders Relationship Committee was required to be held during the financial year under review.

E) RISK MANAGEMENT COMMITTEE

The Board constituted the Risk Management Committee at its meeting held on 12th August 2025

The Committee comprises the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Ms. Sneha Redla (DIN:09592284)	Director (Promoter and Executive)	Chairperson
2	Mr. Anand Boddapaty (DIN: 00186190)	(Independent and Non-Executive)	Member
3	Mr. Nagarjun Redla (DIN: 10773396)	Director (Professional and Non-Executive)	Member

No meeting of the Risk Management Committee was required to be held during the financial year under review.

F) IPO COMMITTEE

The Board constituted the IPO Committee at its meeting held on 12 August 2025. The Committee comprised the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Mr. Anand Boddapaty (DIN: 00186190)	Additional Director (Independent and Non-Executive)	Chairman
2	Mr. Venkatachala Chakrapani Redla (DIN: 00576037)	Managing Director Promoter and Executive)	Member
3	Ms. Sneha Redla (DIN:09592284)	Director (Promoter and Executive)	Member

The IPO Committee was reconstituted by the Board on 24th September 2025. The reconstituted Committee comprised the following members:

Sl. No.	Name	Designation	Designation in Committee
1	Mr. Venkatachala Chakrapani Redla (DIN: 00576037)	Managing Director Promoter and Executive)	Chairman
2	Mr. Venkateshwar Reddy Banda (DIN:01623401)	Whole Time Director	Member
3	Ms. Sneha Redla (DIN:09592284)	Director (Promoter and Executive)	Member

Further, your Board has constituted an Executive Committee of the Board and delegated certain powers to it for operational and administrative efficiency. The Committee functions within the overall framework of authority delegated by the Board from time to time.

11. ATTENDANCE OF DIRECTORS AT BOARD MEETINGS, COMMITTEE MEETINGS AND ANNUAL GENERAL MEETING

(Pursuant to section 134(3)(b) of companies Act, 2013 and Secretarial Standard-1)

The Company has held 14 (Fourteen) Board Meeting during the Financial Year under review.

S. No.	Date of Meeting	Total number of Directors as on the date of meeting	Attendance	
			Number of directors attended	% of attendance
1	16-04-2025	6	5	83.00%
2	10-06-2025	6	5	83.00%
3	30-06-2025	6	5	83.00%
4	26-07-2025	6	5	83.00%
5	04-08-2025	6	4	67.00%
6	12-08-2025	8	7	88.00%
7	19-08-2025	8	7	88.00%
8	29-08-2025	8	6	75.00%
9	04-09-2025	8	7	88.00%
10	18-09-2025	10	10	100.00%
11	24-09-2025	10	10	100.00%
12	29-09-2025	10	9	90.00%
13	03-11-2025	10	10	100.00%
14	18-02-2026	10	9	90.00%

Attendance of Directors

S.No.	Name of the Director	Board Meetings		
		No of Meetings which were entitled to attend	No. of Meetings attended	Attendance at last AGM
1	Venkatachala Chakrapani Redla	14	14	Yes
2	Venkateshwar Reddy Banda	14	13	Yes
3	Kishore Kumar Mekala	14	12	No
4	Malladi Murthy	14	13	No
5	Sneha Redla	14	14	Yes
6	Nagarjun Redla	14	7	Yes
7	Visweswara Rao Kandula	9	7	No
8	Anand Boddapaty	9	9	No
9	Subbi Reddy Venkatrama Padala	5	5	No

10	Kshama Venkataramiah Kaushik	5	5	No

COMMITTEE MEETINGS

AUDIT COMMITTEE

The Company has held 4 (four) Audit Committee meetings during the financial year under review.

S.No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of attendance
1	04-09-2025	3	3	100.00%
2	24-09-2025	3	2	66.67%
3	03-11-2025	3	3	100.00%
4	18-02-2026	3	3	100.00%

NOMINATION AND REMUNERATION COMMITTEE

The Company has held 3 (Three) Nomination and Remuneration Committee meetings during the financial year under review

S.No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of attendance
1	19-08-2025	3	2	66.67%
2	04-09-2025	3	2	66.67 %
3	29-09-2025	3	3	100 %

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has held 1 (One) Corporate Social Responsibility Committee (CSR) Meeting during the financial year under review

S.No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of attendance
1	28-07-2025	3	3	100%

IPO COMMITTEE

The Company has held 3 (Three) IPO Committee Meetings During the Financial Year Under Review

S.No.	Date of Meeting	Total number of Members as on the date of meeting	Attendance	
			Number of Members attended	% of attendance
1	25-09-2025	3	3	100%
2	16-12-2025	3	3	100%
3	26-12-2025	3	3	100 %

GENERAL MEETINGS

Type of Meeting	Date of Meeting	Total No. of Members entitled to attend meeting	Attendance	
			No. of Members Attended	% of total shareholding
Annual General Meeting	30-09-2025	66	7	95.85%
Extra Ordinary General Meeting	21-04-2025	10	5	97.81%
Extra Ordinary General Meeting	10-06-2025	10	5	97.81%
Extra Ordinary General Meeting	22-08-2025	10	5	97.81%
Extra Ordinary General Meeting	19-09-2025	66	8	97.07%
Extra Ordinary General Meeting	10-11-2025	75	7	95.55%

12. DIRECTOR'S RESPONSIBILITY STATEMENT

In pursuance of section 134(3)(c) & section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

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 had 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 at the end of the financial year and of the profit and loss of the company for that period;
c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 had laid down adequate internal financial controls to be followed by the Company and such internal financial controls were commensurate with the size, scale and nature of the Company's operations and were operating effectively during the year; 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.

13. FRAUD REPORTING

(pursuant to section 134(3)(ca) of the Companies Act, 2013)

In the terms of provision of the Companies Act 2013, during the year under review, there was no case of offense of fraud detected by neither of the statutory auditor or Secretarial Auditor under sub section 12 of section 143.

14. DECLARATION BY INDEPENDENT DIRECTORS

(pursuant to section 134(3)(d) of the Companies Act, 2013)

The Company has converted its status from a Private Limited Company to a Public Limited Company with effect from 06 February, 2025. Pursuant to this change, the Company is now categorized as a public company in terms of the Companies Act, 2013.

As per the Audited Financial Statements for the financial year ended 31 March, 2025, the turnover of the Company exceeds ₹100 crore. Accordingly, in compliance with the provisions of Section 149(4) of the Companies Act, 2013, read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to appoint Independent Directors.

The Company has appointed Mr. Visweswara Rao Kandula and Mr. Anand Boddapaty as Independent Directors with effect from 04-08-2025. Further, Mr. Subbi Reddy Venkatrama Padala and Ms. Kshama Venkataramiah Kaushik have been appointed as Independent Directors of the Company with effect from 04-09-2025.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 and the rules made thereunder. The Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

All the Independent Directors have confirmed that they have registered their names in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs (IICA) and have complied with the requirements relating to the online proficiency self-assessment test (or are exempt therefrom), as applicable, under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

15. BOARD'S OPINION ON INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

(Pursuant to Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014)

In the opinion of the Board, the Independent Directors appointed during the year are persons of integrity and possess the requisite expertise, experience and proficiency to discharge their duties as Independent Directors of the Company. The Board is satisfied as to their integrity and the relevant proficiency, as ascertained from the online proficiency self-assessment test conducted by IICA, wherever applicable.

16. FORMAL ANNUAL EVALUATION OF THE BOARD

(Pursuant to Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014)

As the Company is a public company having a paid-up share capital exceeding Rs. 25 crore, the provisions relating to formal annual evaluation of the performance of the Board are applicable. The Board has carried out an annual evaluation of its own performance and that of its committees and individual Directors, in the manner formulated by the Nomination and Remuneration Committee. The evaluation was carried out on the basis of criteria such as composition and structure of the Board, effectiveness of Board processes, contribution of individual Directors, and the functioning of the committees. The Directors expressed their satisfaction with the evaluation process.

17. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178

(pursuant to section 134(3)(e) of the Companies Act, 2013)

The Company constituted the Nomination and Remuneration Committee (NRC) at its Board Meeting held on 12 August 2025. Pursuant to the formal constitution of the NRC, the Board also adopted the Remuneration Policy at the same meeting held on 12 August 2025.

The Policy lays down the criteria for determining qualifications, positive attributes and independence of a Director, and the criteria for remuneration of Directors, Key Managerial Personnel and other employees, in terms of Section 178(3) of the Companies Act, 2013.

18. LOANS, GUARANTEES & INVESTMENTS

(Pursuant to section 134(3)(g) read with 186 of companies Act, 2013)

Details of loans, Guarantees & Investments covered under section 186 of the Companies Act, 2013 are given in the notes to the financial statement.

19. RELATED PARTY TRANSACTIONS

(Pursuant to section 134(3)(h) read with 188(1) of Companies Act, 2013 and the rules made thereunder)

The related party transactions entered into in accordance with Section 188 of the Companies Act, 2013 are ongoing and were in existence prior to the commencement of the Act.

All such transactions are conducted on an arm's length basis.

The details of the transaction with Related Party are covered in Form AOC 2 attached as Annexure II and provided in the accompanying financial statements which may be treated as part of Directors' Report.

20. DIVIDEND

(Pursuant to Section 134(3)(k) of the Companies Act, 2013)

With a view to conserving resources for the future growth of the Company. The Directors did not recommend any dividend for this Financial Year.

21. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 are not applicable, as no dividend was declared in the previous financial year.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

(Disclosure as required U/s.134 (m) of the Companies Act, 2013 and the rules relevant there under)

A. Conservation of Energy:

The Company does not use energy-intensive equipment for its operations. However, due to significant awareness Campaigns within the Company the employees are very averse to the wastage of power and consequently the consumption is one of the lowest per employee. The computers, air-conditioners and other equipment being used by the company are energy efficient and environment-friendly.

B. Research and Development (R & D):

The Company does not have a Research and Development unit, or any activity related to R&D in India. The company does not incur any revenue or capital expenditure on R&D.

The company also focuses on Automation systems / software, which helps in increased productivity & reduced manual intervention. These automation systems would not only lead to cost savings, but also ensure error-free consistent output.

C. Technology Absorption, Adaptation and Innovation:

a. Technology imported	Nil
b. Year of import	NA
c. Has technology has been fully absorbed	NA
d. Technical collaborator	NA

The Company always focuses on adoption of the latest Technology & Equipment.

D. Foreign exchange earnings and outgo:

Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows during the year is as under:

Particulars	31 March 2026 (Rs. In Millions)	31 March 2025 (Rs. In Millions)
Earned during the year	537.54	583.17
Used during the year	129.54	112.12

E. Particulars of Employees:

None of the employees of the company draw remuneration more than the limits prescribed under the provision of Rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel), Rule 2014, during the Financial Year 2025-26. The Company recognizes the valuable contribution of its employees towards achieving its objectives and conducts periodic training programmes to enhance their skills and ensure the delivery of quality services to its clients.

23. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has also established a Vigil Mechanism / Whistle Blower Policy in compliance with the provisions of Section 177(9) and 177(10) of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy provides a mechanism for directors and employees to report genuine concerns, unethical behaviour, actual or suspected fraud, violations of the Company's Code of Conduct and other instances of misconduct.

The Vigil Mechanism provides adequate safeguards against victimisation of persons who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in appropriate cases. The Whistle Blower Policy is available on the website of the Company.

24. RISK MANAGEMENT POLICY

(Pursuant to Section 134(3)(n) of the Companies Act, 2013)

The Company has adequate internal control systems in place, commensurate with its size and the nature of its business, to ensure effective oversight of the purchase of fixed assets and the sale of goods and services. The Board of Directors reviews the Company’s risk management procedures on a regular basis during its meetings.

Furthermore, the Company in its Board Meeting held on 12th August, 2025 has adopted the Risk Management Policy.

25. DETAILS OF CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

(Pursuant to section 134(3)(o) and Section 135 of Companies Act, 2013 and the rules made thereunder)

The Corporate Social Responsibility Committee (CSR Committee) of the Company has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Annual Report on CSR activities is enclosed as per prescribed format Annexure-III and forms part of this report.

26. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 and rules made thereunder)

As on 31 March 2026, the Company has two Foreign & Three Indian Wholly Owned Subsidiaries:
The following are the Foreign Wholly Owned Subsidiaries

1) M/s. Aarvee Engineering Consultants Pty Ltd., Australia and
2) M/s. Aarvee Associates Limited, UK

The following are three Indian Wholly Owned Subsidiaries

1) Nag Infrastructure Consulting Engineers Private Limited
2) SRA OSS India Private Limited
3) Hyve Global Engineering Private Limited

The details of subsidiaries of the Company are given in Form AOC 1 attached as Annexure I and provided in the accompanying financial statements which may be treated as part of directors’ report.

27. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

(Pursuant to Rule 8(5)(iv) of Companies (Accounts) Rules, 2014)

During the year under review, there was no change in the status of the Company’s subsidiaries, joint ventures, or associate companies. No company became or ceased to be a subsidiary, joint venture, or associate of the Company during the year.

28. DEPOSITS

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 and rules made thereunder)

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

29. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 and rules made thereunder)

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

30. INTERNAL FINANCIAL CONTROLS

(Pursuant to Section 134(q) of the Companies Act, 2013 and rules made thereunder)

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The internal audit systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding assets from unauthorized use. During the year, such controls were tested and no reportable material weakness in their design or operation was observed.

31. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

During the financial year ended March 31, 2026, the Company remained firmly committed to fostering a safe, respectful, and inclusive work environment for all employees. To this end, the Company has implemented comprehensive policies and procedures aimed at preventing and addressing incidents of sexual harassment in the workplace. These measures are in strict compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has established an Internal Complaints Committee (ICC) to effectively consider and resolve complaints of sexual harassment reported by women employees. The ICC is constituted in accordance with the requirements of the Act and includes external members from NGOs or individuals with relevant expertise. Each committee is chaired by a senior woman employee, and women constitute the majority of the committee members. This structure ensures impartial investigations and fair resolution of all complaints.

During the financial year 2025-26, the Company did not receive any complaints of sexual harassment under this policy. The Company maintains a zero-tolerance stance towards sexual harassment and is committed to upholding the highest standards of workplace safety and dignity for all employees.

The status of complaints during the financial year 2025-26 is as under:

- Number of complaints of sexual harassment received during the year: Nil
- Number of complaints disposed of during the year: Nil
- Number of complaints pending as on 31 March, 2026: Nil

32. COMPLIANCE UNDER THE MATERNITY BENEFIT ACT, 1961

(Pursuant to Rule 8(5) of the Companies (Accounts) Rules, 2014, as amended by the Companies (Accounts) Second Amendment Rules, 2025)

The Company confirms that it has complied with the provisions relating to the Maternity Benefit Act, 1961 during the financial year ended 31 March, 2026.

33. PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 and rules made thereunder)

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

34. ANY VALUATION DONE EITHER AT ONE TIME SETTLEMENT "OTS" OR WHILE TAKING ANY LOAN FROM BANK OR FINANCIAL INSTITUTION

(Pursuant to Section 134(3)(q) of the Companies Act, 2013 and rules made thereunder)

During the year there was no necessity arose for the Company to obtain the valuation either as part of "One Time Settlement" or while taking any loan from any Banks or Financials Institutions, since no such transactions happened in the company and accordingly disclosing the difference between the amounts did not arise.

35. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOS, BONUS SHARE ETC

EVENT BASED DISCLOSURES

A) ISSUE OF EQUITY SHARES ON RIGHT BASIS

The Company has not issued any Equity Shares on rights basis during the year under review.

B) ISSUE OF SWEAT EQUITY SHARES

The Company has not issued any Sweat Equity Shares during the year under review.

C) ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any Shares with Differential Rights during the year under review.

D) ISSUE OF SHARES UNDER EMPLOYEES STOCK OPTION SCHEME

The Company has not issued any Shares under Employee Stock Option Scheme during the year under review.

E) ISSUE OF BONUS SHARES

The Company has not issued any pursuant to Bonus Issue during the year under review.

F) ISSUE OF SHARES UNDER PREFERENTIAL ALLOTMENT/PRIVATE PLACEMENT

During the year, the Company made three allotments aggregating to 10,94,812 equity shares to 56 allottees. The table below sets out the details of these allotments:

S.No	Date of Notice of Board Meeting	Date of Board Meeting	No.of Allottees	No. of Shares Allotted
1	28/08/25	29/08/25	37	6,41,280
2	04/09/25	04/09/25	16	1,70,500
3	09/09/2025 (Resolution by Circulation)	The same was taken note in the Board Meeting held on 18/09/2025	3	2,83,032

G) BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

36. STATUTORY AUDITORS

During the year under review, M/s. M Bhaskara Rao & Co., Chartered Accountants (Firm Registration No. 000459S), were appointed as the Statutory Auditors of the Company at the Extra-Ordinary General Meeting held on 10 November 2025, consequent to the resignation of M/s. P.R. Datla & Co., Chartered Accountants (Firm Registration No. 006067S), who resigned as the Statutory Auditors of the Company with effect from 31 October 2025.

M/s. M Bhaskara Rao & Co., Chartered Accountants, holds office until the conclusion of the ensuing Annual General Meeting. The Company has received their written consent to act as the Statutory Auditors of the Company and a certificate confirming that they satisfy the criteria provided under Sections 139 and 141 of the Companies Act, 2013.

The Board of Directors recommends the appointment of M/s. M Bhaskara Rao & Co., Chartered Accountants (Firm Registration No. 000459S), as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the ensuing Annual General Meeting until the conclusion of the Annual General Meeting to be held in the financial year 2030–31, subject to the approval of the Members.

37. QUALIFICATIONS IN AUDIT REPORTS

The Standalone and Consolidated Financial Statements are accompanied by the Statutory Auditors' Report, which does not contain any qualifications or observations. The Auditors' Report, when read together with the Notes and Schedules forming part of the financial statements, is self-explanatory and requires no further clarification.

38. COST AUDITORS

The provisions of section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 related to Cost Auditors are not applicable to the company.

39. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the requirement for Secretarial Audit became applicable to the Company following its conversion on 6 February 2025. Accordingly, the Secretarial Audit for the financial year 2025–26 was conducted, and the report in Form MR-3 is attached as an Annexure – IV to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

40. MAINTENANCE OF COST RECORDS

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products/services of the company.

41. COMPLIANCE TO SECRETARIAL STANDARD

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 as amended from time to time, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

42. ACQUISITION OF SHARES AND CONTROL IN ANY BODY CORPORATE

During the Year under review there were no acquisitions of shares and control in any body corporate.

43. ACKNOWLEDGEMENT

Directors thank the Company's customers, Partners, Suppliers, Dealers, Banks, Financial Institutions, Government Authorities and Consultants for their continued support. Directors express their sincere gratitude to the shareholders and place on record their appreciation of the contribution made by all the employees of the Company.

//By Order of the Board//

For Aarvee Engineering Consultants Limited
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited)

Sd/-	Sd/-
Venkatachala Chakrapani Redla	Venkateshwar Reddy Banda
Managing Director	Whole time Director
DIN: 00576037	DIN: 01623401

Date: 04.07.2026
Place: Hyderabad

ANNEXURE - I
Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Information in respect of each subsidiary to be presented as at 31 March, 2026:

Sl. No.	Particulars	Details				
1	Name of the subsidiary	Aarvee Engineering Consultants Pty Ltd	Aarvee Associate Limited	Nag Infrastructure Consulting Engineers Private Limited	SRA OSS India Private Limited	Hyve Global Engineering Private Limited
2	The date since when subsidiary was acquired	21.08.2011	15.11.2022	31.12.2024	31.12.2024	31.12.2024
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March	April to March	April to March	April to March	April to March
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	AUD (Australian Dollar)	GBP (Pound Sterling)	INR (Indian Rupee)	INR (Indian Rupee)	INR (Indian Rupee)
5	Share capital	AUD 100	£ 100	INR 48.03 lakhs	INR 1 Lakh	INR 1 Lakh
6	Reserves & surplus	AUD (19,53,417)	GBP (16,46,840)	Rs. 9,40,00,000	Rs. (1,30,000)	Rs. (53,60,000)
7	Total assets	AUD 9,15,661	GBP 16,573	Rs.12,78,80,000	Rs. 1,53,80,000	Rs.45,80,000
8	Total Liabilities	AUD 28,68,979	GBP 16,46,740	Rs. 2,92,10,000	Rs. 1,55,90,000	Rs.98,50,000
9	Investments	-	-	-	-	-
10	Turnover	AUD 14,58,351	GBP 4,81,910	Rs. 1,72,10,000	Rs. 1,55,40,000	Rs.40,50,000
11	Profit/Loss before taxation	AUD (25,12,912)	GBP (9,02,381)	Rs.49,60,000	Rs.18,90,000	Rs.(70,60,000)
12	Provision for taxation	-	-	Rs.14,20,000	Rs.2,30,000	-
13	Profit/Loss after taxation	AUD (25,12,912)	GBP (9,02,381)	Rs.35,40,000	Rs.16,60,000	Rs.(70,60,000)
14	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
15	Extent of shareholding (in percentage)	100.00%	100.00%	100.00%	100.00%	100.00%

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations-NA
2. Names of subsidiaries which have been liquidated or sold during the year -NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Latest audited Balance Sheet Date	Not Applicable
Date on which the Associate or Joint Venture was associated or acquired	
Shares of Associate/Joint Ventures held by the company on the year end i. No. of Shares ii. Amount of Investment in Associates/Joint Venture iii. Extent of Holding (In Percentage)	
No. of Shares	
Amount of Investment in Associates/Joint Venture	
Extent of Holding (In Percentage)	
Description of how there is significant influence	
Reason why the associate/joint venture is not consolidated	
Net worth attributable to shareholding as per latest audited Balance Sheet	
Profit/Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	

* The Company has entered into the following unincorporated joint ventures. As these arrangements do not constitute incorporated entities, disclosure under this section is not applicable:

- Aarvee KPPA
- Aarvee TCPL
- Aarvee AYESA
- Aarvee – Vax
- AGG – (NFR) Tunnel
- Aarvee EINTL – EI
- Rites Ltd. India

1. Names of associates or joint ventures which are yet to commence operations. NA
2. Names of associates or joint ventures which have been liquidated or sold during the year-NA

For Aarvee Engineering Consultants Limited
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited)

Sd/-

Venkatachala Chakrapani Redla
Managing Director
DIN: 00576037

Sd/-

Venkateshwar Reddy Banda
Whole time Director
DIN: 01623401

Date: 04.07.2026
Place: Hyderabad AARVEE ENGINEERING CONSULTANTS LIMITED

Annexure - II
Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:
The Company has not entered into any contract, arrangement, or transaction with its related parties, which is not at Arm's Length, during the financial year 2025-26.

2. Details of material contracts or arrangement or transactions at arm's length basis-

Name(s) of the Related Party & Nature of Relationship	Nature of contracts or arrangements or transactions	Duration of the contracts or arrangements or transactions	Salient terms of contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
SRA OSS India Private Limited (Wholly-Owned Subsidiary)	Consultancy Services Received Rs.11.90 (In Millions)	On-going Contract	Receipt of Services	16-04-2025	-
Nag Infrastructure Consulting Engineers Private Limited (Wholly-Owned Subsidiary)	Consultancy Services Received Rs. 17.21 (In Millions)	On-going Contract	Receipt of Services	16-04-2025	-
Nag Infrastructure Consulting Engineers Private Limited (Wholly-Owned Subsidiary)	Rent Paid Rs.1.41 (In Millions)	On-going Contract	Leasing of property	16-04-2025	-
Hyve Global Engineering private Limited	Consultancy Services Received Rs.3.44 (In Millions)	On-going Contract	Receipt of Services	16-04-2025	-
Aarvee Engineering Consultants Pty Ltd (Australia)	Consultancy Services Received Rs.12.27 (In Millions)	On-going Contract	Receipt of Services	16-04-2025	-
Aarvee Associates Limited-UK	Consultancy Services Received Rs.26.02 (In Millions)	On-going Contract	Receipt of Services	16-04-2025	-
R.V. Chakrapani- (Managing Director (Key Managerial Personnel)	Rent Rs.4.43 (In Millions)	On-going Contract	Leasing of property	16-04-2025	-
K Nirmala (Relative of director)	Rent Rs.3.59 (In Millions)	On-going Contract	Leasing of property	16-04-2025	-

For Aarvee Engineering Consultants Limited
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited)

Sd/-
Venkatachala Chakrapani Redla
Managing Director
DIN: 00576037

Sd/-
Venkateshwar Reddy Banda
Whole time Director
DIN: 01623401

Date: 04.07.2026
Place: Hyderabad

ANNEXURE-III
Annual Report on CSR Activities for financial year 2025-26

1. Brief outline on CSR policy of the Company:

Aarvee Engineering Consultants Limited has aimed at serving the needs for the community and is a socially responsible corporate to give back to society towards sustainable care and development.

The policy includes all the programs as per Schedule VII of the Companies Act, 2013 and the rules made thereunder. The Company has formed a CSR policy to regulate working of CSR activities.

2. Composition of the CSR Committee:

S.No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Redla Venkatachala Chakrapani Chairman and Managing Director	Member	1	1
2	Mekala Kishore Kumar Whole-Time Director	Member	1	1
3	Venkateshwar Reddy Banda Whole-Time Director	Member	1	1
4	Mr. Visweswara Rao Kandula	Chairman	1	1

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: www.aarvee.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. (a) Average Net Profit of the company as per sub-section (5) of section 135: Rs. 79,65,09,964/-
   (b) Two per cent of average net profit of the Company as per sub-section (5) of section 135: Rs. 1,59,30,200/-
   (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
      a. Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 1,59,30,200/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 2,02,847/- (Spent from CC A/c) = Total Amount Spent was Rs. 2,02,847/-

   (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. 2,02,847/-
   (e) CSR amount spent or unspent for the financial year:

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 (6) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 2,02,847/-	1,28,06,223	30.04.2026	-	-	-

(f) Excess amount for set-off, if any: Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

S.No.	Preceed-ing Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (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.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1	2022-23	56,05,279	4,45,534	4,45,534	-	-	0	-
2	2023-24	25,92,635	12,71,053	1,80,820	-	-	10,90,233	-
3	2024-25	59,37,996.75	59,37,996.75	42,54,092.75	-	-	16,83,904	-

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:

The Company is executing certain multiyear ongoing projects.
In respect of Unspent CSR funds, the Company has deposited the budgeted amounts in Separate Bank Accounts.

For Aarvee Engineering Consultants Limited
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited)

Sd/-

Venkatachala Chakrapani Redla
Managing Director
DIN: 00576037

Sd/-

Venkateshwar Reddy Banda
Whole time Director
DIN: 01623401

Date: 04.07.2026
Place: Hyderabad

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 Personnel) Rules, 2014]

To,

The Members,
Aarvee Engineering Consultants Limited,
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited),
CIN: U74200TG2005PLC045491,
8-2-5, Ravula Residency, Srinagar Colony Main Road,
Hyderabad – 500082, Telangana, India.

I have conducted the Secretarial Audit for compliance of applicable statutory provisions and the adherence to good corporate practices by Aarvee Engineering Consultants Limited (herein after called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31-03-2026, 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 31-03-2026, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
[To the extent applicable to the Company for filing the Draft Red Herring Prospectus ('DRHP') for the proposed Initial Public Offering ('IPO' or 'Offer') of Equity Shares of the Company, and for the proposed filing of the Updated DRHP ('UDRHP'), Red Herring Prospectus ('RHP') & Prospectus with the Registrar of Companies ('ROC'), the Securities and Exchange Board of India ('SEBI'), the National Stock Exchange of India Limited ('NSE') and the BSE Limited ('BSE')].
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
[With respect to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company]
iv. 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;
[The Company does not have any Foreign Direct Investment and External Commercial Borrowings]
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
[To the extent applicable to the Company for filing the DRHP for the proposed IPO or Offer of Equity Shares of the Company, and for the proposed filing of the UDRHP, RHP & Prospectus with the ROC, SEBI, NSE and BSE]

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
Not Applicable during the financial year
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity Shares) Regulations, 2021;
(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities Debt Securities) Regulations, 2021; **Not Applicable during the financial year**
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021; **Not Applicable during the financial year**
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the financial year**
(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. (a) The Income Tax Act, 1961
(b) The Goods and Services Tax, 2017
(c) The Indian Contract Act, 1872
(d) The Indian Stamp Act, 1899
(e) The Registration Act, 1908
(f) The Indian Stamp (Telangana Amendment) Act, 2022
(g) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
(h) The Shops and Establishment Act, 1988
(i) Code on Wages, 2019 **[To the extent applicable to the Company]**
(j) Code on Social Security, 2020 **[To the extent applicable to the Company]**
(k) The Competition Act, 2002 **[To the extent applicable to the Company]**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified from time to time;

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s);
[Not applicable during the financial year as the Company has not entered into any listing agreements as on date of signing of this report].

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Bye-laws, etc. mentioned above.

I have noted that the Company has submitted or filed or registered or recorded or reported 4 (Four) Form No.MGT-14's with payment of such additional fee as prescribed under the provisions of the Act and the rules made thereunder.

I have further noted that the unspent Corporate Social Responsibility [CSR] amount under Section 135 relating to ongoing projects for the financial year 2024-25 was transferred to the Unspent CSR Account with negligible delay of 10 (Ten) days only and the same shall be spent till the financial year 2027-28.

I have further noted that for the purpose of IPO, as a deemed listed company, it has passed special resolution pursuant to Regulation 17 of SEBI (LODR) Regulations, 2015, for appointment of one of the Independent Director who has attained the age of 75 years, and the management of the Company is of the opinion that it also covers the provision of Regulation 17(1A) relating to continuing in his directorship who has attained the age of 75 years, as the Company has appointed him under Regulation 17 which includes Regulation 17(1A).

I further report that:

The Board of Directors of the Company is duly constituted with 10 directors, out of which 5 are executive directors (two promoter and three non-promoter category) and 5 are non-executive directors (four independent and one promoter category). The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 07 days in advance, and adequate notice is given in case of meetings convened at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, and the same are captured and recorded as part of the minutes, and there were no dissenting members' views.

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 during the audit period, the Company has the following specific events / actions which may / may not have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., as it is a subjective matter, and needs to be concluded on various parameters, and my entire understanding and reporting is subject to interpretation of law, and others may or may not agree to the following specific events / actions affecting on Company's affairs:

1) In the Board Meeting ('**BM**') held on 16/04/2025:
- M/s. Rahul Anne & Associates, Chartered Accountants were appointed as Internal Auditors of the Company for financial year 2025-26.
- Delegated powers to Mr. Venkatachala Chakrapani Redla, Managing Director of the Company to exercise and act for and on behalf of the Company.

2) In the Extra-ordinary General Meeting ('**EGM**') held on 10/06/2025, the Members of the Company have given:
- Approval under Section 180(1)(a) of the Act to sell lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company and for creation of charge / mortgage / pledge / hypothecation / lien / security by the Company of its properties as and when undertaken, may be considered to be the disposal of all or any part of the Company's undertakings.
- Approval for borrowing powers and increasing the overall borrowing limits under Section 180(1)(c) of the Act up to Rs.500 Crores.
- Approval for advancing loan / giving guarantee / providing security under Section 185 of the Act up to Rs.100 Crores.
- Approval of limits to give loans or give guarantees or provide security or acquire by way of subscription, purchase or otherwise the securities of any other body corporate under Section 186 of the Act up to Rs.100 Crores and also in excess of the limits prescribed under Section 186 of the Act.

3) In the BM held on 04/08/2025:
- Dr. Kandula Visweswara Rao and Mr. Anand Boddapaty were appointed as Additional Directors (Independent & Non-Executive) with effect from 04/08/2025.
- Ms. Sugandha Khandelwal, Company Secretary of the Company was appointed as Compliance Officer of the Company for complying with various provisions of corporate laws with effect from 04/08/2025.

4) In the BM held on 12/08/2025:
- Constituted the Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Risk Management Committee, and Re-constituted Corporate Social Responsibility Committee, and Constituted IPO Committee.
- Approved and adopted the Corporate Social Responsibility Policy, Risk Management Policy, Vigil Mechanism Policy / Whistle-Blower Policy, Nomination and Remuneration Policy, Code of practices and procedures for fair disclosure of unpublished price sensitive information, Code of Conduct to regulate, monitor and report by Designated Persons, Code of conduct for all members of the Board and Senior Management, Policy on Succession planning for Board and Senior Management, Policy for Familiarization Program for Independent Director, Policy on Board Diversity, Preservation of Documents and Archival Policy, Policy for determining materiality of events or information of the Company, Policy for determining 'material' subsidiaries, Dividend Distribution Policy, Board Evaluation Mechanism, Prevention of Sexual Harassment Policy and Policy on Related Party Transactions.

5) In the BM held on 19/08/2025:

- Approved the Share Based Employee Benefit Schemes (subject to approval of members of the Company) and Grant of Options under the Aarvee Engineering Consultants Growth ESOP Scheme – 2025 and Aarvee Engineering Consultants Thank You ESOP Scheme – 2025.
- Approved the Grant of Options to the Employees of Group Companies including Subsidiary Companies or Associate Company if any (subject to approval of Members of the Company) under the Aarvee Engineering Consultants Growth ESOP Scheme – 2025 and Aarvee Engineering Consultants Thank You ESOP Scheme – 2025.

6) In the EGM held on 22/08/2025, the Members of the Company appointed Dr. Kandula Visweswara Rao (who has attained the age of 75 years as on 06.06.2025 and to continue his directorship) and Mr. Anand Boddapaty as Directors (Independent & Non-Executive) for first term of 5 years with effect from 04/08/2025.

7) In the BM held on 29/08/2025, approved the allotment of 6,41,280 Equity Shares of Rs.10/- each issued at an issue price of Rs.333/- (including premium of Rs.323/-) to Identified Investors on a Private Placement Basis.

8) In the BM held on 04/09/2025:

- Approved the allotment of 1,70,500 Equity Shares of Rs.10/- each issued at an issue price of Rs.333/- (including premium of Rs.323/-) to Identified Investors on a Private Placement Basis.
- Approved the Materiality Policy.
- Ms. Sugandha Khandelwal, Company Secretary and Compliance Officer of the Company was appointed as Designated Person under the provisions of the Act.
- Mr. Padala Subbi Reddy and Ms. Kshama Venkataramiah Kaushik were appointed as Additional Directors (Independent & Non-Executive) with effect from 04/09/2025.
- Constituted the Committee of Independent Directors.

9) The Company by passing 1 / 2025-26 Circular Resolution on 09/09/2025 approved the allotment of 2,83,032 Equity Shares of Rs.10/- each issued at an issue price of Rs.333/- (including premium of Rs.323/-) to Identified Investors on a Private Placement Basis.

10) In the BM held on 18/09/2025:

- Approved the Raising of Capital through an IPO pursuant to Fresh Issue upto Rs.2025.00 Million together with an Offer For Sale of upto an aggregate of 67,50,000 Equity Shares by Mr. Venkatachala Chakrapani Redla, Promoter of the Company.
- Consent and authorisation was given by the Selling Shareholders(Mr. Venkatachala Chakrapani Redla, Promoter of the Company) to participate in the Offer For Sale.

11) In the EGM held on 19/09/2025, the Members of the Company appointed Mr. Padala Subbi Reddy and Ms. Kshama Venkataramiah Kaushik as Directors (Independent & Non-Executive).

12) In the BM held on 24/09/2025:

- The Board Re-constituted the Nomination and Remuneration Committee of the Board, and the IPO Committee.
- The Board has approved the DRHP and Listing on NSE and BSE.

13) In the IPO Committee Meeting ('**ICM**') held on 25/09/2025, the Committee approved the adoption of the DRHP, Dated 25/09/2025 for the proposed IPO or Offer of Equity Shares of the Company of Face Value of Rs.10/- (Rupees Ten only) each pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14) In the BM held on 29/09/2025, approved the Re-appointment of Mr. Venkatachala Chakrapani Redla as Managing Director for a period of 5 years with effect from 30.09.2025 and recommended to the Members of the Company for their approval.

15) In the 20th Annual General Meeting held on 30/09/2025, the Members of the Company approved the Re-appointment of Mr. Venkatachala Chakrapani Redla as Managing Director for a period of 5 years with effect from 30.09.2025.

16) In the BM held on 03/11/2025, M/s. P.R.Datla & Co., Chartered Accountants, the existing Statutory Auditors of the Company have tendered their resignation with effect from 31.10.2025.

17) In the EGM held on 10/11/2025, the Members of the Company approved the appointment of M/s. M Bhaskara Rao & Co., Chartered Accountants as new Statutory Auditors to fill the casual vacancy caused due to the resignation of existing Statutory Auditors who shall hold office till the ensuing Annual General Meeting to audit the accounts for financial year

2025-26.

18) In the ICM held on 16/12/2025, the Committee approved the issuance and publication of Corrigendum to DRHP.
19) The Company by passing 2 / 2025-26 Circular Resolution on 23/12/2025 approved the Reclassification of category of directorship of Mr. Nagarjun Redla in the Company from Professional to Promoter.
20) In the ICM held on 26/12/2025, the Committee approved the issuance of Addendum to DRHP.
21) In the ICM held on 26/12/2025, the Committee authorised to include the revised data in the Updated DRHP, Red Herring Prospectus and Prospectus as and when filed with the ROC, SEBI, NSE and the BSE.
22) The Company received In-principal approval on DRHP from BSE and NSE on 31/12/2025.
23) The Company received SEBI final observation letter on DRHP on 04/02/2026, and the Company replied on 18/02/2026.
24) The Company has maintained the Structured Digital Database (SDD) software.

Reporting of Fraud as per Section 143(12) and (14) of the Act

As an Auditor in the course of performance of my duties as Auditor, no offence of fraud involving the prescribed amounts is being or has been committed against the Company by its officers or employees of the Company for which the matter is to be reported to the Central Government or Audit Committee or Board of Directors of the Company.

Note: This report is to be read with my letter of even date which is annexed as Annexure – 'A' forming an integral part of this report.

C.N.Kranthi Kumar
Company Secretary in Practice
M.No.F9255 CP No.13889
UC - I2014AP1227000
PR - 6218/2024
UDIN: F009255H000432601

Place: Hyderabad
Date: 21/05/2026

ANNEXURE - ‘A’

To
The Members
Aarvee Engineering Consultants Limited
(Formerly Aarvee Associates Architects Engineers and Consultants Private Limited)

Based on audit, my responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. I have conducted the audit in accordance with the applicable auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These Standards require that the Auditor complies with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.

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

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

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test 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. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company and for which I relied on the reports / information of statutory / internal auditors.

4. Where ever required, I have obtained the management representation about the compliance of laws, rules, regulations, guidelines and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. 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.

C.N.Kranthi Kumar
Company Secretary in Practice
M.No.F9255 CP No.13889
UC - I2014AP1227000
PR - 6218/2024
UDIN: F009255H000432601

Place: Hyderabad
Date: 21/05/2026

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491

Standalone Balance Sheet as at 31 March 2026

(All amounts in ₹ millions, except share data and where otherwise stated)

	Note No.	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3	455.28	428.70
Intangible assets	4	19.44	20.43
Right of use assets	5	234.14	154.11
Financial assets			
i) Investments	6	127.83	127.83
ii) Loans	7	330.12	77.32
iii) Other financial assets	8	204.39	122.67
Deferred tax assets (Net)	9	202.59	179.66
Non Current Tax Asset (Net)	15	133.73	138.11
Other non-current assets	10	330.77	210.75
Total non-current assets		**2,038.29**	**1,459.58**
Current assets			
Financial assets			
i) Trade receivables	11	2,199.92	1,466.42
ii)Cash and cash equivalents	12	41.59	53.65
iii) Loans	13	58.18	52.74
iv) Other financial assets	14	435.59	384.88
Other current assets	16	1,386.11	883.36
Total current assets		**4,121.39**	**2,841.05**
Total assets		**6,159.68**	**4,300.63**
Equity and liabilities			
Equity			
Equity share capital	17	430.95	420.00
Other equity	18	3,000.85	2,013.82
Total equity		**3,431.80**	**2,433.82**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	41.60	76.18
Lease liabilities	20	187.61	123.69
Provisions	21	286.32	208.73
Total non-current liabilities		**515.53**	**408.59**
Current liabilities			
Financial liabilities			
Borrowings	22	815.01	461.04
Lease liabilities	20	77.89	57.28
Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	23	103.01	84.72
Total Outstanding dues of other than micro enterprises and small enterpris		418.14	167.59
Others financial liabilities	24	-	1.64
Other current liabilities	25	721.03	634.79
Provisions	26	77.27	51.15
Total current liabilities		**2,212.35**	**1,458.21**
Total equity and liabilities		**6,159.68**	**4,300.63**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd/-

K S Mahidhar
Partner
Membership No: 220881

Place: Hyderabad
Date: 29-05-2026

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Sd/-

R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-

R. Sneha
Director
DIN: 09592284

Sd/-

V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

Sd/-

Sugandha Khandelwal
Company Secretary
M No: A48323

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491
Standalone Statement of profit and loss for the year ended 31 March 2026
(All amounts in ₹ millions, except share data and where otherwise stated)

	Note No.	For the Year ended 31 March 2026	31 March 2025
Income			
Revenue from operations	27	6,712.61	5,545.39
Other income	28	108.14	71.69
Total income		**6,820.75**	**5,617.08**
Expenses			
Employee Benefits Expense	29	3,296.86	2,679.61
Consultancy and Technical Charges	30	1,853.79	1,485.97
Finance Cost	31	157.28	141.91
Depreciation and Amortisation expense	32	174.12	133.58
Other Expenses	33	451.48	392.30
Total expenses		**5,933.53**	**4,833.37**
Profit before exceptional items and tax		887.22	783.71
Exceptional items	34	49.71	-
Profit before tax		**837.51**	**783.71**
Tax expense			
Current tax		238.83	209.52
Deferred tax		(29.41)	5.35
Total tax expense		**209.42**	**214.87**
Profit after tax		**628.09**	**568.84**
Other comprehensive income			
Item that will not be reclassified subsequently to the statement of profit and loss			
Remeasurements of post-employment benefit obligation		25.75	(12.55)
Income tax effect on the above		(6.48)	3.16
Total other comprehensive income for the year, net of tax		**19.27**	**(9.39)**
Total comprehensive income for the year attributable to equity shareholders		**647.36**	**559.45**
Earnings per equity share [EPS] (in ₹)	40		
Basic		14.73	13.54
Diluted		14.73	13.54
Face value per share		10.00	10.00

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd/-
K S Mahidhar
Partner
Membership No: 220881

Place: Hyderabad
Date: 29-05-2026

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Sd/-
R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-
R. Sneha
Director
DIN: 09592284

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AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491
Standalone Statement of Cashflow for the year ended 31 March 2026
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Cashflow from operating activities		
Profit before tax	**837.51**	**783.71**
Adjustment for:		
Finance Cost	157.28	141.91
Profit on sale of assets	(1.32)	-
Interest on deposits	(29.75)	(27.09)
Depreciation on tangible and intangible assets	82.63	73.75
Depreciation on ROU assets	91.49	59.83
Operating profit before working capital changes	**1,137.84**	**1,032.09**
Working capital adjustments :		
(Increase)/Decrease in other non-current assets	(120.02)	92.68
(Increase)/Decrease in loans	(258.25)	(14.99)
(Increase)/Decrease in other financial assets	(132.43)	(342.16)
(Increase)/Decrease in other assets	(502.33)	(60.10)
(Increase)/Decrease in trade receivables	(733.50)	(302.09)
Increase /(Decrease) in trade payables	268.85	52.95
Increase/(Decrease) in financial liabilities	(1.64)	(77.09)
Increase /(Decrease) in other liabilities	86.25	90.36
Increase /(Decrease) in lease liabilities	84.54	(24.80)
Increase /(Decrease) in provisions	123.01	41.59
Cash generated from/(used in) operations	**(47.69)**	**488.45**
Direct taxes paid (net)	(228.41)	(286.09)
Net cash generated from/(used in) operating activities (A)	**(276.11)**	**202.35**
Cash flow from investing activities		
Purchase of property and equipment, including intangible assets	(108.52)	(123.05)
Right of use assets	(171.51)	(30.05)
Proceeds from sale of assets	1.63	-
Investment in subsidiary	-	(127.82)
Movement in foreign currency translation reserve	-	(27.75)
Interest received on fixed deposits	29.75	27.09
Net cash generated from/ (used in) investing activities (B)	**(248.66)**	**(281.58)**
Cash flow from financing activities		
Interest paid	(134.71)	(123.32)
Interest paid on lease liabilities	(22.58)	(18.59)
Net Prcoceeds from Borrowings- Current	319.38	173.08
Prcoeeds from issue of equity share capital	350.62	-
Net cash generated from/ (used in) financing activities (C)	**512.71**	**31.17**
Net increase in cash and cash equivalents (A)+(B)+(C)	**(12.06)**	**(48.06)**
Cash and cash equivalents at the beginning of the year	**53.65**	**101.71**
Cash and cash equivalents at the end of the year (Refer Note)	**41.59**	**53.65**
Note 1:		
Components of Cash and Cash equivalents (Refer Note 12)		
Cash and cash equivalents		
Balances with bank	**41.34**	**53.43**
Cash on hand	**0.25**	**0.22**
Cash and cash equivalents at the end of the year	**41.59**	**53.65**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd/-

K S Mahidhar
Partner
Membership No: 220881

Place: Hyderabad
Date: 29-05-2026

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private

Sd/-

R. V. Chakrapani
Managing Director
DIN:00576037

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R. Sneha
Director
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V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

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Sugandha Khandelwal
Company Secretary
M No: A48323

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

CIN: U74200TG2005PLC045491

Standalone Statement of changes in equity as on 31 March 2026

(All amounts in ₹ millions, except share data and where otherwise stated)

A. Equity share capital

Equity Shares of ₹10 each issued, subscribed and fully paid up

	Number of shares	Amount
As at 1 April 2024	**60,00,000**	**60.00**
Bonus Shares issued during the year	3,60,00,000	360.00
As at 31 March 2025	**4,20,00,000**	**420.00**
Allotted during the year	10,94,812	10.95
As at 31 March 2026	**4,30,94,812**	**430.95**

B. Other equity

	Securities Premium	Retained earnings	Other Comprehensive Income	Total
Balance as at 1 April 2024		1,779.57	35.21	**1,814.78**
Profit for the year		568.84		**568.84**
Issue of Bonus Shares		(360.00)		**(360.00)**
Remeasuremnt of the net defined benefit liability/assets, net of tax asset		-	(9.38)	**(9.38)**
Balance as at 31 March 2025	-	1,988.41	25.83	**2,014.24**
Profit for the year		628.09		**628.09**
On allottment of shares	339.67			**339.67**
Remeasuremnt of the net defined benefit liability/assets, net of tax asset			19.27	**19.27**
Balance as at 31 March 2026	**339.67**	**2,616.50**	**45.10**	**3,001.27**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd/-
K S Mahidhar
Partner
Membership No: 220881

Place: Hyderabad
Date: 29-05-2026

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Sd/-
R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-
R. Sneha
Director
DIN: 09592284

Sd/-
V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

Sd/-
Sugandha Khandelwal
Company Secretary
M No: A48323

AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491
Summary of significant accounting policies and other explanatory information
(All amounts in ₹ millions, except share data and where otherwise stated)

1. Corporate information

AARVEE ENGINEERING CONSULTANTS LIMITED (formerly known as Aarvee Engineering Consultants Private Limited, erstwhile known as Aarvee Associates Architects Engineers & Consultants Pvt Ltd)) (The Company) is a global leader in infrastructure consultancy, delivering world-class solutions across multiple sectors. Established with a commitment to technical excellence, simplicity in engineering and innovation Aarvee has consistently delivered many complex and transformative projects across the globe. The Company is a public limited domiciled in India and is incorporated under the provisions of Companies Act, applicable in India. The registered office of the Company is located at 8-2-5, Ravula Residency, Srinagar Colony Main Road, Punjagutta, Hyderabad-500082, Telangana, India.

2. Basis of preparation

i) Purpose of Financial Statements and Framework

These financial statements ("the Financial Statements") have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The Standalone financial statements were authorized and approved for issue by the Board of Directors on 29 May 2026

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective as at 31 March 2026.

The financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value. The Company has uniformly applied the accounting policies during the periods presented.

Monetary amounts are expressed in Indian Rupee (₹) millions and are rounded off to two decimals , except for share data and earning per share. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

ii) Current versus non-current classification:

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

iii) Foreign currency transactions

1. Functional currency

The financial statements are presented in Indian Rupees (₹), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.Transactions

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the financial statements of the reporting entity.

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

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iv) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving significant judgement and estimates are as follows:

- Estimation of useful life of property and equipment and intangible asset
- Impairment of non-financial assets
- Estimation of defined benefit obligation
- Taxes on Income

• Estimation of useful life of property and equipment and intangible asset

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management at the time the asset is acquired and reviewed periodically, including at each financial year end, determines the useful lives and residual values of Company's assets. The lives are based on historical experience with similar assets as well as anticipation of future events, which may affect their life, such as changes in technology. The estimated useful life is reviewed at least annually.

• Impairment of non-financial assets

Property and equipment and intangible assets are tested for impairment whenever events occur or changes in circumstances indicate that the recoverable amount is less than its carrying value. The calculation of value in use and fair value involves use of significant estimates and assumptions, which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions.

• Estimation of defined benefit obligation

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

• Taxes on Income

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

• Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) 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, regardless of when the payment is being made. To determine whether the Company should recognize revenues, the Company follows 5-step process:

(i) identifying the contract, or contracts, with a customer

(ii) identifying the performance obligations in each contract

(iii) determining the transaction price

(iv) allocating the transaction price to the performance obligations in each contract

(v) recognizing revenue when, or as, we satisfy performance obligations by transferring the promised goods or services

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods and services to the customer. Control over a promised good or service refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from those goods or services. Control is usually transferred upon transfer of legal title or the goods or as services are rendered, in accordance with the terms agreed with the customers. The amount of sales to be recognised (transaction price] is based on the consideration the Company expects to receive in exchange for its goods and services. excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices.

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

Financial asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category and any financial asset which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

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

In addition, the Company may elect to designate an instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint ventures at cost less impairment loss (if any). The investment in preference shares with the right of surplus assets which are in the nature of equity in accordance with Ind AS 32 are treated as separate category of investment and measured at FVTOCI.

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; It evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

• The rights to receive cash flows from the asset have expired, or

• Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

For Trade receivables, The Company applies time value of money basis, which means the company considers the present value of trade receivables that are outstanding for more than one year and so on considering the effective rate of interest which the company uses for its working capital borrowings. The Company also considers historical defaults of its customers to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default and working capital rates are reviewed and analysed.

For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

b) Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade payables, and other payables.

Subsequent measurement

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

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR (Effective Interest Rate) method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

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

Derecognition

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

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c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Reclassification of financial assets

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

vii) Income tax

Income tax expense comprises current and deferred income tax. It is recognized in net profit in the Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Provision for current tax is made under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions as per the provisions of Income Tax Act, 1961.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

viii) Property and equipment

All items of property and equipment are initially recorded at cost. Cost of property and equipment comprises purchase price, non-refundable taxes, levies, and any directly attributable cost of bringing the asset to its working condition for the intended use. After initial recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the cost of replacing part of the property and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property and equipment.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of property and equipment and gains or losses arising from disposal of property and equipment are recognized in statement of profit and loss in the year of occurrence.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Residual value of property plant and equipment is upto 5% of the original cost till such assets is disposed. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives used by the Company are in line with the rates prescribed under Schedule II of the Companies Act 2013.

Depreciation on property, plant and equipment is provided on the straight line method based on useful life of the assets estimated by the Management.

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Asset class	**Useful life**
Computer equipment	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Other equipment	10 years
Vehicles	10 years
Leasehold improvements	10 years
Buildings	60 years

ix) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is charged to profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

The amortization expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Residual value of intangible assets is upto 5% of the original cost till such assets is disposed.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

x) Impairment of non-financial assets

The carrying amounts of the Company’s tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are Companyed together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Companys of assets.

An impairment loss is recognised in the statement of profit or loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been previously recognised.

xi) Lease

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as lessee

The Company’s leased assets consist of leases for building. The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
a. the contract involves the use of an identified asset
b. the Company has substantially all the economic benefits from use of the asset through the period of the lease and
c. the Company has the right to direct the use of the asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. ROU asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

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The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in consolidated statement of income.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

xii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, fixed deposits with an original maturity of three months or less and highly liquid assets, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and fixed deposits, as defined above, as they are considered an integral part of the Company's cash management.

xiii) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xiv) Provisions, contingent liabilities and contingent assets

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

xv) Employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

Gratuity

The liability recognised in the under provisions note in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the

Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to Statement of Profit and Loss in a subsequent period. Further, as required under Ind AS compliant Schedule III, the Company transfers those amounts recognized in other comprehensive income to retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Other employee benefits

Leave encashments

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include leave encashments which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such leave encashments is accounted as under :
(a) in case of accumulated leave encashments, when employees render the services that increase their entitlement of future leave encashments; and
(b) in case of non-accumulating leave encashments, when the absences occur.

Leave encashments which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligations at the Balance Sheet date based on actuarial valuation by an independent actuary using the Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under the defined benefit plan are based on the market yields on government bonds as at the Balance Sheet date.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of Profit and Loss in the period in which such services are rendered.

xvi) Equity and reserves

- Share capital represents the nominal (par) value of shares that have been issued.

Other components of equity include:

- Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets
- Retained earnings includes all current and prior period retained profits
- Capital reserve due to Gain on Bargain purchase

xvii) Segment reporting

Operating segments are reported in manner consistent with the internal reporting provided to the chief operating decision maker. The Managing Director is responsible for the allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker. The Company is principally engaged in a single segment business i.e. services .

xviii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xix) Fair value measurement

The Company measures financial instrument such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability - or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Currently the Company carries those instruments where in level 1 inputs of the above-mentioned fair value hierarchy is used.

xx) Recent accounting pronouncements

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

MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

1 Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-

current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2 Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3 Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments.

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Notes to the Standalone Financial Statements for the Year ended 31 March 2026
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3 Property, plant and equipment

	Land	Buildings	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Other equipment	Leasehold improvements	Total
Deemed Cost									
As at 1 April 2024	**30.83**	**71.64**	**81.18**	**66.64**	**189.22**	**162.57**	**211.07**	**7.46**	**820.61**
Additions during the year	1.50	45.44	15.40	19.03	11.37	31.34	5.07		129.15
Disposals during the year				(22.84)					(22.84)
As at 31 March 2025	**32.33**	**117.08**	**96.58**	**62.83**	**200.59**	**193.91**	**216.14**	**7.46**	**926.92**
Additions during the year	-	-	11.43	3.22	16.13	37.20	4.16	28.61	100.76
Disposals during the year				(1.52)	(4.61)				(6.13)
As at 31 March 2026	**32.33**	**117.08**	**108.01**	**64.52**	**212.12**	**231.11**	**220.30**	**36.07**	**1,021.54**
Accumulated depreciation									
Up to 1 April 2024	**-**	**10.16**	**52.36**	**28.46**	**150.27**	**125.21**	**75.47**	**5.09**	**447.02**
Charge for the year		2.15	5.18	5.93	9.85	20.19	18.85	0.43	62.58
On disposals				(11.40)					(11.40)
Up to 31 March 2025	**-**	**12.31**	**57.53**	**23.00**	**160.12**	**145.40**	**94.32**	**5.52**	**498.20**
Charge for the year	-	2.28	6.35	5.31	12.20	27.82	19.12	0.81	73.89
On disposals				(1.44)	(4.38)				(5.82)
As at 31 March 2026	**-**	**14.59**	**63.88**	**26.86**	**167.93**	**173.22**	**113.44**	**6.34**	**566.27**
Net block									
As at 31 March 2026	**32.33**	**102.49**	**44.13**	**37.66**	**44.18**	**57.89**	**106.86**	**29.73**	**455.28**
As at 31 March 2025	**32.33**	**104.78**	**39.05**	**39.83**	**40.47**	**48.51**	**121.82**	**1.93**	**428.70**

4 Intangible assets

	Computer software
Deemed Cost	
As at 1 April 2024	**146.71**
Additions during the year	5.34
Disposals during the year	-
As at 31 March 2025	**152.05**
Additions during the year	7.76
Disposals during the year	-
As at 31 March 2026	**159.81**
Accumulated amortization	
Up to 1 April 2024	**120.45**
Charge for the year	11.18
On disposals	
Up to 31 March 2025	**131.63**
Charge for the year	8.74
On disposals	
As at 31 March 2026	**140.36**
Net block	
As at 31 March 2026	**19.44**
As at 31 March 2025	**20.43**

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5 Right of use assets

	Leasehold properties	Total
Gross block		
As at 01 April 2024	**339.06**	**339.06**
Additions during the year	34.63	**34.63**
Disposals during the year	(4.58)	**(4.58)**
As at 31 March 2025	**369.11**	**369.11**
Additions during the year	171.52	**171.52**
Disposals during the year	-	**-**
As at 31 March 2026	**540.64**	**540.64**
Accumulated depreciation		
Up to 01 April 2024	**155.18**	**155.18**
Charge for the year	59.83	**59.83**
On disposals		-
Up to 31 March 2025	**215.01**	**215.01**
Charge for the year	91.49	**91.49**
On disposals	-	-
As at 31 March 2026	**306.50**	**306.50**
Net block		
As at 31 March 2026	**234.14**	**234.14**
As at 31 March 2025	**154.10**	**154.11**

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	As at 31 March 2026	As at 31 March 2025
6 Non-Current investments		
Investments at cost		
a. Investment in Equity Instruments (Un-quoted) (Refer Note-51)		
i) Subsidiaries		
Aarvee Engineering Conusltants Pty Ltd	0.01	0.01
100 equity shares (31.03.2025 - 100) of AUD 1 each, fully paid.		
Aarvee Associates Ltd	0.01	0.01
100 equity shares (31.03.2025- 100) of GBP 1 each, fully paid.		
NAG Infrastructure Consulting Engineers Private Limited	126.36	126.36
4,80,288 Equity Shares (31.03.2025 - 4,80,288) of Rs.10 each fully paid.		
SRA OSS India Private Limited	0.10	0.10
10,000 Equity Shares (31.03.2025 - 10,000) of Rs.10 each fully paid		
Hyve Global Engineering Private limited	1.34	1.34
10,000 Equity Shares (31.03.2025 - 10,000) of Rs.10 each fully paid		
ii) Investment in Other Entities		
Onapakshi LLP	0.02	0.02
Durgamchervu Collective LLP	0.001	0.001
	127.83	**127.83**
Aggregate amount of quoted investments and market value	-	-
Aggregate amount of unquoted investments	127.83	127.83
Aggregate provision for impairment in value of investments	-	-
7 Loans -Non-current		
Loans and advances to related parties		
Unsecured,Considered good		
Subsidiary companies	330.12	77.32
	330.12	**77.32**
8 Other financial assets - Non-current		
Unsecured, considered good		
Deposits with bank *	117.46	72.89
Other Deposits	45.56	26.80
Receivables from Others	41.37	22.98
	204.39	**122.67**
Deposits - Credit Impaired	15.15	15.15
Less: Provision for expected credit loss	(15.15)	(15.15)
	-	-
	204.39	**122.67**

*Includes margin money deposits against bank guarantees and deposits marked as lien

	As at 31 March 2026	As at 31 March 2025
9 Deferred tax asset/(liability) (net)		
Deferred tax liability (Gross)		
Property and equipment	-	-
	-	-
Deferred tax asset (Gross)		
Property and equipment	7.58	8.73
Provision for expected credit loss on doubtful receivables	77.64	77.64
Provision for expected credit loss on other assets	28.51	28.51
Provision for employee benefits	88.86	64.78
	202.59	**179.66**
Net deferred tax asset/(liability)	**202.59**	**179.66**

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10 Other Non-current assets

Unsecured, considered good		
Capital advances	6.60	8.57
Prepaid expenses	39.93	12.08
Security deposits withheld by clients	136.46	72.69
Retention deposits withhled by clients	36.09	52.77
Other withheld by clients	111.69	64.64
	330.77	210.75
Security deposits withheld by clients - Credit Impaired	1.98	1.98
Less: Provision for expected credit loss	(1.98)	(1.98)
Retention deposits withheld by clients - Credit Impaired	1.44	1.44
Less: Provision for expected credit loss	(1.44)	-1.44
Other withheld by clients - Credit Impaired	1.76	1.76
Less: Provision for expected credit loss	(1.76)	(1.76)
Other assets- Credit Impaired	182.79	182.79
Less: Provision for expected credit loss	(182.79)	(182.79)
	330.77	**210.75**

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	As at 31 March 2026	As at 31 March 2025
11 Trade receivables		
Unsecured		
Considered good	2,199.92	1,466.42
Trade Receivables - Credit Impaired	303.29	303.29
Less: Provision for expected credit loss	(303.29)	(303.29)
	2,199.92	**1,466.42**

The movements in the loss allowance for doubtful trade receivables are as follows:

Balance at the beginning of the year	303.29	300.99
Allowance during the year	-	2.30
Balance at the end of the year	**303.29**	**303.29**

Trade receivables ageing schedule

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026							
(i) Undisputed trade receivables – considered good	-	1,760.15	260.85	106.90	62.26	9.76	**2,199.92**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	11.36	11.35	280.58	**303.29**
(iv) Disputed trade receivables	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
(vii) Provision for expected credit loss			-	(11.36)	(11.35)	(280.58)	**(303.29)**
Total	**-**	**1,760.15**	**260.85**	**106.90**	**62.26**	**9.76**	**2,199.92**

	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025							
(i) Undisputed trade receivables – considered good	-	1,323.67	52.63	75.38	3.48	11.26	**1,466.42**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	11.36	11.35	9.35	271.23	**303.29**
(iv) Disputed trade receivables	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
(vi) Provision for expected credit loss			(11.36)	(11.35)	(9.35)	(271.23)	**(303.29)**
Total	**-**	**1,323.67**	**52.63**	**75.38**	**3.48**	**11.26**	**1,466.42**

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12	**Cash and cash equivalents**		
	Balances with banks		
	- In current accounts	41.34	53.43
	Cash on hand	0.25	0.22
		41.59	**53.65**
13	**Loans - Current**		
	Unsecured, considered good		
	Loans to employees	1.71	1.47
	Loan to others	56.47	51.27
		58.18	**52.74**
14	**Other financial assets - Current**		
	Unsecured, considered good		
	Advance other than receivable in cash	1.39	-
	Interest accrued but not due on deposits	13.05	13.72
	Other deposits	0.53	15.61
	Deposits with bank	384.05	343.24
	Advance to Vendors	36.57	12.31
		435.59	**384.88**
15	**Non Current Tax Assets (Net)**		
	Advance Tax	600.55	347.76
	Less: Provision for Income Tax	(466.81)	(209.65)
		133.73	**138.11**
16	**Other assets - Current**		
	Unsecured, considered good		
	Balances with government authorities	128.53	148.08
	Earnest money deposits	35.38	43.58
	Contract assets-Unbilled revenue	925.76	543.50
	Prepaid expenses	96.20	76.07
	Other Receivables	200.24	72.13
		1,386.11	**883.36**

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	As at 31 March 2026	As at 31 March 2025
17 Share capital		
Authorised		
7,50,00,000 (31 March 2025: 7,50,00,000) equity shares of ₹10 each	750.00	750.00
Issued, subscribed and fully paid-up		
4,30,94,812 (31 March 2025: 4,20,00,000) equity shares of ₹10 each	430.95	420.00
	430.95	**420.00**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	Amount	Number of equity shares	Amount
Shares outstanding at the beginning of the year	4,20,00,000	420.00	60,00,000	60.00
Add: Allotted during the year*	10,94,812	10.95	3,60,00,000	360.00
Shares outstanding at the end of the year	**4,30,94,812**	**430.95**	**4,20,00,000**	**420.00**

*Company issued 36 Million bonus shares of Rs. 10 each during 2024-25 amounting to Rs. 360 Million

(b) Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays

(c) Details of shareholders holding more than 5% equity shares in the Company

	As at 31 March 2026		As at 31 March 2025	
	No. of equity shares	% of holding	No. of equity shares	% of holding
R.V.Chakrapani	3,78,09,800	87.74%	3,78,09,800	90.02%
R. Sneha	20,93,000	4.86%	20,93,000	4.98%

(d) Shares held by the promoters*:

Promoter name	As at 31 March 2026		As at 31 March 2025		
	No. of equity shares	% of holding	No. of equity shares	% of holding	% of change during the year
R.V.Chakrapani	3,78,09,800	87.74%	3,78,09,800	90.02%	2.29%
Redla Sneha	20,93,000	4.86%	20,93,000	4.98%	0.13%
Redla Nagarjuna	11,76,000	2.73%	11,76,000	2.80%	0.07%

*Promoter here means promoter as defined in the Companies Act, 2013. Details of list of promoters has been considered as per forms filed with registrar of companies for respective

Promoter name	As at 31 March 2025		As at 31 March 2024		
	No. of equity shares	% of holding	No. of equity shares	% of holding	% of change during the year
R.V.Chakrapani	3,78,09,800	90.02%	54,01,380	90.02%	0.00%
Redla Sneha	20,93,000	4.98%	-	0.00%	-4.98%
Redla Nagarjuna	11,76,000	2.80%	-	0.00%	-2.80%

*Promoter here means promoter as defined in the Companies Act, 2013. Details of list of promoters has been considered as per forms filed with registrar of companies for respective

(e) Other details of equity shares for the period of five years immediately preceeding 31 March 2026 and 2025

As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
No. of equity shares				

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Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
During the year ended March 31,2025	-	3,60,00,000	-	-	-
Aggregate number and class of shares allotted as fully paid by way of bonus shares	-	**3,60,00,000**	-	-	-

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	As at 31 March 2026	As at 31 March 2025
18 Other equity		
Securities Premium		
Opening Balance	-	-
Add: Premium on issue of share capital	339.67	-
Closing Balance	**339.67**	**-**
Retained earnings		
Opening Balance	1,987.99	1,779.15
Profit during the year	628.09	568.84
Issue of Bonus Shares		(360.00)
Other		-
Closing Balance	**2,616.08**	**1,987.99**
Other comprehensive income		
Remeasurement of Defined Benefit Plan		
Opening Balance	25.83	35.21
Movement during the year	19.27	(9.38)
Closing Balance	**45.10**	**25.83**
Total other equity	**3,000.85**	**2,013.82**

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	As at 31 March 2026	As at 31 March 2025
19 Borrowings- Non Current		
Term Loans- Secured at Amortised Cost		
From Banks	73.25	135.07
Less: Current maturities of Non-Current Borrowings (Refer Note 22)	(31.65)	(58.89)
	41.60	**76.18**

A.Terms and Repayment Schedule

	Currency	Note Ref	Interest Rate	Tenure	Carrying Amount As at 31 March 2026	Carrying Amount As at 31 March 2025
Term Loans						
SBI Term Loan - Capex	INR	(a)	10.95%	36 Months	1.41	8.34
SBI TERM Loan - GECL - 1	INR	(a)	8.65%	36 Months	4.04	34.61
Yes Bank Term Loan - GECL - 2	INR	(b)	9.25%	60 Months	11.48	25.05
Housing Loans						
HDFC	INR	(c)	8.15%	180 Months	33.20	37.35
ICICI Bank	INR	(c)	7.50%	60 Months	5.21	7.13
Car Loans						
HDFC Car Loan -1	INR	(d)	8.46%	60 Months	4.72	7.92
HDFC Car Loan - 2	INR	(d)	9.00%	60 Months	9.68	12.21
SBI Car Loan - I	INR	(a)	9.85%	36 Months	1.83	2.45
SBI Car Loan - II	INR	(a)	10.15%	36 Months	1.68	-
					73.25	**135.07**

(The above loans are repayable in monthly installments)

B. Terms

(a) These loans are secured by way of hypothecation and first charge on plant & equipments, other equipments, respective vehicles and entire current assets including receivables .
(both present and future) and term deposits of the Company.
First charge by way of mortgage on immovable properties owned by the company and first charge by way of immovable properties as mentioned in the loan agreement, owned by
Sri R.V.Chakrapani, Managing Director of the Company and Smt K.Nirmala, wife of R.V.Chakrapani.
These loans are secured by way of pledge and first charge on 30 % of shares held by Sri R.V.Chakrapani.
These loans are further secured by way of personal guarantees of Sri R.V.Chakrapani, Smt K.Nirmala and Sri B. Venkateswara Reddy.

(b) These loans are secured by way of hypothecation and second charge on entire current assets including receivables of the Company (both present and future).

Second charge by way of mortgage on immovable properties owned as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, and Smt K.Nirmala.
These loans are secured by way of pledge and second charge on 30 % of shares held by Sri R.V.Chakrapani.

(c) These loans are secured by way of mortagage of specific immovable property of the Company.

(d) These loans are secured by way of mortagage of specific movable property of the Company.

C. Breach of Covenants
The Company has satisfied all the covenants prescribed in terms of borrowings.

D. Reconciliation of movement of liabilities to cash flows arising from financing activities

	Term Loans
Opening as 01 April 2024	**199.18**
Add: Fresh loans	184.67
Add: Interest accruals	19.32
Less: payments	(268.08)
Closing as on 31 March 2025	**135.08**
Cash flows from financing activities	**(64.10)**

	Term Loans
Opening as 01 April 2025	**135.08**
Add: Fresh loans	2.50
Add: Interest accruals	9.90

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Less: payments	(74.23)
Closing as on 31 March 2026	**73.25**
Cash flows from financing activities	**(61.83)**

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	As at 31 March 2026	As at 31 March 2025
20 Lease liabilities		
Non-current lease liabilities	187.61	123.69
	187.61	**123.69**
Current lease liabilities	77.89	57.28
	77.89	**57.28**

Following is the movement in lease liabilities:

Balance at as at 1st April 2024	**205.77**
Additions/ (Deletions) during the year	29.62
Finance cost accrued during the year	18.59
Payment of lease liabilities	(73.01)
Balance at as at 31 March 2025	**180.97**
Additions/ (Deletions) during the period	172.44
Finance cost accrued during the period	22.58
Payment of lease liabilities	(110.49)
Balance at as at 31 March 2026	**265.51**

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	As at 31 March 2026	As at 31 March 2025
21 Provisions- Non-current		
Provision for gratuity (Refer note no. 37)	240.64	177.77
Provision for leave encashment (Refer note no. 37)	45.68	30.96
	286.32	**208.73**
22 Borrowings – Current		
Secured		
Working Capital Loans		
From Banks		
Cash Credit	731.52	346.59
Working Capital Demand Loans	51.85	55.56
	783.37	**402.15**
Add:Current maturities of Non-Current Borrowings	31.65	58.89
Total	**815.01**	**461.04**

			Carrying amount	
	Note Ref	**Interest Rate**	**As at 31 March 2026**	**As at 31 March 2025**
State Bank of India	(a)	9.90%	204.95	-
Yes Bank	(b)	8.18%	492.03	346.59
ICICI Bank	(c)	9.35%	34.54	-
ICICI Working capital Term Loan	(d)	9.75%	51.85	55.56
			783.37	**402.15**

1. Notes

(a) These loans are secured by way of hypothecation and first charge on plant & equipments, other equipments, respective vehicles and entire current assets including receivables . (both present and future) and term deposits of the Company.
First charge by way of mortgage on immovable properties owned by the company and first charge by way of immovable properties as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, Managing Director of the Company and Smt K.Nirmala, wife of R.V.Chakrapani.
These loans are secured by way of pledge and first charge on 30 % of shares held by Sri R.V.Chakrapani.
These loans are further secured by way of personal guarantees of Sri R.V.Chakrapani, Smt K.Nirmala and Sri B. Venkateswara Reddy.

(b) These loans are secured by way of hypothecation and second charge on entire current assets including receivables of the Company (both present and future).
Second charge by way of mortgage on immovable properties owned as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, and Smt K.Nirmala.
These loans are secured by way of pledge and second charge on 30 % of shares held by Sri R.V.Chakrapani.

(c) These loans are secured by way of first parri passu charge on plant & equipments, other equipments, respective vehicles and entire current assets including receivables . (both present and future) and term deposits of the Company along with other loan providers
First parri passu charge on immovable properties owned by the company and on immovable properties as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, Managing Director of the Company and Smt K.Nirmala, wife of R.V.Chakrapani along with other loan providers.
These loans are secured by way of first parri passu charge on 30 % of shares held by Sri R.V.Chakrapani along with other loan providers.

(d) The Company has satisfied all the covenants prescribed in terms of borrowings

(e) The above loans are repayable in monthly installments

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

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(All amounts in ₹ millions, except share data and where otherwise stated)

23 Trade payables

Total Outstanding dues of micro enterprises and small enterprises	103.01	84.72
Total Outstanding dues of other than micro enterprises and small enterprises	418.14	167.59
	521.15	**252.30**

Ageing for Trade Payables

A) Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

B) Ageing schedule:

Trade payable as on 31 March 2026

Particulars		**Outstanding for following periods from due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 Years**	**Total**
(i) MSME		103.01				**103.01**
(ii) Others		405.39	11.85	0.40	0.51	**418.14**
(iii) Disputed dues – MSME			-	-	-	-
(iv) Disputed dues - Others	-		-	-	-	-
Total	**-**	**508.40**	**11.85**	**0.40**	**0.51**	**521.15**

Trade payable as on 31 March 2025

Particulars		**Outstanding for following periods from due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 Years**	**Total**
(i) MSME		84.22	0.47	0.03	-	**84.72**
(ii) Others		165.54	1.66	0.38	-	**167.58**
(iii) Disputed dues – MSME			-	-	-	-
(iv) Disputed dues - Others	-		-	-	-	-
Total	**-**	**249.76**	**2.13**	**0.41**	**-**	**252.30**

	As at 31 March 2026	**As at 31 March 2025**
24 Other financial liabilities		
Other Payables	-	1.64
	-	**1.64**
25 Other current liabilities		
Statutory dues	182.03	218.83
Mobilisation advances from customers	175.61	197.21
Payable to employees	359.92	218.75
Other Payables	3.47	-
	721.03	**634.79**
26 Provisions- Current		
Provision for leave encashment (Refer note no. 37)	11.20	9.91
Provision for gratuity (Refer note no. 37)	55.57	38.72
Provision for CSR	10.50	2.52
	77.27	**51.15**

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		Year ended 31 March 2026	Year ended 31 March 2025
27	**Revenue from operations**		
	Sale of Services	6,712.61	5,545.39
		6,712.61	**5,545.39**
(i)	**Disaggregation of revenue - based on geography**		
	India	6,194.93	4,962.22
	Rest of the world	517.68	583.17
		6,712.61	**5,545.39**
(ii)	**Disaggregation of revenue - based on timing of revenue recognition**		
	Revenue recognized over time	1,926.32	1,943.01
	Revenue recognized at a point in time	4,786.29	3,602.38
		6,712.61	**5,545.39**

Note*
1. Revenue from operation include unbilled income of Rs. 925.76 Million (Previous Year Rs. 543.50 Million)

		Year ended 31 March 2026	Year ended 31 March 2025
28	**Other income**		
	Interest income on		
	- Deposits with bank	29.75	27.09
	-Unsecured loan	16.42	11.05
	Profit on Sale of Assets	1.32	-
	Unrealised Exchange Gain	21.86	-
	Exchange Gain on Foreign Branches Translation	4.01	-
	Notice Period Recovery	5.73	9.17
	Liability no longer payable Written Back	7.46	11.04
	Bad debts recovery	9.19	1.64
	GST TDS Written Back	-	7.66
	Other Income	12.40	4.03
		108.14	**71.69**
29	**Employee benefits expense**		
	Salaries, wages and bonus		
	- Employees	3,001.38	2,429.09
	- Key Managerial Personnel	85.70	80.10
	Gratuity and leave encashment **(refer note 37 iv)**	85.97	62.98
	Contribution to provident fund and other funds	81.47	63.77
	Staff welfare expenses	42.34	43.67
		3,296.86	**2,679.61**
30	**Consultancy and Technical Charges**		
	Management and consultancy fees	1,424.58	1,143.72
	Project monitoring and survey expenses	429.21	342.25
		1,853.79	**1,485.97**
31	**Finance cost**		
	Interest expense	81.47	72.31
	Interest on lease liabilities	22.58	18.59
	Other borrowing costs	53.23	51.01
		157.28	**141.91**
32	**Depreciation and amortisation**		
	Depreciation/amortisation expense on:		
	Property, plant and equipment	73.89	62.57
	Intangible assets	8.74	11.18
	Right of use assets	91.49	59.83
		174.12	**133.58**

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33 Other expenses

Rent	32.06	26.71
Power and fuel	21.84	19.48
Office maintenance	61.72	48.19
Rates and taxes	9.92	26.94
Travelling and accommodation	136.86	131.13
Security charges	13.53	14.16
Meeting and Conference Expenses	2.51	0.64
Printing and stationery	25.82	19.85
Legal and professional fees	10.35	2.62
Insurance	27.17	17.18
Advertisement and business promotion	8.23	8.28
Auditor's remuneration	2.61	2.95
Loss on exchange fluctuation (net)	7.41	0.99
Loss on sale of assets (net)	-	6.21
Repairs and maintenance	24.07	26.05
Others Writte off	-	1.18
Corporate social responsibility expense **(Refer Note 33A)**	12.81	9.32
Provision for expected credit loss- other assets (Net)	-	5.76
Provision for expected credit loss- trade receivables	-	2.30
GST Tax, Penatly, Interest Paid Against Notice	12.21	2.96
Interest & Penalty	9.30	-
Other deductions by client	16.61	-
Postage & Courier	3.24	-
Training and Recruitment Expenses	2.35	3.58
Telephone & Internet Expenses	4.91	9.48
Directors Sitting fees	1.60	-
Commission on Forex	-	0.16
VAT - Foreign - Expenditure	1.11	1.69
Work permit	1.24	4.14
Miscellaneous	2.00	0.39
	451.48	**392.30**

33A. Details of Corporate social responsibility expenditure:

Gross amount required to be spent by the Company during the year	12.81	9.32
Amount approved by the Board	12.81	9.32
Amount spent during the year on:		
(i) Construction acquisition of assets	-	-
(ii) On purposes other than (i) above	4.83	6.80
Shortfall at the end of the year	7.98	2.52
Total of previous years shortfall	2.52	
Total	**10.50**	**2.52**

Unspent Amount				
Opening Balance	**Amount deposited in Specified Fund of Sch. VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing Balance**
2.52	12.81	12.81	4.83	**10.50**

Nature of CSR activities
Homeo Clinic services in a remote village in Andhra Pradesh; Donation to IIT Madras, IIT Tirupati.

B. Auditor's remuneration

a)	Paid as Auditor		
	i) Statutory Audit Fees	2.50	2.46
	ii) Limited Review of standalone and consolidated financial statements on quarterly basis		
b)	For Taxation Matters		
c)	For other services including certification work	0.11	0.49
d)	For reimbursement of expenses	-	-
	Total	**2.61**	**2.95**

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34 Exceptional Items

Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, 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, collectively referred to as the 'New Labour Codes', The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAI clarification, the Group has assessed and accounted for the estimated incremental impact of Rs.49.71 Million towards Gratuity & Levae encashment plans as Exceptional Items in the financial statements for the year ended March 31, 2026.

35 Expenditure in foreign currency	Year ended 31 March :	Year ended 31 Marc
Management and consultancy fees	108.61	88.76
Software Lices and Subscription charges	10.99	10.16
Travelling and accommodation	9.94	13.19
	129.54	**112.12**

36 Commitments and contingent liabilities	31 March 2026	31 March 2025
Capital Commitments	1.64	2.72
Contingent Liabilities		
Money Suits	3.84	3.18
Goods and Service tax*	92.31	67.32
Guarantees outstanding	1,813.95	1,670.20
	1,911.74	**1,743.42**

*The Company has availed Input Tax Credit (ITC) amounting to INR 55.78 Mn which is disclosed under 'Balances with government authorities ,' which is disputed by tax authorities subsequently. The Management, based on legal advice, believes that the ITC is valid and recoverable. However, if the claim is disallowed, the Company may be required to settle the disputed amount along with applicable interest.Accordingly, the matter has been disclosed as a contingent liability.

37 Employee Benefits

A. Defined contribution plans — **31 March 2026** / **31 March 2025**

The Company's contribution to provident fund and other funds are considered as defined contribution plans. The contributions are charged to the Statement of profit and loss as they accrue. Contributions to provident and other funds included in employee benefit expenses are as under:

	31 March 2026	31 March 2025
Contribution to provident and other funds	81.47	63.77
	81.47	**63.77**

Defined benefit plan - gratuity

The Company has provided for gratuity for its employees as per actuarial valuation carried out by an independent actuary on the balance sheet date. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the present value of Defined Benefit Obligations and the related current service cost. This is a defined benefit plan as per Ind AS 19. The gratuity plan is governed by the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time). Employees are entitled to all the benefits enlisted under this act.

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

a Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

b Liquidity risk

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

c Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase of employees in future. Deviation in the rate of interest in future for employees from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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d Demographic risk

The Company has used certain mortality and attrition assumptions in valuation and is exposed to risk of actual experience turning out to be worse compared to the assumption.

e Regulatory risk

Gratuity benefits are paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

(i) Change in projected benefit obligation

	31 March 2026	31 March 2025
Projected benefit obligation at the beginning of the year	216.49	174.88
Service cost	51.39	35.58
Interest cost	14.87	11.97
Actuarial (gain) / loss	(18.56)	13.63
Benefits paid		
Payments made	(10.63)	(19.57)
Past Service Cost	42.66	
Projected benefit obligation at the end of the year	**296.23**	**216.49**

(ii) Current / non-current classification of defined benefit obligation

Current benefit obligation	55.57	38.72
Non-current benefit obligation	240.64	177.77
	296.23	**216.49**

(iii) Reconciliation of present value of obligation

Present value of projected benefit obligation at the end of the year	296.23	216.49
Funded status of the plans	-	-
Net liability recognised in the balance sheet	**296.23**	**216.49**

(iv) Expense recognised in the statement of profit and loss

Service cost	51.39	35.58
Interest cost	14.87	11.97
Gratuity expense	**66.26**	**47.55**
Leave encashment expense (based on actuarial valuation)	19.71	15.44
Past Service Cost	7.05	-
Total Gratuity and leave encashment (refer note 29)	**85.97**	**62.99**

(v) Expense recognised in OCI

Remeasurements due to		
Effect of change in demographic assumptions		
Effect of change in financial assumptions	(9.95)	1.97
Effect of experience adjustments	(8.60)	11.65
Effect of experience adjustments on leave encashment	(7.20)	(1.08)
(B)	**(25.75)**	**12.54**

(vi) Key actuarial assumptions

Discount rate	7.81%	7.04%
Salary escalation rate	10.00%	10.00%

(vii) Demographic assumptions to determine change in defined benefits

Attrition rate (based on age group)	20-25%	20-25%
Mortality table	Indian Assured Lives Mortality (2012-14)	
Retirement age	65 Years	65 Years

Impact on defined benefit obligation		
Delta effect of +1% change in discount rate	284.29	207.42
Delta effect of -1% change in discount rate	309.28	226.44
Delta effect of +1% change in salary escalation rate	308.06	225.65
Delta effect of -1% change in salary escalation rate	284.85	207.79
Delta effect of +1% change in withdrawal rate	294.65	215.00
Delta effect of -1% change in withdrawl rate	297.84	218.05

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(vii) Maturity analysis of projected benefit obligation

1 year	56.01	38.99
2 to 5 years	173.34	122.97
6 to 10 years	121.38	86.17
More than 10 years	97.55	68.55

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and salary escalation rate. The calculation of the net defined benefit liability is sensitive to these assumptions. However, the impact of these changes is not ascertained to be material by the management.

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38 Income tax

A. Income tax expense recognised in the statement of profit and loss consists of:

	31 March 2026	31 March 2025
Current income tax	238.83	209.52
Deferred tax expense/(benefit)	(29.41)	5.35
Tax for earlier years	-	-
	209.42	**214.87**

B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	31 March 2026	31 March 2025
Profit before tax	837.51	783.71
Enacted income tax rate in India	25.17%	25.17%
Expected tax expense	210.80	197.26
taxable income:		
Expenses/(benefit) not allowed for tax purpose	(1.38)	17.61
Taxes for earlier years	-	-
Income taxed at special rate	-	-
Income not considered for tax purpose	-	-
Actual tax expense	**209.42**	**214.87**

As per provision of section 115 BAA of Income Tax Act, 1961, the company has opted to pay income tax at a rate of 25.17% subject to compliance with conditions mentioned by filing Form 10ic of Income Tax before filing Income Tax Return for FY 2019-20. The Company will contimue to file its return under the Section 115BAA. Accordingly, company has provided income tax on the rate i.e. 25.17%.

C. Movement of deferred tax asset for the year ended 31 March 2026

Particulars	1 April 2025	Amount charged to statement of profit and loss	Amount charged to other comprehensive	31 March 2026
Deferred tax asset/(liability) (Gross)				
Property and Equipment	8.73	(1.15)	-	7.58
Provision for expected credit loss on doubtful receivables	77.64	-	-	77.64
Provision for expected credit loss on other assets	28.51	-	-	28.51
Provision for employee benefits	64.78	17.61	6.48	88.86
	179.66	**16.46**	**6.48**	**202.60**
Net deferred tax asset/(liability)	**179.66**	**16.46**	**6.48**	**202.60**

D. Movement of deferred tax asset for the year ended 31 March 2025

Particulars	1 April 2024	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	31 March 2025
Deferred tax asset/(liability) (Gross)				
Property and Equipment	15.26	-6.53	-	8.73
Provision for expected credit loss on doubtful receivables	77.06	0.58	-	77.64
Provision for expected credit loss on other assets	28.69	-0.18		28.51
Provision for employee benefits	60.84	7.37	-3.43	64.78
	181.85	**1.24**	**-3.43**	**179.66**
Net deferred tax asset/(liability)	**181.85**	**1.24**	**-3.43**	**179.66**

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G. Charge of deferred tax asset to statement of profit and loss and other comprehensive income

	31 March 2026	31st March 2025
Impact of difference between depreciation /amortisation	(1.15)	-
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	(34.74)	11.82
Deferred tax (benefit) / expenses	**(35.89)**	**11.82**

H. The movement in current tax liability

	31 March 2026	31st March 2025
Balance at the beginning of the year (net)	138.11	64.69
Add: Advance tax paid (including self-assessment tax and taxes deducted at so	462.44	291.36
Less: Income tax refund received	-	(8.42)
Less: Provision for taxes	(466.81)	(209.52)
Less: Reversals of excess (advance tax)/current tax liability in books		-
Balance at the end of the year (net)	**133.73**	**138.11**
Disclosed as -		
Advance tax (net) (a)	133.73	138.11
Current tax liabilities (net) (b)		
Total (a-b)	**133.73**	**138.11**

39 Related party disclosures

a. Name of related parties and description of relationship

Names	Description of relationship
Aarvee Engineering Consultants Pty Ltd- Australia	Subsidiaries
Aarvee Associates Ltd- UK	Subsidiaries
Hyve Global Engineering Private Limited	Subsidiaries
SRA OSS India Private Limited	Subsidiaries
Nag Infrastructure Consulting Engineers Pvt Ltd	Subsidiaries
Aarvee Software Technologies Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control or significant influence
Aarvee KPPA	Joint Venture**
Aarvee TCPL	Joint Venture**
Aarvee AYESA	Joint Venture**
Aarvee - Vax	Joint Venture**
AGG- (NFR) Tunnel	Joint Venture**
Aarvee EINTL- EI	Joint Venture**
Rites ltd. India	Joint Venture**
Onapakshi LLP	Associates with holding less than 20%
Durgamchervu Collective LLP	Associates with holding less than 20%
** Project Joint Ventures	
Key managerial personnel	
R. V. Chakrapani	Managing Director
B. V. Reddy	Whole time Director
M. Kishore Kumar	Whole time Director
M. Murthy	Whole time Director
K.Visweswara Rao	Independent Director
B. Anand	Independent Director
K.V. Kaushik	Independent Director
P. Subbi Reddy	Independent Director
R.Nagarjun	Director
R Sneha	Director
Venkata Subrahmanyam Valavala (w.e.f 01.07.2025)	Chief Financial Officer
Sugandha Khandelwal	Company Secretary
Relative of Key managerial personnel	
K Nirmala	Relative of Managing director

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b. Transactions during the year

	31 March 2026	31st March 2025
Subsidiaries		
Aarvee Associates Pty Ltd- Australia		
Services rendered	-	-
Services received	12.27	-
Loans/advances given	109.19	-
Interest on loan- (Payable)/Receivable	2.63	-
Aarvee Associates Ltd- UK		
Services rendered	-	-
Services received	26.02	-
Loans/advances given	102.61	29.69
Interest on loan -(Payable)/Receivable	8.19	2.50
SRA OSS India Private Limited		
Services received	11.90	10.04
Nag Infrastructure Consulting Engineers Pvt Ltd		
Services received	17.21	18.16
Rent	1.41	1.33
Loan received	145.00	37.00
Loan repaid	(145.00)	(37.00)
Interest on loan (Paid)	(10.43)	-
Hyve Global Engineering Private Limited		
Services received	3.44	0.07
Loans/advances given	8.00	-
Interest on loan -(Payable)/Receivable	0.40	-
Joint Venture and other entities		
Rites ltd. India		
Loss/(Gain) on Foreign Exchange	-	0.43
Services rendered	-	2.16
Key managerial personnel		
R. V. Chakrapani		
Remuneration	42.00	42.00
Consideration paid towards acquistion of subsidiaries	-	0.05
Loan received	-	128.00
Loan repaid	-	(133.00)
Rent Paid	4.43	4.22
B. V. Reddy		
Remuneration	10.35	10.44
M. Kishore Kumar		
Remuneration	10.58	10.69
M. Murthy		
Remuneration	10.55	10.48
K Nirmala		
Consideration paid towards acquistion of subsidiaries	-	126.38
Rent	3.59	3.42
R.Nagarjun		
Consideration paid towards acquistion of subsidiaries	-	0.67
R Sneha		
Consideration paid towards acquistion of subsidiaries	-	0.67
Loan received	30.00	
Loan repaid	(30.00)	
Remuneration	6.68	5.98
K.Visweswara Rao		
Sitting Fee	0.48	-

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B. Anand		
Sitting Fees	0.63	-
K.V. Kaushik		
Sitting Fees	0.25	-
P. Subbi Reddy		
Sitting Fees	0.25	-
Sugandha Khandelwal		
Remuneration	1.27	0.52
Venkata Subrahmanyam Valavala		
Remuneration	4.28	-

c. Balance receivable/(payable)

	31 March 2026	31 March 2025
Subsidiaries		
Aarvee Associates Pty Ltd- Australia		
Trade receivables	22.43	22.43
Loan receivables	120.20	-
Aarvee Associates Ltd- UK		
Trade receivables	4.98	4.98
Loan receivables	201.56	77.32
Nag Infrastructure Consulting Engineers Pvt Ltd		
Loan payable	-	(1.64)
Trade payables	(9.36)	(2.54)
SRA OSS India Private Limited		
Trade payables	(3.89)	(1.38)
Hyve Global Engineering Private Limited		
Trade payables	-	(0.12)
Loan receivables	8.36	-
Joint Venture and other entities		
Aarvee KPPA		
Advances	0.12	0.12
Aarvee AYESA		
Trade receivables	2.25	2.25
Trade Payables	(0.08)	(2.10)
Aarvee EINTL- EI		
Trade receivables	0.04	0.04
Rites ltd. India		
Trade receivables	7.03	7.03
Aarvee Software Technologies Private Limited		
Trade payables	(0.03)	(0.03)
Key managerial personnel		
R. V. Chakrapani		
Rent and maintenance payables	(0.41)	(0.39)
K Nirmala		
Rent and maintenance payables	(0.33)	(0.25)
Venkata Subrahmanyam Valavala		
Trade Payables	(0.04)	-

40 Earnings per share

Basic earnings per share		
Net Profit After tax	628.09	568.84
Weighted average number of equity shares outstanding	4,26,33,557	4,20,00,000
Basic EPS (₹)	14.73	13.54
Diluted earnings per share		
Net Profit After tax	628.09	568.84
Weighted average number of equity shares outstanding	4,26,33,557	4,20,00,000
Diluted EPS (₹)	14.73	13.54
Face Value of share(₹)	10.00	10.00

AARVEE ENGINEERING CONSULTANTS LIMITED

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41 Additional Disclosures

i No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.

ii The Company does not consider certain receivables while submitting the data regarding accounts receivable to the bank. These receivables are primarily aged more than 180 days. Due to this there is a difference between the data submitted to bank and the books of accounts.

iii The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v The Company has complied with the number of layers prescribed under the Companies Act, 2013.

vi The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii 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 in the books of account.

viii The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

ix The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the current or previous year.

x There are no immovable properties not held in the name of the Company , other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee.

xi There are no charges or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.

xii 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).

xiii 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.

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42 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is principally engaged in a single segment business i.e. project management and engineering consultancy services .

The geographic information analyses the Company's revenues and non-current assets by the country of domicile and other countries. In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of the assets.

(i) Revenues from external customers attributed to the Company's country of domicile and attributed to all foreign countries from which the Company derives revenues

	31 March 2026	31 March 2025
India	6,194.93	4,962.22
Outside India	517.68	583.17
	6,712.61	**5,545.39**

(ii) Non-current assets (other than financial instruments, tax assets and deferred tax assets) located in the Company's country of domicile and in all foreign countries in which the Company holds assets

	31 March 2026	31 March 2025
India	1,681.30	1,133.11
Outside India	20.66	8.71
	1,701.96	**1,141.82**

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43 Lease disclosure

Where the Company is a lessee

The Company has entered into leasing arrangements for renting of office premises. Such leasing arrangements are predominantly renewable at mutual consent. Accordingly, non-cancellable period is restricted to lease period without considering the renewal option. Wherever applicable, only lock-in period is considered as lease period in case where either party can terminate the lease by giving prior notice. The Company has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

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

Particulars	Leasehold Properties	Total
1st April 2024	**183.89**	**183.89**
Additions	34.63	**34.63**
Deletion	(4.58)	**(4.58)**
Depreciation expense	(59.83)	**(59.83)**
31 March 2025	**154.11**	**154.11**
Additions	171.51	**171.51**
Deletion	-	-
Depreciation expense	(91.49)	**(91.49)**
31 March 2026	**234.13**	**234.13**

ii) Set out below are the carrying amounts of lease liabilities (included in note 20) and the movements during the period:

Particulars	Leasehold Properties	Total
1st April 2024	**205.77**	**205.77**
Additions	29.62	**29.62**
Accretion of interest	18.59	**18.59**
Payment	(73.00)	**(73.00)**
31 March 2025	**180.98**	**180.98**
Additions	172.44	**172.44**
Accretion of interest	22.57	**22.57**
Payment	(110.49)	**(110.49)**
31 March 2026	**265.51**	**265.51**

Particulars	**31 March 2026**	**31 March 2025**
Lease payments		
Not later than one year	134.42	57.28
Later than one year and not later than five years	215.70	108.33
Later than five years	-	15.36
Less: Future finance expense	-	-
Total	**350.12**	**180.97**

Amount recognised in statement of profit and loss account	**31 March 2026**	**31 March 2025**
Depreciation on right of use assets	91.49	44.27
Interest on lease liabilities	22.58	14.04
Expenses relating to short term leases and low value assets	32.06	26.71

Amount recognised in statement of cashflow	**31 March 2026**	**31 March 2025**
Total cash outflow for leases - principal	110.49	54.06
Total cash outflow for leases - interest	22.58	14.04

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44 Fair value measurements

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2026 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets liabilities at FVTOCI	Carrying value
Financial assets - Non-current				
Investments	127.83	-	-	127.83
Loans	330.12	-	-	330.12
Other financial assets	204.39	-	-	204.39
Financial assets - Current		-	-	-
Trade receivables	2,199.92	-	-	2,199.92
Cash and cash equivalents	41.59	-	-	41.59
Loans	58.18	-	-	58.18
Other financial assets	435.59	-	-	435.59
Total financial assets	**3,397.63**	**-**	**-**	**3,397.63**
Financial liabilities - Non-current				
Borrowings	41.60	-	-	41.60
Lease liabilities	187.61	-	-	187.61
Financial liabilities - Current		-	-	-
Borrowings	815.01	-	-	815.01
Lease liabilities	77.89			77.89
Trade payables	521.15	-	-	521.15
Other financial liabilities	-	-	-	-
Total financial liabilities	**1,643.26**	**-**	**-**	**1,643.26**

The carrying value and fair value of financial instruments by categories as at 31 March 2025 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at FVTPL	Financial assets liabilities at FVTOCI	Carrying value
Financial assets - Non-current				
Investments	127.83	-	-	127.83
Loans	77.32	-	-	77.32
Other financial assets	122.67	-	-	122.67
Financial assets - Current		-	-	-
Trade receivables	1,466.42	-	-	1,466.42
Cash and cash equivalents	53.65	-	-	53.65
Loans	52.74	-	-	52.74
Other financial assets	384.88	-	-	384.88
Total financial assets	**2,285.51**	**-**	**-**	**2,285.51**
Financial liabilities - Non-current				
Borrowings	76.18	-	-	76.18
Lease liabilities	123.69	-	-	123.69
Financial liabilities - Current		-	-	-
Borrowings	461.04	-	-	461.04
Lease liabilities	57.28			57.28
Trade payables	252.30	-	-	252.30
Other financial liabilities	1.64	-	-	1.64
Total financial liabilities	**972.13**	**-**	**-**	**972.13**

Note

Financial assets and liabilities include cash and cash equivalents, other bank balances, employee and other advances, eligible current and non-current assets, trade payables, and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, other bank balances, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

Investment in equity shares of subsidiary is measured at cost as per Ind AS 27, "Separate financial statements" and accordingly are not required to be disclosed here.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

B Fair value of financial assets and liabilities measured at amortised cost

The management assessed that for amortised cost instruments, fair value approximates largely to the carrying amount.

C Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers between Level 1, Level 2 and Level 3 during the year.

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45 Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management activity focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company, resulting in a financial loss. The Company is exposed to this risk for various financial instruments. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised, as summarised below:

Particulars	31 March 2026	31 March 2025
Financial assets - Non-current		
Investments	127.83	127.83
Loans	330.12	77.32
Other financial assets	204.39	122.67
Financial assets - Current		
Trade receivables	2,199.92	1,466.42
Cash and cash equivalents	41.59	53.65
Loans	58.18	52.74
Other financial assets	435.59	384.88
	3,397.63	**2,285.51**
Financial liabilities - Non-current		
Borrowings	73.25	135.07
Lease liabilities	187.61	123.69
Financial liabilities - Current		
Borrowings	783.37	402.15
Lease liabilities	77.89	57.28
Trade payables	521.15	252.30
Other financial liabilities	-	1.64
Total financial liabilities	**1,643.27**	**972.13**

The Company's cash and cash equivalents and other bank balances are held in reputed banks, which management believes are of high credit quality and hence no impairment allowance has been recognized. Other non-current financial assets majorly comprises of the rental deposits and fixed deposits, which the management believes are of high credit quality and hence no impairment allowance has been recognized. Other financial assets which majorly comprises of lease deposits and unbilled revenue are also monitored on an ongoing basis and the Company's exposure to bad debts is not significant. Hence no impairment allowance is recognised on these financial assets.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for unsecured receivables based on historical credit loss experience and is adjusted for forward looking information. The allowance of trade receivables is based on the ageing of the receivables that are due.

Investments of surplus funds are made only in highly marketable liquid fund instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meets its liabilities. The Company invests only in quoted securities with low credit risk.

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(B) Market risk: Foreign exchange risk

The Company's foreign currency transactions are in multiple currencies . Consequently, the Company is exposed to the risk that the exchange rate of the Indian Rupees (INR) relative to such currencies may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in INR.

Foreign currency denominated financial assets and liabilities (unhedged) which expose the Company to currency risk are disclosed below.

	31 March 2026		31 March 2025	
	Amount in foreign currency	**Amount in INR**	**Amount in foreign currency**	**Amount in INR**
Receivables				
Tanzania to INR	2,050.75	74.73	3,072.92	120.37
Ethopia to INR	45.10	26.06	40.19	28.07
Kenya to INR	314.11	217.43	122.25	88.56
Mozambique to INR	8.81	12.29	3.58	7.35
Kazakhistan to INR	119.52	21.32	89.75	18.66
Uganda to INR	1,789.19	44.19	-	-
Payables				
Tanzania to INR	(2,007.54)	(73.15)	(1,410.55)	(45.33)
Ethopia to INR	(45.09)	(26.06)	(9.32)	(6.10)
Kenya to INR	(314.37)	(217.61)	(65.76)	(43.13)
Mozambique to INR	(11.44)	(15.96)	(1.48)	(1.96)
Kazakhistan to INR	(115.82)	(20.66)	(29.08)	(4.92)
Uganda to INR	(1,797.63)	(44.40)	-	-

Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where ₹ strengthens 1% against the relevant currency. For a 1% weakening of ₹ against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

	Increase		Decrease	
Particulars	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**
Sensitivity				
Tanzania to INR	(0.02)	(10.57)	0.02	(9.27)
Ethopia to INR	(0.00)	(0.63)	0.00	(0.20)
Kenya to INR	0.00	(4.92)	(0.00)	(4.10)
Mozambique to INR	0.04	(1.12)	(0.04)	(1.03)
Kazakhistan to INR	(0.01)	(1.25)	0.01	(1.00)
Uganda to INR	0.00	-	(0.00)	-

(C) Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. The Company manages its liquidity needs by monitoring cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, usually on a month on month basis. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable investments, such as mutual funds, with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

As at 31 March 2026, the Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

Maturities of financial liabilities

31 March 2026	**Less than 1 year**	**1 year to 5 years**	**More than 5 years**	**Total**
Borrowings- Non Current	-	36.19	5.41	41.60
Borrowings- Current	815.01	-	-	815.01
Trade payable	521.15	-	-	521.15
Other financial liabilities	-	-	-	-
Total	**1,336.17**	**36.19**	**5.41**	**1,377.76**

31 March 2025	**Less than 1 year**	**1 year to 5 years**	**More than 5 years**	**Total**
Borrowings- Non Current	-	71.41	4.77	76.18
Borrowings- Current	461.04	-	-	461.04
Trade payable	2.13	0.41	-	2.54
Other financial liabilities	1.64	-	-	1.64
Total	**464.81**	**71.82**	**4.77**	**541.40**

46 Capital risk management

The primary objectives of the Company's capital management are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Therefore, the Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenants are complied with.

	Note	31 March 2026	31 March 2025
Borrowings- Non Current	19	41.60	76.18
Borrowings- Current	22	815.01	461.04
Less: cash and cash equivalents	12	(41.59)	(53.65)
Less: bank balances other than cash and cash equivalents	8	(117.46)	(72.89)
Net debt (i)		**697.55**	**410.69**
Equity	17	430.95	420.00
Other equity	18	3,000.85	2,013.82
Total Equity (ii)		**3,431.80**	**2,433.82**
Gearing ratio [(i) / (ii)]		**0.20**	**0.17**

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47 Disclosure for MSME creditors as required by MSMED Act, 2006 is as follow:

Sl.No	Particulars	31 March 2026	31 March 2025
(a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	Principle amount due to MSME	103.01	
	Interest due on above	0.61	
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro,Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	
(c)	The amount of interest due and payable for the period of delay in making	-	
(d)	The amount of interest accrued and remaining unpaid at the end of each	0.61	
(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.	0.61	

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48 Revenue from contracts with customers

Significant changes in contract asset and contract liability during the period are as follows:
Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Trade receivables, contract assets and contract liabilities

Trade receivables are recorded when the right to consideration becomes unconditional. Trade receivables are non-interest bearing.
Contract assets relate to the revenue where the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

Contract assets are presented under Other Current assets in the Note 16. of the standalone financial statements.
Contract liabilities relate to the company's obligation to transfer goods or services to customer for which the group has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognised as revenue as the group performs under the contract.

Assets and liabilities related to contracts with customers

	31 March 2026	31 March 2025
Contract Balances		
Trade receivables	2,199.92	1,466.42
	2,199.92	**1,466.42**
Contract liabilities at the beginning of the year	-	-
Add: Revenue to be recognized from performance obligations to be satisfied in succeeding years	-	-
Less: Revenue recognized that was included in contract liability at the beginning of the year	-	-
Contract liabilities at the end of the year	-	-
Contract Assets at the beginning of the year	**543.50**	**299.14**
Less: Contract assets invoiced / reversed during the year (Net)	(543.50)	(299.14)
Add: Satisfied performance obligations not invoiced	925.76	543.50
Contract assets at the end of the year	**925.76**	**543.50**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	31 March 2026	31 March 2025
Revenue as per contract	**6,712.61**	5,545.39
Adjustments	-	-
Revenue from contract with customers	**6,712.61**	**5,545.39**

49 **Additional disclosure on Investments:**

Name of Subsidiary Company and Country of Incorporation	Principal Place of Business	As at 31 March 2026 Effective Proportion of ownership Interest	As at 31 March 2026 Effective proportion of Voting Power held	As at 31 March 2025 Effective Proportion of ownership Interest	As at 31 March 2025 Effective proportion of Voting Power held
Aarvee Associates Limited, Australia	Australia	100%	100%	100%	100%
Aarvee Engineering Consultants Pty Ltd, United Kingdom	United Kingdom	100%	100%	100%	100%
SRA OSS India Private Limited, India	India	100%	100%	100%	100%
NAG Infrastructure Consulting Engineers Private Limited, India	India	100%	100%	99.97%	99.97%
Hyve Global Engineering Private Limited, India	India	100%	100%	100%	100%

Independent Auditor's Report

To the Members of
Aarvee Engineering Consultants Limited
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Aarvee Engineering Consultants Limited** (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context..

Key Audit Matter	Auditor’s Response
Revenue from operations *(Refer Note 2(v) and Note 48 to the standalone financial statements)* The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	We have performed the following audit procedures in relation to the revenue recognition: • Assessing the appropriateness of the Company’s revenue recognition accounting policies in line with Ind AS 115 - Revenue from Contracts with Customers. • Understanding and Testing of design and operating effectiveness of Internal controls in place relating to recognition and measurement of revenue. • Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • Selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. • We carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of operation of these controls. • Selected a sample of contracts and performed the following procedures: − Read, analysed and identified the distinct performance obligations in these contracts. − Compared these performance obligations with that identified and recorded by the Company. − Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. − Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
Trade Receivables and Contract Assets *(Refer note 11 and 16 to the standalone financial statements)* Total trade receivables and total contract assets amounting to 2199.92 Million and 925.76 Million respectively, represents approximately 50.74% of the total assets of the Company as at 31 March 2026. In assessing the recoverability of the aforesaid balances and determination of allowance for expected credit loss, management’s judgement involves consideration of ageing status, historical payment records, evaluation of litigations, the likelihood of collection based on the terms of the contract and the credit information of its customers. Management estimation is required in the measurement of work completed as at year end for recognition of unbilled revenue. We considered this as key audit matter due to the materiality of the amounts and significant judgements as stated above.	We have performed the following audit procedures in relation to the trade receivables and contract assets: • We understood and tested on a sample basis the design and operating effectiveness of management controls over the recognition and the recoverability of the trade receivables and contract assets. • We performed test of details and tested relevant contracts, documents and subsequent settlements for trade receivable and contract assets on sample basis. • Obtaining direct confirmation of balances from the outstanding trade receivables and performing alternate procedures, where confirmations were not received. • We tested the ageing of trade receivables at the year end. • We performed test of details and tested relevant contracts and documents with specific focus on measurement of work completed as at the year end for unbilled revenue balances included in contract asset on a sample basis. • We performed additional procedures, in respect of ov er-due trade receivables and long outstanding contract assets, i.e. tested historical payment records, verification of last bills certified, correspondence with customers • Enquired the management for any ongoing litigations and potential outcomes in respect of these overdue receivables. • We assessed the allowance for expected credit loss made by management.

Information Other than the standalone financial statements and Auditor’s Report Thereon

The Company’s management and Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Board’s Report including annexures to Board’s Report, but does not include the standalone financial statements and our Auditor’s Report thereon. The Board’s 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 will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board’s Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company’s Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Rules issued thereunder. 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, management and Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the standalone financial statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that 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.

- For the branches included in the standalone financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

a. We did not audit the financial information of the five foreign branches included in the standalone financial statements of the Company, whose financial information reflects total assets of Rs.210.69 million as at 31 March 2026, total revenues of Rs.257.13 million and net cash flows amounting to Rs.18.54 million for the year then ended, as considered in the standalone financial statements. These financial information / statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these foreign branches, is based solely on the reports of such other auditors.

   The financial information of five foreign branches has been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial information of such foreign branches from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion, in so far as it relates to the balances and affairs of such foreign branches,is based on the report of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

b. We did not audit the financial information of the one foreign branch included in the standalone financial statements of the Company, whose financial information reflects total assets of Rs.5.64 million as at 31 March 2026, total revenues of Rs.0.05 million and net cash flows amounting to Rs.0.02 million for the year then ended, as considered in the standalone financial statements. The Company's management has converted the financial statements of the one foreign branch located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. The financial information has been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this one foreign branch is based solely on the financial information furnished by the management.

Our opinion is not modified in respect of the above matters.

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 in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us, except for the matters stated in the paragraph 2B (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

c. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

d. the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;

e. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder;

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

g. with respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**.

2B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note - 36 to the standalone 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 are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;

iv. (a) the management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity (“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 (which are material either individually or in the aggregate) have been received by the company from any person or entity, 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; and

(c) based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year; and

vi. Based on our examination, which included test checks, the Company has used 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 except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the accounting software used for maintaining the books of account. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2C. In our opinion, the managerial remuneration for the year ended 31 March 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

for **M Bhaskara Rao and Co**
Chartered Accountants
Firm Registration No. 000459S

K S Mahidhar
Partner
Membership No. 220881
UDIN: 26220881GKXQLE7492

Hyderabad, May 29, 2026

Re: Aarvee Engineering Consultants Limited (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)

Annexure A to the Independent Auditor’s Report on the standalone financial statements

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of **Aarvee Engineering Consultants Limited** *(formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited))*

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i)

(a) (A)The Company has maintained proper records showing full particulars, including quantitative details andsituation of property, plant and equipment including Right of Use Assets (RoU) and relevant details of Investment Property.

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

(b) The property, plant and equipment have been physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals having regard to the size of the Company and the nature of their assets. The discrepancies noticed on such verification were not material.

(c) The title deeds of immovable properties included under the head property, plant and equipment in the financial statements have been lodged with the lenders for Housing Loan facility as security, we have been provided with statements by the lenders in respect of holding of these title deeds as at the year end.

(d) The Company has not revalued its property, plant and equipment or intangible assets during the year and accordingly, paragraph 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company as at 31 March 2026 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a)The Company does not hold any inventory during the year. Accordingly, reporting under clause 3(ii)(a) of the Companies (Auditor’s Report) Order, 2020 is not applicable.

(b)The Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, from banks/ financial institutions during the year on the basis of security of current assets. The monthly returns/statements filed by the Company with such banks/financial institutions are not in agreement with the books of account of the Company. Refer note 41 (ii) of standalone financial statements.

(iii) The Company has not made investments, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year.

(A) The Company has granted loans during the year to subsidiaries, the details of which are as follows:

Particulars	**Loans**
(Rs. in Millions)	
Aggregate amount granted/provided during the year:	
• Subsidiaries	231
Balance outstanding as at balance sheet date:	
• Subsidiaries	330

(B) The Company has granted loans during the year to other parties, the details of which are as follows:

Particulars	Loans
(Rs. in Millions)	
Aggregate amount granted/provided during the year:	
• Others	5
Balance outstanding as at balance sheet date:	
• Others	57

(b) The terms and conditions of the loans granted are not prejudicial to the interest of the Company;

(c) The Company has granted loans during the year, to companies where the schedule of repayment of principal and payment of interest has been stipulated;

(d) There are no amounts of loans which are overdue for more than ninety days;

(e) The Company had granted loans which had fallen due during the year. The Company had extended such loans during the year. The aggregate amount of such loans extended and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Party	Total loans extended (Rs. in Millions)	Percentage of the aggregate to total loans granted during the year
RCI Logistics Private Limited	30	8%

(f) The Company, during the year, has granted loans or advances in the nature of loans repayable on demand, the details of which are as follows:

(Rs. in Millions)

Particulars	Related Parties	Others	Total
Aggregate amount of loans /advances repayable on demand	99	-	99
Percentage of such loans to total loans granted	30%	-	26%

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees provided and securities given, as applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits to which the directions issued by the Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provision of the Act and the Rules made there under, where applicable. Further no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal and accordingly paragraph 3(v) of the Order is not applicable, at present

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year;

There were no undisputed amounts payable in respect of goods and services tax, provident fund, income tax, sales tax, service tax, customs duty, excise duty, value added tax and cess which were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable;

(b) According to the information and explanations given to us, the dues of Goods and Service Tax as mentioned below have not been deposited by the Company on account of disputes:

Statute	Nature of dues	Amount (Rs. in millions)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act, 2017	GST	15.52	FY 2019-20	GST Tribunal - Gujarat
		0.41	FY 2021-22	Assistant Commissioner, Davanagerr, Karnataka
		0.34	FY 2018-19	Commissioner of State Tax, Bhubaneswar I, Odisha
		6.42	FY 2018-19 and 2019-20	Appellate Authority, GST Appeals, Tirunelveli, Tamil Nadu
		1.90	FY 2021-22	Deputy Commissioner, Lucknow Sector-20, Lucknow-II, Uttar Pradesh
		9.48	FY 2019-20 and FY 2020-21	Assistant Commissioner, Gwalior, Bhopal, Madhya Pradesh
		2.78	FY 2023-24	Commercial Tax Officer, Karaikudi, Tamil Nadu
		4.25	FY 2019-20 and FY 2020-21	Office of The Assistant Commissioner (State Tax), Indrakeeladri Circle

(viii) There were no transactions that were not recorded in books which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

(a)The Company has not defaulted in repayment of term loans and other borrowings or in payment of interest thereon to banks, financial institutions or any other lenders. There are no dues to debenture holders at the year end.

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

(c)The Company has not availed any term loans during the year and reporting under paragraph 3(ix)(c) of the Order is not applicable.

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

(e)The Company has not taken any funds from any entity or person on account of or the meet the obligations of its subsidiaries, associates or joint ventures;

(f)The Company has not raised loans during the year and pledge of securities held in its subsidiaries or associates or joint ventures.

(x)

(a)The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has made preferential allotement of shares in compliance with the requirements of sections 42 and 62 of the Companies Act, 2013 and the funds so raised have been utilized for which the funds were raised.

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

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

(xii) The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion the Company is in compliance with Sections 177 and 188 of the Act with respect of applicable transactions with related parties and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)

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

(b)We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) The Company has not entered into non-cash transactions with directors or persons connected with directors and hence provisions of Section 192 of the Act, are not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information provided to us and in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).

(xvii) The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) During the year, M/s. P.R. Datla and Co., Chartered Accountants, the previous statutory auditors of the Company, resigned from the office of statutory auditors. According to the information and explanations given to us, no issues, objections or concerns were raised by the outgoing auditors in connection with their resignation.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no 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)

(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Companies Act, in compliance with second proviso to sub section (5) of section 135 of the said Act. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the following amount remained unspent under sub section (5) of the section 135 of the Act, pursuant to the ongoing CSR projects. The details of the amount required to be transferred to the unspent CSR account under sub section (6) of section 135 are as under:

(Rs. In Millions)

Financial Year	**Amount unspent for on-going CSR projects**	**Amount transferred to Un-spent CSR account within 30 days**	**Amount not transferred within prescribed time**
FY 25-26	12.81	12.81	-

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No. 000459S

K S Mahidhar
Partner
Membership No.220881
UDIN: 26220881GKXQLE7492

Hyderabad, 29 May 2026

Re: Aarvee Engineering Consultants Limited (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)

Annexure B to the Independent Auditor's Report on the standalone financial statements

(Referred to in paragraph 2A.(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Aarvee Engineering Consultants Limited** (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)

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

We have audited the internal financial controls with reference to standalone financial statements of **Aarvee Engineering Consultants Limited** (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited) ('the Company') as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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 Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone

financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 control 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.

Opinion

In our opinion, the Company has maintained, in all material respects, 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 of 31 March 2026, based on 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.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No. 000459S

K.S. Mahidhar
Partner
Membership No. 220881
UDIN: 26220881GKXQLE7492

Hyderabad, May 29, 2026

AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491
Consolidated Balance Sheet as at 31 March 2026
(All amounts in ₹ millions, except share data and where otherwise stated)

	Note No.	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3	471.02	444.44
Intangible assets	4	45.99	46.10
Right-to-use assets	5	266.64	166.64
Financial assets			
(i) Investments	6	0.02	0.02
(ii) Loans	7	-	-
(iii) Other financial assets	8	227.87	140.98
Deferred tax assets (net)	9	202.60	179.70
Non Current Tax Asset (Net)	15	143.69	148.33
Other non-current assets	10	330.53	210.78
Total non-current assets		**1,688.36**	**1,336.99**
Current assets			
Financial assets			
(i) Trade receivables	11	2,247.09	1,531.82
(ii) Cash and cash equivalents	12	89.65	94.99
(iii) Loans	13	70.04	64.81
(iv) Other financial assets	14	440.94	387.62
Other current assets	16	1,422.61	901.07
Total current assets		**4,270.33**	**2,980.31**
Total assets		**5,958.69**	**4,317.30**
Equity and liabilities			
Equity			
Equity share capital	17	430.95	420.00
Other equity	18	2,671.67	1,963.76
Total equity		**3,102.62**	**2,383.76**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	57.56	86.44
(ii) Lease liabilities	20	205.57	136.58
Provisions	21	294.46	212.64
Total non-current liabilities		**557.59**	**435.67**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	833.02	479.04
(ii) Lease liabilities	20	93.39	57.28
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	23	103.01	84.72
Total Outstanding dues of other than micro enterprises and small enterprises		445.82	180.97
Other current liabilities	24	745.80	644.15
Provisions	25	77.44	51.61
Total current liabilities		**2,298.48**	**1,497.77**
Total equity and liabilities		**5,958.69**	**4,317.19**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd/-
K S Mahidhar
Partner
Membership No: 220881
Place: Hyderabad
Date:29-05-2026

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Sd/-
R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-
R. Sneha
Director
DIN: 09592284

Sd/-
V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

Sd/-
Sugandha Khandelwal
Company Secretary
M No: A48323

AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491
Consolidated Statement of profit and loss for the year ended 31 March 2026
(All amounts in ₹ millions, except share data and where otherwise stated)

		For the year ended	
	Notes	**31 March 2026**	**31 March 2025**
Income			
Revenue from operations	26	6,829.67	5,671.32
Other income	27	99.32	71.75
Total income		**6,928.99**	**5,743.07**
Expenses			
Employee Benefits Expense	28	3,480.53	2,760.42
Consultancy and Technical Charges	29	1,950.74	1,545.33
Finance Cost	30	156.65	142.59
Depreciation and Amortisation expense	31	186.06	136.37
Other Expenses	32	514.12	421.23
Total expenses		**6,288.09**	**5,005.94**
Profit before exceptional items and tax		**640.89**	**737.13**
Exceptional items	33	49.71	-
Profit Before Tax		**591.19**	**737.13**
Tax expense			
Current tax		240.89	210.72
Deferred tax		(29.41)	5.29
Earlier Year Taxes		(0.40)	-
Total tax expense		**211.07**	**216.00**
Share of (profit)/loss of joint venture entities		-	5.19
Profit / (Loss) after tax		**380.12**	**515.93**
Other comprehensive income			
Item that will not be reclassified subsequently to the statement of profit and loss			
Remeasurements of post-employment benefit obligation		25.89	(13.14)
Income tax effect on the above		(6.52)	3.31
Total other comprehensive income for the year, net of tax		**19.38**	**(9.83)**
Total comprehensive income for the year attributable to equity shareholders		**399.50**	**506.10**
Earnings per equity share [EPS] (₹)	40		
Basic		8.92	12.28
Diluted		8.92	12.28
Face value per share		10.00	10.00

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd/-
K S Mahidhar
Partner
Membership No: 220881
Place: Hyderabad
Date: 29-05-2026

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Sd/-
R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-
R. Sneha
Director
DIN: 09592284

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V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

Sd/-
Sugandha Khandelwal
Company Secretary
M No: A48323

AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)
CIN: U74200TG2005PLC045491
Consolidated Statement of Cashflows for the year ended 31 March 2026
(All amounts in ₹ millions, except share data and where otherwise stated)

	For the year ended	
Particulars	**31 March 2026**	**31 March 2025**
Cashflow from operating activities		
Profit before tax	**591.19**	**737.13**
Adjustment for:		
Finance Cost	156.65	142.59
Profit on sale of assets	(1.32)	-
Interest on deposits	(31.23)	(27.10)
Depreciation on tangible and intangible assets	82.97	73.91
Depreciation on ROU assets	103.09	62.45
Operating profit before working capital changes	**901.35**	**988.97**
Working capital adjustments :		
(Increase) Decrease in other non-current assets	(119.75)	92.68
(Increase) Decrease in loans	(5.22)	4.19
(Increase) Decrease in other financial assets	(140.20)	(381.26)
(Increase) Decrease in other assets	(521.54)	(67.11)
(Increase) Decrease in trade receivables	(715.26)	(342.40)
Increase (Decrease) in trade payables	283.15	27.13
Increase (Decrease) in financial liabilities	-	(74.98)
Increase (Decrease) in other liabilities	101.65	93.89
Increase (Decrease) in lease liabilities	105.10	(11.91)
Increase (Decrease) in provisions	127.04	45.49
Cash generated from operations	**16.31**	374.70
Direct taxes paid (net)	**(229.33)**	(285.23)
Net cash generated from-(used in) operating activities (A)	**(213.02)**	**89.47**
Cash flow from investing activities		
Purchase of property, plant and equipment, including intangible assets	(109.44)	(164.63)
Right of use assets	(203.09)	(45.20)
Proceeds from sale of assets	1.32	-
Exchange fluctuation	(31.30)	(29.28)
Interest received on fixed deposits	31.23	27.10
Net cash generated from- (used in) investing activities (B)	**(311.28)**	**(212.01)**
Cash flow from financing activities		
Interest paid	(133.00)	(124.00)
Interest paid on lease liabilities	(23.65)	(18.59)
Net Preoceeds from Borrowings- Current	325.09	199.66
Preoeeds from issue of equity share capital	350.62	-
Net cash flow from/(used in) financing activities (C)	**519.07**	**57.07**
Net increase in cash and cash equivalents (A)+(B)+(C)	**(5.23)**	**(65.45)**
Cash and cash equivalents at the beginning of the year	**94.99**	**160.44**
Cash and cash equivalents at the end of the year	**89.76**	**94.99**
Note 1:		
Components of Cash and Cash equivalents (Refer Note 12)		
Cash and cash equivalents		
Balances with bank	**89.40**	**94.76**
Cash in hand	**0.26**	**0.23**
Cash and cash equivalents at the end of the year	**89.66**	**94.99**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
for M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

for and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Sd/-
K S Mahidhar
Partner
Membership No: 220881
Place: Hyderabad
Date: 29-05-2026

Sd/-
R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-
R. Sneha
Director
DIN: 09592284

Sd/-
V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

Sd/-
Sugandha Khandelwal
Company Secretary
M No: A48323

AARVEE ENGINEERING CONSULTANTS LIMITED

formerly Aarvee Engineering Consultants Private Limited,erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Summary of significant accounting policies and other explanatory information

All amounts in ₹ millions, except share data and where otherwise stated)

CIN: U74200TG2005PLC045491

1. Corporate information

AARVEE ENGINEERING CONSULTANTS LIMITED (formerly known as Aarvee Associates Architects Engineers & Consultants Private Limited) (The Company) is a global leader in infrastructure consultancy, delivering world-class solutions across multiple sectors. Established with a commitment to technical excellence, simplicity in engineering and innovation Aarvee has consistently delivered many complex and transformative projects across the globe. The Company is a public limited domiciled in India and is incorporated under the provisions of Companies Act, applicable in India. The registered office of the Company is located at 8-2-5, Ravula Residency, Srinagar Colony Main Road, Punjagutta, Hyderabad-500082, Telangana, India.

The Consolidated Financial Statements comprise financial statements of "Aarvee Engineering Consultants Limited" the "Parent Company" or the "Company" and its subsidiaries as mentioned in note 39 (collectively referred to as "the Group") for the year ended March 31, 2026. All significant intercompany balances and transactions have been eliminated in the consolidation.

2. Basis of preparation

i) Purpose of Consolidated financial statements and Framework

These Consolidated financial statements ("the Consolidated financial statements") have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

These Consolidated financial statements were authorized and approved for issue by the Board of Directors on 29 May 2026

These Consolidated financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective as at 31 March 2026.

The Consolidated financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value. The Company has uniformly applied the accounting policies during the periods presented.

Monetary amounts are expressed in Indian Rupee (₹) millions and are rounded off to two decimals , except for share data and earning per share. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013.

The Consolidated financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Consolidated financial statements". For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the Consolidated financial statements, where applicable.

ii) Current versus non-current classification:

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

• Expected to be realized or intended to be sold or consumed in normal operating cycle

• Held primarily for the purpose of trading

• Expected to be realized in normal operating cycle or within twelve months after the reporting period

• Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

• It is expected to be settled in normal operating cycle or due to be settled within twelve months after the reporting period

• It is held primarily for the purpose of trading

• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

iii) Foreign currency transactions

1. Functional currency

The Consolidated financial statements are presented in Indian Rupees (₹), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.Transactions

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the Consolidated financial statements of the reporting entity.

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

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions, except share data and where otherwise stated)

CIN: U74200TG2005PLC045491

Income from services

Income from services is recognized over the performance period in proportion to the overall quantum of efforts to be expended by the Company for completion of the related services or milestones as stipulated by the contracts with customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable considerations, if any, as specified in the contract with the customer.

Revenue includes only the gross inflows of economic benefits received and receivable by the Company, on its own account.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Advance payments received from customers for which no services have been rendered are presented as 'Mobilisation Advances '.

Unbilled revenue represents the value to the extent of services rendered to the customers on the balance sheet date and is not billed as at the balance sheet date.

Other income

Other income includes gain on exchange fluctuation, Liabilities provisions no longer required written back etc. and is recognised in the period in which it has been written back.

Interest income:

Interest income on deposits with banks is recognized in time proportion basis taking into account the amount outstanding and the rate applicable.

Interest on income tax refund is accounted for upon receipt of such interest

Contract balances

Contract asset

A contract asset - unbilled revenue is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract asset - work under progress is the percentage of work completed for which the revenue will be accounted once the work reaches it's milestone. The cost of such projects has been deferred as the revenue is not recognised in the respective financial year.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

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

vi) Financial instrument

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

a) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

• financial assets at amortized cost

• financial asset at fair value through other comprehensive income (FVOCI)

• financial asset at fair value through profit and loss (FVTPL)

Financial asset at amortized cost

A financial asset is measured at amortized cost (net of any write down for impairment) the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss. The losses arising from impairment are recognized statement of profit and loss. This category generally applies to trade and other receivables.

Financial asset at fair value through other comprehensive income (FVOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

• The financial asset is held both to collect contractual cash flows and to sell.

• The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions, except share data and where otherwise stated)

CIN: U74200TG2005PLC045491

Financial asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category and any financial asset which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

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

In addition, the Company may elect to designate an instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint ventures at cost less impairment loss (if any). The investment in preference shares with the right of surplus assets which are in the nature of equity in accordance with Ind AS 32 are treated as separate category of investment and measured at FVTOCI.

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; It evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

• The rights to receive cash flows from the asset have expired, or

• Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

For Trade receivables, The Company applies time value of money basis, which means the company considers the present value of trade receivables that are outstanding for more than one year and so on considering the effective rate of interest which the company uses for its working capital borrowings. The Company also considers historical defaults of its customers to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default and working capital rates are reviewed and analysed.

For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

b) **Financial liabilities**

Initial recognition and measurement

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

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

The Company's financial liabilities include trade payables, and other payables.

Subsequent measurement

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

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR (Effective Interest Rate) method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

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

Derecognition

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

c) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

AARVEE ENGINEERING CONSULTANTS LIMITED

(formerly Aarvee Engineering Consultants Private Limited,erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ millions, except share data and where otherwise stated)

CIN: U74200TG2005PLC045491

d) **Reclassification of financial assets**

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

vii) **Income tax**

Income tax expense comprises current and deferred income tax. It is recognized in net profit in the Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Provision for current tax is made under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions as per the provisions of Income Tax Act, 1961.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

viii) **Property and equipment**

All items of property and equipment are initially recorded at cost. Cost of property and equipment comprises purchase price, non-refundable taxes, levies, and any directly attributable cost of bringing the asset to its working condition for the intended use. After initial recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the cost of replacing part of the property and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property and equipment.

The Company identifies and determines cost of each component part of the asset separately, if the component part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property and equipment are eliminated from Consolidated financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of property and equipment and gains or losses arising from disposal of property and equipment are recognized in statement of profit and loss in the year of occurrence.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.
The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Residual value of property plant and equipment is upto 5% of the original cost till such assets is disposed. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives used by the Company are in line with the rates prescribed under Schedule II of the Companies Act 2013.

Depreciation on property, plant and equipment is provided on the straight line method based on useful life of the assets estimated by the Management.

Asset class	Useful life
Computer equipment	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Other equipment	10 years
Vehicles	10 years
Leasehold improvements	10 years
Buildings	60 years

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ix) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is charged to profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

The amortization expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Residual value of intangible assets is upto 5% of the original cost till such assets is disposed.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

x) Impairment of non-financial assets

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are Companies together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Company's of assets.

An impairment loss is recognised in the statement of profit or loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been previously recognised.

xi) Lease

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as lessee

The Company's leased assets consist of leases for building. The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
a. the contract involves the use of an identified asset
b. the Company has substantially all the economic benefits from use of the asset through the period of the lease and
c. the Company has the right to direct the use of the asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. ROU asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in consolidated statement of income.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

xii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, fixed deposits with an original maturity of three months or less and highly liquid assets, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and fixed deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

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xiii) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xiv) Provisions, contingent liabilities and contingent assets

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognised in the Consolidated financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

xv) Employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

Gratuity

The liability recognised in the under provisions note in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs.

Gains and losses through re-measurements of the defined benefit plans are recognized in other comprehensive income, which are not reclassified to Statement of Profit and Loss in a subsequent period. Further, as required under Ind AS compliant Schedule III, the Company transfers those amounts recognized in other comprehensive income to retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Other employee benefits

Leave encashments

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include leave encashments which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such leave encashments is accounted as under :

(a) in case of accumulated leave encashments, when employees render the services that increase their entitlement of future leave encashments; and

(b) in case of non-accumulating leave encashments, when the absences occur.

Leave encashments which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligations at the Balance Sheet date based on actuarial valuation by an independent actuary using the Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under the defined benefit plan are based on the market yields on government bonds as at the Balance Sheet date.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is charged to the Statement of Profit and Loss in the period in which such services are rendered.

xvi) Equity and reserves

- Share capital represents the nominal (par) value of shares that have been issued.

Other components of equity include:

- Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets
- Retained earnings includes all current and prior period retained profits
- Capital reserve due to Gain on Bargain purchase

xvii) Segment reporting

Operating segments are reported in manner consistent with the internal reporting provided to the chief operating decision maker. The Managing Director is responsible for the allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker. The Company is principally engaged in a single segment business i.e. services .

xviii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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xix) Fair value measurement

The Company measures financial instrument such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability - or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Currently the Company carries those instruments where in level 1 inputs of the above-mentioned fair value hierarchy is used.

xx) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 103 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with Ind AS 103 . Other contingent consideration that is not within the scope of Ind AS 103 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

xxi) Recent accounting pronouncements

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

1 Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

2 Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

3 Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

4 Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments.

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3 Property, plant and equipment

	Land	Buildings	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Other equipment	Leasehold improvement	Total
Deemed Cost									
As at 1 April 2024	**30.83**	**71.64**	**82.62**	**66.64**	**189.22**	**162.57**	**211.07**	**7.46**	**822.04**
Additions during the year	1.50	45.44	15.94	19.03	11.37	31.34	5.07		129.69
Assets on account of acquistion		13.50	0.33	0.08	0.38	0.91	0.15	-	15.35
Disposals during the year	-	-	-	(22.84)	-	-	-	-	(22.84)
As at 31 March 2025	**32.33**	**130.57**	**98.89**	**62.91**	**200.98**	**194.82**	**216.29**	**7.46**	**944.24**
Additions during the year	-	-	11.43	3.22	16.13	38.25	4.16	28.61	101.80
Assets on account of acquistion									-
Disposals during the year	-	-	-	(1.52)	(4.61)	-	-	-	(6.12)
As at 31 March 2026	**32.33**	**130.57**	**110.33**	**64.61**	**212.50**	**233.07**	**220.45**	**36.07**	**1,039.92**
Accumulated depreciation									
Up to 1 April 2024	-	**10.16**	**53.80**	**28.46**	**150.27**	**125.21**	**75.47**	**5.09**	**448.46**
Charge for the year		2.24	5.25	5.93	9.85	20.19	18.85	0.43	62.74
Disposals during the year				-			(11.40)		(11.40)
Up to 31 March 2025	-	**12.39**	**59.05**	**34.40**	**160.12**	**145.39**	**82.92**	**5.52**	**499.80**
Charge for the year		2.64	6.35	5.31	12.20	28.53	19.12	0.81	74.96
Disposals during the year		-	-	(1.44)	(4.38)	-	-	-	(5.82)
Up to 31 March 2026	-	**15.02**	**65.40**	**38.26**	**167.93**	**173.92**	**102.04**	**6.34**	**568.94**
Net block									
As at 31 March 2026	**32.33**	**115.55**	**44.93**	**26.35**	**44.57**	**59.15**	**118.41**	**29.73**	**471.02**
As at 31 March 2025	**32.33**	**118.18**	**39.85**	**28.51**	**40.85**	**49.42**	**133.37**	**1.93**	**444.44**

4 Intangible assets

	Computer software	Goodwill	Total
Deemed Cost			
As at 1 April 2024	**146.71**	-	**146.71**
Additions during the year	5.34	-	5.34
On account of acquistion	-	25.68	25.68
Disposals during the year	-	-	-
As at 31 March 2025	**152.05**	**25.68**	**177.73**
Additions during the year	8.70		8.70
On account of acquistion		-	-
Disposals during the year	-	-	-
As at 31 March 2026	**160.76**	**25.68**	**186.43**
Accumulated amortization			
Up to 1 April 2024	**120.45**	-	**120.45**
Charge for the year	11.18	-	11.18
On disposals	-	-	-
Up to 31 March 2025	**131.63**	-	**131.63**
Charge for the year	8.82	-	8.82
Disposals during the year	-	-	-
Up to 31 March 2026	**140.44**	-	**140.44**
Net block			
As at 31 March 2026	**20.31**	**25.68**	**45.99**
As at 31 March 2025	**20.43**	**25.68**	**46.10**

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5 Right-to-use asset

	Leasehold properties	Total
Gross block		
As at 01 April 2024	**339.06**	**339.06**
Additions during the year	48.55	48.55
Assets on account of acquistion	1.23	1.23
Deletions during the year	(4.58)	(4.58)
As at 31 March 2025	**384.26**	**384.26**
Additions during the year	203.09	**203.09**
Deletions during the year	-	-
As at 31 March 2026	**587.35**	**587.35**
Accumulated depreciation		
Up to 01 April 2024	**155.18**	**155.18**
Charge for the year	62.45	**62.45**
On disposals	-	-
Up to 31 March 2025	**217.63**	**217.63**
Charge for the year	**103.09**	**103.09**
Disposals during the year	-	-
Up to 31 March 2026	**320.71**	**320.71**
Net block		
As at 31 March 2026	**266.64**	**266.64**
As at 31 March 2025	**166.63**	**166.63**

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	As at 31 March 2026	As at 31 March 2025
6 Non-Current investments		
Investments at cost		
a. Investment in Equity Instruments(Un-quoted)		
i) Investment in Other Entities		
Onapakshi LLP	0.02	0.02
Durgamcheruvu Collective LLP	0.001	0.001
	0.02	**0.02**
Aggregate amount of quoted investments and market value		-
Aggregate amount of unquoted investments	0.02	0.02
Aggregate provision for diminution in value of investments	-	-
7 Loans - Non-current		
Unsecured, considered good		
Loans and advances to related parties	-	-
	-	-
8 Other financial assets - Non-current		
Unsecured, considered good		
Deposits with bank *	140.58	93.42
Other Deposits	45.91	27.15
Receivables from Others	41.37	20.41
	227.87	140.98
Deposits - Credit Impaired	15.15	15.15
Less: Provision for expected credit loss	(15.15)	(15.15)
	227.87	**140.98**
*Includes margin money deposits against bank guarantees and deposits marked as lien		
9 Deferred tax asset /(liability) (net)		
Deferred tax liability (Gross)		
Property, Plant and Equipment	(0.47)	(0.44)
	(0.47)	**(0.44)**
Deferred tax asset (Gross)		
Property, Plant and Equipment	5.62	7.24
Provision for expected credit loss on doubtful receivables	77.64	77.64
Provision for expected credit loss on other assets	30.98	30.98
Provision for employee benefits	87.89	63.40
	202.13	**179.26**
Net deferred tax asset /(liability)	**202.60**	**179.70**
10 Other Non Current assets		
Capital advances	6.60	8.57
Prepaid expenses	39.93	12.08
Security deposits withheld by clients	136.22	72.69
Retention deposits withhled by clients	36.09	52.80
Other withheld by clients	111.69	64.64
	330.53	210.78
Security deposits withheld by clients - Credit Impaired	1.98	1.98
Less: Provision for expected credit loss	(1.98)	(1.98)
Retention deposits withheld by clients - Credit Impaired	1.44	1.44
Less: Provision for expected credit loss	(1.44)	-1.44
Other withheld by clients - Credit Impaired	1.76	1.76
Less: Provision for expected credit loss	(1.76)	(1.76)
Other assets- Credit Impaired	182.79	182.79
Less: Provision for expected credit loss	(182.79)	(182.79)
	330.53	**210.78**

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11 Trade receivables

	As at 31 March 2026	As at 31 March 2025
Unsecured		
Considered good	2,247.09	1,531.82
Trade Receivables - Credit Impaired	321.50	321.50
Less: Provision for expected credit loss	(321.50)	(321.50)
	2,247.09	**1,531.82**

The movements in the loss allowance for impairment of trade receivables are as follows:

Balance at the beginning of the year	321.50	321.50
Allowance during the year	-	-
Balance at the end of the year	**321.50**	**321.50**

	Outstanding for following periods from due date of payment						
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
31 March 2026							
(i) Undisputed trade receivables – considered good	-	1,790.93	261.30	85.49	60.27	49.10	**2,247.09**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	11.36	11.35	9.35	289.43	**321.50**
(iv) Disputed trade receivables	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
(vii) Provision for expected credit loss			(11.36)	(11.35)	(9.35)	(289.43)	**(321.50)**
Total	-	**1,790.93**	**261.30**	**85.49**	**60.27**	**49.10**	**2,247.09**

	Outstanding for following periods from due date of payment						
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
31 March 2025							
(i) Undisputed trade receivables – considered good	-	1,349.61	53.99	77.89	3.48	46.85	**1,531.82**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	11.36	11.35	9.35	289.43	**321.50**
(iv) Disputed trade receivables	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
(vii) Provision for expected credit loss	-	-	(11.36)	(11.35)	(9.35)	(289.43)	**(321.50)**
Total	-	**1,349.61**	**53.99**	**77.89**	**3.48**	**46.85**	**1,531.82**

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		As at 31 March 2026	As at 31 March 2025
12	**Cash and cash equivalents**		
	Balances with banks		
	- In current accounts	89.39	94.76
	Cash on hand	0.26	0.23
		89.65	**94.99**
13	**Loans - Current**		
	Unsecured, considered good		
	Loans to employees	1.71	2.98
	Loans to others	68.33	61.83
		70.04	**64.81**
14	**Other financial assets - Current**		
	Unsecured, considered good		
	Advance other than receivable in cash	2.75	-
	Interest accrued and not due on deposits	17.04	16.46
	Other deposits	0.53	15.61
	Deposits with bank	384.05	343.24
	Advance to Vendors	36.57	12.31
		440.94	**387.62**
15	**Non Current Tax Assets (Net)**		
	Advance Tax	612.56	361.72
	Less: Provision for Income Tax	(468.87)	(213.39)
		143.69	**148.33**
16	**Other assets - Current**		
	Unsecured, considered good		
	Balances with government authorities	131.77	150.65
	Earnest money deposits	35.38	43.58
	Prepaid expenses	119.99	80.81
	Contract assets-Unbilled revenue	925.76	553.90
	Other Receivables	209.71	72.13
		1,422.61	**901.07**

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	As at 31 March 2026	As at 31 March 2025
17 Share capital		
Authorised	750.00	750.00
7,50,00,000 (31 March 2025: 7,50,00,000) equity shares of ₹10 each		
Issued, subscribed and fully paid-up	430.95	420.00
4,30,94,812 (31 March 2025: 4,20,00,000) equity shares of ₹10 each	**430.95**	**420.00**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2026		As at 31 March 2025	
	Number of equity shares	Amount	Number of equity shares	Amount
Shares outstanding at the beginning of the year	4,20,00,000	420.00	60,00,000	60.00
Add: Allotted during the year*	10,94,812	10.95	3,60,00,000	360.00
Shares outstanding at the end of the year	**4,30,94,812**	**430.95**	**4,20,00,000**	**420.00**

*Group issued 36 Million bonus shares of Rs. 10 each during 2024-25 amounting to Rs. 360 Million

(b) Terms/rights attached to equity shares

The Group has one class of equity shares having a face value of ₹10 per share. Each shareholder is eligible for one vote per share held. The Group declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of shareholders in the ensuing general meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholdings.

(c) Details of shareholders holding more than 5% equity shares in the Company

	As at 31 March 2026		As at 31 March 2025	
	No. of equity shares	% of holding	No. of equity shares	% of holding
R.V.Chakrapani	3,78,09,800	87.74%	3,78,09,800	90.02%
R. Sneha	20,93,000	4.86%	20,93,000	4.98%

(d) Shares held by the promoters*:

Promoter name	As at 31 March 2026		As at 31 March 2025		
	No. of equity shares	% of holding	No. of equity shares	% of holding	% of change during the year
R.V.Chakrapani	3,78,09,800	87.74%	3,78,09,800	90.02%	2.29%
Redla Sneha	20,93,000	4.86%	20,93,000	4.98%	0.13%
Redla Nagarjuna	11,76,000	2.73%	11,76,000	2.80%	0.07%

Promoter name	As at 31 March 2025		As at 31 March 2024		
	No. of equity shares	% of holding	No. of equity shares	% of holding	% of change during the year
R.V.Chakrapani	3,78,09,800	90.02%	54,01,380	90.02%	0.00%
Redla Sneha	20,93,000	4.98%	-	0.00%	-4.98%
Redla Nagarjuna	11,76,000	2.80%	-	0.00%	-2.80%

*Promoter here means promoter as defined in the Companies Act, 2013. Details of list of promoters has been considered as per forms filed with registrar of companies for respective years.

(e) Other details of equity shares for the period of five years immediately preceeding 31 March 2026 and 2025

	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022
	No. of equity shares				
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
During the year ended March 31,2025	-	3,60,00,000	-	-	-
Aggregate number and class of shares allotted as fully paid by way of bonus shares	-	**3,60,00,000**	-	-	-

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	As at 31 March 2026	As at 31 March 2025
18 Other equity		
Securities Premium		
Opening Balance	-	-
Allotted during the year	339.67	-
Closing Balance	**339.67**	**-**
Retained earnings		
Opening Balance	1,935.90	1,780.35
Profit / (Loss) during the year	381.84	155.55
Closing Balance	**2,317.74**	**1,935.90**
Other comprehensive income		
Remeasurement of Defined Benefit Plan		
Opening Balance	25.39	35.22
Movement during the year	19.42	(9.83)
Closing Balance	**44.81**	**25.39**
Foreign currency translation reserve		
Opening Balance	2.47	26.17
Movement during the year	(33.02)	(23.70)
Closing Balance	**(30.55)**	**2.47**
Total other equity	**2,671.67**	**1,963.76**

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		As at 31 March 20:	As at 31 March 2025
19	**Borrowings- Non Current**		
	Term Loans- Secured		
	From Banks	73.25	135.07
	Unsecured Loans		
	From related parties	15.95	10.27
		89.20	**145.34**
	Less: Current maturities of Non-Current Borrowings (Refer Note 22)	-31.65	-58.89
		57.56	**86.44**

A.Terms and Repayment Schedule

	Currency	Note Ref	Interest Rate	Tenure	Carrying Amount As at 31 March 20:	Carrying Amount As at 31 March 2025
Term Loans						
SBI Term Loan - Capex-2	INR	(a)	10.95%	36 Months	1.41	8.34
SBI TERM Loan - GECL - 1	INR	(a)	8.65%	36 Months	4.04	34.61
Yes Bank Term Loan - GECL - 2	INR	(b)	9.25%	60 Months	11.48	25.05
Housing Loans						
HDFC	INR	(c)	8.15%	180 Months	33.20	37.35
ICICI Bank	INR	(c)	7.50%	60 Months	5.21	7.13
Car Loans						
HDFC Car Loan -1	INR	(d)	8.46%	60 Months	4.72	7.92
HDFC Car Loan -2	INR	(d)	9.00%	60 Months	9.68	12.21
SBI Car Loan - IV	INR	(a)	9.85%	36 Months	1.83	2.45
SBI Car Loan - V	INR	(a)	10.15%	36 Months	1.68	-
Unsecured						
K. Nirmala	INR				13.39	7.71
R V Chakrapani	INR				2.56	2.56
					89.20	**145.34**

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B. Terms

(a) These loans are secured by way of hypothecation and first charge on plant & equipments, other equipments, respective vehicles and entire current assets including receivables (both present and future) and term deposits of the Company.
First charge by way of mortgage on immovable properties owned by the company and first charge by way of immovable properties as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, Managing Director of the Company and Smt K.Nirmala, wife of R.V.Chakrapani.
These loans are secured by way of pledge and first charge on 30 % of shares held by Sri R.V.Chakrapani.
These loans are further secured by way of personal guarantees of Sri R.V.Chakrapani, Smt K.Nirmala and Sri B. Venkateswara Reddy.

(b) These loans are secured by way of hypothecation and second charge on entire current assets including receivables of the Company (both present and future).
Second charge by way of mortgage on immovable properties owned as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, and Smt K.Nirmala.
These loans are secured by way of pledge and second charge on 30 % of shares held by Sri R.V.Chakrapani.

(c) These loans are secured by way of mortagage of specific immovable property of the Company.

(d) These loans are secured by way of hypothecation of specific movable property of the Company.

(e) These loans are secured by way of mortagage of specific property of the Company .

C. Breach of Covenants

The Company has satisfied all the covenants prescribed in terms of borrowings.

D. reconciliation of movement of liabilities to cash flows arising from financing activities

	Term Loans
Opening as April 1, 2024	**199.18**
Add: Fresh loans	231.93
Add: Interest accruals	20.95
Less: payments	(306.72)
Closing as on March 31, 2025	**145.34**
Cash flows from financing activities	**(53.84)**

	Term Loans
Opening as April 1, 2025	**145.34**
Add: Fresh loans	72.50
Add: Interest accruals	15.58
Less: payments	(144.21)
Closing as on March 31, 2026	**89.20**
Cash flows from financing activities	**(56.14)**

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		As at 31 March 2026	As at 31 March 2025
20	**Lease liabilities**		
	Non-current lease liabilities	205.57	136.58
		205.57	**136.58**
	Current lease liabilities	93.39	57.28
		93.39	**57.28**

Following is the movement in lease liabilities:

	Amount
Balance as at 31 March 2024	**205.77**
Additions/ (Deletions) during the year	42.51
Finance cost accrued during the year	18.59
Payment of lease liabilities	(73.00)
Balance as at 31 March 2025	**193.86**
Additions/ (Deletions) during the year	202.18
Finance cost accrued during the year	23.65
Payment of lease liabilities	(120.73)
Balance as at 31 March 2026	**298.96**

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	As at 31 March 2026	As at 31 March 2025
21 Provisions- Non-current		
Provision for gratuity (Refer note 37)	248.78	181.68
Provision for leave encashment (Refer note 37)	45.68	30.96
	294.46	**212.64**
22 Borrowings – Current		
Secured		
Working Capital Loans		
From Banks		
Cash Credit	749.52	364.59
Working capital term loans	51.85	55.56
	801.37	**420.15**
Add:Current maturities of Non-Current Borrowings	31.65	58.89
Total	**833.02**	**479.04**

	Note Ref	Interest Rate	Tenure	Carrying amount As at 31 March 2026	Carrying amount As at 31 March 2025
State Bank of India	(a)	9.90%		204.95	-
Yes Bank	(b)	8.18%		492.03	346.59
ICICI Bank	(c)	9.35%		34.54	-
ICICI Working capital Term Loan	(d)	9.75%		51.85	55.56
Indian Bank OD limits against depo:	(e)	7.00%		18.00	18.00
				801.37	**420.15**

1. Notes

(a) These loans (ICICI Bank and Yes Bank) are secured by way of hypothecation and first charge on plant & equipments, other equipments, respective vehicles and entire current
assets including receivables . (both present and future) and term deposits of the Company.
First charge by way of mortgage on immovable properties owned by the company and first charge by way of immovable properties as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, Managing Director of the Company and Smt K.Nirmala, wife of R.V.Chakrapani.
These loans are secured by way of pledge and first charge on 30 % of shares held by Sri R.V.Chakrapani.
These loans are further secured by way of personal guarantees of Sri R.V.Chakrapani, Smt K.Nirmala and Sri B. Venkateswara Reddy.
(b) These loans are secured by way of hypothecation and second charge on entire current assets including receivables of the Company (both present and future).
Second charge by way of mortgage on immovable properties owned as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, and Smt K.Nirmala.
These loans are secured by way of pledge and second charge on 30 % of shares held by Sri R.V.Chakrapani.

(c) These loans are secured by way of first parri passu charge on plant & equipments, other equipments, respective vehicles and entire current assets including receivables . (both present and future) and term deposits of the Company along with other loan providers
First parri passu charge on immovable properties owned by the company and on immovable properties as mentioned in the loan agreement, owned by Sri R.V.Chakrapani, Managing Director of the Company and Smt K.Nirmala, wife of R.V.Chakrapani along with other loan providers.
These loans are secured by way of first parri passu charge on 30 % of shares held by Sri R.V.Chakrapani along with other loan providers.

(d) The Company has satisfied all the covenants prescribed in terms of borrowings

(e) The Indian Bank OD limits are secured against the coverage of FDs.

(e) The above loans are repayable in monthly installments

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23 Trade payables		
Total Outstanding dues of micro enterprises and small enterprises	103.01	84.72
Total Outstanding dues of other than micro enterprises and small enterprises	445.82	180.97
	548.83	**265.69**

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A) Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent

B) Ageing schedule:

Trade payable as on 31 March 2026

Particulars		Outstanding for following periods from due date of payment			
		Less than 1 year	1-2 years	2-3 years	Total
(i) MSME		103.01	-	-	**103.01**
(ii) Others		393.12	51.47	0.66	**445.25**
(iii) Disputed dues – MSME		-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total		**496.13**	**51.47**	**0.66**	**548.26**

Trade payable as on 31 March 2025

Particulars		Outstanding for following periods from due date of payment			
		Less than 1 year	1-2 years	2-3 years	Total
(i) MSME		84.22	0.47	0.03	**84.72**
(ii) Others		177.28	2.61	1.08	**180.97**
(iii) Disputed dues – MSME		-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total		**261.50**	**3.08**	**1.11**	**265.69**

24 Other current liabilities

Statutory dues	186.77	224.60
Mobilisation advances from customers	175.61	197.21
Payable to employees	362.12	220.83
Other Payables	21.30	1.51
	745.80	**644.15**

25 Provisions- Current

Provision for leave encashment (Refer note 37)	11.34	10.09
Provision for gratuity (Refer note 37)	55.60	39.00
Provision for CSR	10.50	2.52
	77.44	**51.61**

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		Year ended 31 March 2026	Year ended 31 March 2025
26	**Revenue from operations**		
	Income from Services	6,829.67	5,671.32
		6,829.67	**5,671.32**
27	**Other income**		
	Interest income on		
	- Deposits with bank	31.23	27.10
	`-Unsecured loan.	6.46	-
	Profit on sale of Assets	1.32	-
	Miscellaneous Income	38.45	44.65
	Realised Translation Gain on Foreign Loans	21.86	-
		99.32	**71.75**
28	**Employee benefits expense**		
	Salaries, wages and bonus		
	- Employees	3,257.37	2,583.77
	Contribution to provident fund and other funds	81.90	64.93
	Gratuity and leave encashment	98.29	67.94
	Staff welfare expense	42.97	43.77
		3,480.53	**2,760.42**
29	**Consultancy and Technical charges**		
	Management and consultancy fees	1,521.53	1,137.30
	Project monitoring and survey expenses	429.21	408.03
		1,950.74	**1,545.33**
30	**Finance cost**		
	Interest expense on borrowings	79.61	43.26
	Interest on Lease Liabilities	23.65	18.59
	Other borrowing costs	53.39	80.73
		156.65	**142.59**

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31 Depreciation and amortisation

Depreciation amortisation expense on:		
Property, plant and equipment	74.15	62.73
Intangible assets	8.82	11.18
Right of use assets	103.09	62.45
	186.06	**136.37**

32 Other expenses

Advertisement and business promotion	11.24	12.03
Office maintenance	67.17	48.34
Rent	50.94	34.86
Legal and professional fees	10.51	0.90
Rates and taxes	9.91	26.64
Insurance	32.15	20.31
Power and fuel	21.84	19.48
Security charges	13.53	14.16
Printing and stationery	25.94	13.52
Travelling and accommodation	148.69	129.26
Administration and Maintenance expenses		
Auditor's remuneration	6.41	2.95
Loss on exchange fluctuation (net)	3.73	1.42
Loss on sale of assets (net)	-	6.21
Repairs and maintenance	25.82	12.27
GST TDS receivable written off	1.13	-
Corporate social responsibility**(Refer 33A)**	12.81	9.32
Provision for expected credit loss- other assets	-	5.76
Provision for expected credit loss- trade receivables	-	2.30
Miscellaneous	72.31	61.50
	514.12	**421.23**

33A. Details of Corporate social responsibility expenditure:

	Year ended 31 March 2026	**Year ended 31 March 2025**
Gross amount required to be spent by the Company during the year	12.81	9.32
Amount approved by the Board	12.81	9.32
Amount spent during the year on:		
(i) Construction acquisition of assets	-	-
(ii) On purposes other than (i) above	4.83	6.80
Shortfall at the end of the year	7.98	2.52
Total of previous years shortfall	2.52	-
Total	**10.50**	**2.52**

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Unspent Amount				
Opening Balance	**Amount deposited in Specified Fund of Sch. VII within 6 months**	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing Balance**
2.52	12.81	12.81	4.83	**10.50**

Nature of CSR activities
Homeo Clinic services in a remote village in Andhra Pradesh; Donation to IIT Madras, IIT Tirupati.

B.	**Auditor's remuneration**		
a)	Paid as Auditor		
	i) Statutory Audit Fees	6.30	2.46
	ii) Limited Review of standalone and consolidated financial statements on quarterly basis		
b)	For Taxation Matters		
c)	For other services including certification work	0.11	0.49
d)	For reimbursement of expenses		
	Total	**6.41**	**2.95**

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33 Exceptional Items

Effective November 21, 2025, the Government of India consolidated 29 existing labour regulations into four Labour codes, namely, 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, collectively referred to as the 'New Labour Codes', The New Labour Codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirements of New Labour Codes and the ICAI clarification, the Group has assessed and accounted for the estimated incremental impact of Rs.49.71 Million towards Gratuity & Levae encashment plans as Exceptional Items in the financial statements for the year ended March 31, 2026.

	Year ended 31 March 2026	Year ended 31 March 2025
34 Expenditure in foreign currency		
Management and consultancy fees	108.61	88.76
Software Lices and Subscription charges	10.99	10.16
Travelling and accommodation	9.94	13.19
	129.54	**112.12**

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	31 March 2026	31 March 2025
35 Commitments and contingent liabilities		
Capital Commitments	1.24	2.72
Contingent Liabilities		
Money Suits	3.80	3.18
Goods and Service tax*	92.31	67.32
Guarantees outstanding	1,817.00	1,670.20
	1,914.35	**1,743.41**

*The Company has availed Input Tax Credit (ITC) amounting to INR 55.78 Mn which is disclosed under 'Balances with government authorities ,' which is disputed by tax authorities subsequently. The Management, based on legal advice, believes that the ITC is valid and recoverable. However, if the claim is disallowed, the Company may be required to settle the disputed amount along with applicable interest.Accordingly, the matter has been disclosed as a contingent liability.

36 Employee Benefits

A. Defined contribution plans

The Company's contribution to provident fund and other funds are considered as defined contribution plans. The contributions are charged to the Statement of profit and loss as they accrue. Contributions to provident and other funds included in employee benefit expenses are as under:

	Year ended 31 March 2026	Year ended 31 March 2025
Contribution to provident and other funds	81.90	64.93
	81.90	**64.93**

Defined benefit plan - gratuity

The Company has provided for gratuity for its employees as per actuarial valuation carried out by an independent actuary on the balance sheet date. The valuation has been carried out using the Project Unit Credit Method as per Ind AS 19 to determine the present value of Defined Benefit Obligations and the related current service cost. This is a defined benefit plan as per Ind AS 19. The gratuity plan is governed by the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time). Employees are entitled to all the benefits enlisted under this act.

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

a Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability as shown in financial statements.

b Liquidity risk

This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/ cash equivalents to meet the liabilities or holding of illiquid assets not being sold in time.

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c Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase of employees in future. Deviation in the rate of interest in future for employees from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

d Demographic risk

The Company has used certain mortality and attrition assumptions in valuation and is exposed to risk of actual experience turning out to be worse compared to the assumption.

e Regulatory risk

Gratuity benefits are paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

(i) Change in projected benefit obligation

	Year ended 31 March 2026	Year ended 31 March 2025
Projected benefit obligation at the beginning of the year	220.67	174.88
Projected benefit obligation at the time of acquisition		3.94
Service cost	51.79	35.66
Interest cost	15.15	12.03
Actuarial (gain) loss	(18.70)	13.73
Payments made	(10.63)	(19.57)
Past Service Cost	46.10	-
Projected benefit obligation at the end of the year	**304.38**	**220.67**

(ii) Current / non-current classification of defined benefit obligation

Current benefit obligation	55.60	39.00
Non-current benefit obligation	248.78	181.68
	304.38	**220.67**

(iii) Reconciliation of present value of obligation

	Year ended 31 March 2026	Year ended 31 March 2025
Present value of projected benefit obligation at the end of the year	304.38	220.67
Funded status of the plans	-	-
Net liability recognised in the balance sheet	**304.38**	**220.67**

(iv) Expense recognised in the statement of profit and loss

	Year ended 31 March 2026	Year ended 31 March 2025
Service cost	51.79	35.66
Interest cost	15.15	12.03
Gratuity expense	**66.94**	**47.69**

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Leave encashment expense (based on Actuarial Valuation)	19.72	15.43
Gratuity expenses in foreign subsidiaries	-	-
Gratuity payments earlier accounted as expense	-	-
Past Service Cost	7.06	-
Total Gratuity and leave encashment (refer note 28)	**26.78**	**15.43**

		Year ended 31 March 2026	Year ended 31 March 2025
(v) Expense recognised in OCI			
Remeasurements due to			
Effect of change in demographic assumptions		-	
Effect of change in financial assumptions		10.34	(2.10)
Effect of experience adjustments		8.36	(12.12)
Effect of experience adjustments on leave encashment		7.20	1.08
	(B)	**25.90**	**(13.14)**

	Year ended 31 March 2026	Year ended 31 March 2025
(vi) Key actuarial assumptions		
Discount rate	7.55%	7.25%
Salary escalation rate	10.00%	10.00%

	Year ended 31 March 2026	Year ended 31 March 2025
(vii) Demographic assumptions to determine change in defined benefits		
Attrition rate (based on age group)	20-25%	20-25%
Mortality table		Indian Assured
Retirement age	65 Years	65 Years

	Year ended 31 March 2026	Year ended 31 March 2025
(vi) Sensitivity analysis		
Impact on defined benefit obligation		
Delta effect of +1% change in discount rate	288.62	211.22
Delta effect of -1% change in discount rate	314.55	231.08
Delta effect of +1% change in salary escalation rate	312.96	229.98
Delta effect of -1% change in salary escalation rate	289.38	211.83
Delta effect of +1% change in withdrawal rate	299.38	219.19
Delta effect of -1% change in withdrawl rate	302.57	222.23

(vii) Maturity analysis of projected benefit obligation

	Year ended 31 March 2026	Year ended 31 March 2025
1 year	56.34	39.26
2 to 5 years	175.18	123.94
6 to 10 years	121.88	87.30
More than 10 years	109.69	76.55

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and salary escalation rate. The calculation of the net defined benefit liability is sensitive to these assumptions. However, the impact of these changes is not ascertained to be material by the management.

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	31 March 2026	31 March 2025
37 Income tax		
A. Income tax expense recognised in the statement of profit and loss consists of:		
Current income tax	240.89	210.72
Deferred tax expense/(benefit)	(29.41)	5.29
Tax for earlier years	(0.40)	-
	211.08	**216.00**

B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	31 March 2026	31 March 2025
Profit before tax	591.19	737.13
Enacted income tax rate in India	25.17%	25.17%
Expected tax expense	148.80	185.53
Tax effect of amounts which are not deductible (taxable) in		
Expenses/(benefit) not allowed for tax purpose	62.68	28.58
Taxes for earlier years	(0.40)	(0.40)
Income taxed at special rate		
Effect of differential tax rate under other jurisdiction		2.28
Income not considered for tax purpose		
Actual tax expense	**211.08**	**216.00**

As per provision of section 115 BAA of Income Tax Act, 1961, the company has opted to pay income tax at a rate of 25.17% subject to compliance with conditions mentioned by filing Form 10ic of Income Tax before filing Income Tax Return for FY 2019-20. The Company will contimue to file its return under the Section 115BAA. Accordingly, company has provided income tax on the rate i.e. 25.17%.

C. Movement of deferred tax asset for the year ended 31 March 2026

Particulars	1 April 2025	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	31 March 2026
Deferred tax asset/(liability) (Gross)				
Property and Equipment	7.68	(1.62)	-	6.06
Provision for expected credit loss on doubtful receivables	77.64	-	-	77.64
Provision for expected credit loss on other assets	30.98	-	-	30.98
Provision for employee benefits	63.40	17.97	6.52	87.89
	179.70	**16.35**	**6.52**	**202.57**

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D. Movement of deferred tax asset for the year ended 31 March 2025

Particulars	1 April 2024	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	31 March 2025
Deferred tax asset/(liability) (Gross)				
Property and Equipment	15.26	(7.58)	-	7.68
Provision for expected credit loss on doubtful receivables	77.06	0.58	-	77.64
Provision for expected credit loss on other assets	31.15	(0.18)	-	30.98
Provision for employee benefits	58.37	8.33	(3.31)	63.40
	181.85	**1.16**	**(3.31)**	**179.70**
Net deferred tax asset/(liability)	**181.85**	**1.16**	**(3.31)**	**179.70**

E Charge of deferred tax asset to statement of profit and loss and other comprehensive income

	31 March 2026	31 March 2025
Impact of difference between depreciation /amortisation	(1.62)	(7.58)
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on	17.97	8.74
Deferred tax (benefit) / expenses	**16.35**	**1.16**

F The movement in current tax liability

	31 March 2026	31 March 2025
Balance at the beginning of the year (net)	148.30	76.95
Add: Advance tax paid (including self-assessment tax and taxes deducted at source)	250.02	305.67
Less: Income tax refund received		(20.90)
Less: Provision for taxes	(240.89)	(210.72)
Less: Reversals of excess (advance tax)/current tax liability in books	0.40	-
Less: Other adjustments	(14.59)	(2.71)
Balance at the end of the year (net)	**143.24**	**148.30**
Disclosed as -		
Advance tax (net) (a)	143.24	148.30
Current tax liabilities (net) (b)		
Total (a-b)	**143.24**	**148.30**

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38 Related party disclosures

a. Name of related parties and description of relationship

Names	**Description of relationship**
Aarvee KPPA	Joint Venture**
Aarvee TCPL	Joint Venture**
Aarvee AYESA	Joint Venture**
Aarvee - Vax	Joint Venture**
AGG- (NFR) Tunnel	Joint Venture**
Aarvee EINTL- EI	Joint Venture**
Rites Ltd. India	Joint Venture**
Onapakshi LLP	Associates with holding less than 20%
Durgamcheruvu Collective LLP	Associates with holding less than 20%
** Project Joint Ventures	
Aarvee Software Technologies Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control or significant influence
Key managerial personnel	
R. V. Chakrapani	Managing Director
B. V. Reddy	Whole time Director
M. Kishore Kumar	Whole time Director
M. Murthy	Whole time Director
R.Nagarjun	Director
R Sneha	Director
K.Visweswara Rao	Independent Director
B. Anand	Independent Director
K.V. Kaushik	Independent Director
P. Subbi Reddy	Independent Director
Venkata Subrahmanyam Valavala (w.e.f 01.07.2025)	Chief Financial officer of the holding Company
Sugandha Khandelwal	Company Secretary
Stirling Kimkeran	Director of UK Subsidiary
Ramesh Venkatachalam	Director of Australia Subsidiary
Relative of Key managerial personnel	
K Nirmala	Relative of Managing director

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b. Transactions during the year

	31 March 2026	31 March 2025
Joint Venture and other entities		
Rites Ltd. India		
Loss / (Gain) on Foreign exchange	-	0.43
Services rendered	-	2.16
		-
Key managerial personnel		-
R. V. Chakrapani		-
Remuneration	42.00	42.00
Consideration paid towards acquisition of subsidiaries	-	0.05
Loan received	-	128.00
Loan repaid	-	(133.00)
Rent Paid	4.55	4.22
B. V. Reddy		
Remuneration	10.35	10.44
M. Kishore Kumar		
Remuneration	10.58	10.69
M. Murthy		
Remuneration	10.55	10.48
K Nirmala		
Consideration paid towards acquisition of subsidiaries	-	126.38
Remuneration	12.00	3.00
Remuneration prior to acquisition	-	7.20
Rent Paid	3.59	3.42
Loan received	70.00	-
Loan repaid	(70.00)	-
Interest on Loan	5.68	-
R.Nagarjun		
Consideration paid towards acquisition of subsidiaries	-	0.67
R Sneha		
Consideration paid towards acquisition of subsidiaries	-	0.67
Loan received	30.00	-
Loan repaid	(30.00)	-
Remuneration	6.68	5.98
Venkata Subrahmanyam Valavala		
Consultancy Services paid	0.30	0.30
Remuneration	4.28	-
K.Visweswara Rao		
Sitting Fee	0.48	-
B. Anand		
Sitting Fees	0.63	-
K.V. Kaushik		
Sitting Fees	0.25	-
P. Subbi Reddy		
Sitting Fees	0.25	-
Sugandha Khandelwal		

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c. Balance receivable/(payable)

	31 March 2026	31 March 2025
Joint Venture and other entities		
Aarvee KPPA		
Advances	0.12	0.12
Aarvee AYESA		
Trade receivables	2.25	2.25
Trade payables	(0.07)	(2.10)
Aarvee EINTL- EI		
Trade receivables	0.04	0.04
Rites Ltd. India		
Trade receivables	7.03	7.03
Aarvee Software Technologies Private Limited		
Trade payables	(0.03)	(0.03)
Key managerial personnel		
R. V. Chakrapani		
Rent and maintenance payables	(0.80)	(0.39)
Loan payable	(2.56)	(2.56)
K Nirmala		
Loan payable	(13.39)	(7.71)
Rent and maintenance payables	(0.33)	(0.31)
Remuneration payable	(0.38)	(0.58)
Venkata Subrahmanyam Valavala		
Trade payables	(0.06)	(0.45)

39 Earnings per share

	31 March 2026	31 March 2025
Basic earnings per share		
Net Profit After tax	380.12	515.93
Weighted average number of equity shares outstanding	4,26,33,557	4,20,00,000
Basic EPS (₹)	8.92	12.28
Diluted earnings per share		
Net Profit After tax	380.12	515.93
Weighted average number of equity shares outstanding	4,26,33,557	4,20,00,000
Diluted EPS (₹)	8.92	12.28
Face Value of share(₹)	10.00	10.00

40 Additional Disclosures

i No proceedings have been initiated on or are pending against the Group for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.

ii The Group does not consider certain receivables while submitting the data regarding accounts receivable to the bank. These receivables are primarily aged more than 180 days. Due to this there is a difference between the data submitted to to bank and the books of accounts.

iii The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vi The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii 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 in the books of account.

viii The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

ix The Group has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the current or previous year.

x There are no immovable properties not held in the name of the Group , other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee.

xi There are no charges or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.

xii No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other 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 Group (Ultimate Beneficiaries).

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

41 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is principally engaged in a single segment business i.e. Project Management and Engineering Advisory Services.

The geographic information analyses the Group's revenues and non-current assets by the country of domicile and other countries. In presenting geographic information, segment revenue has been based on the location of the customer and segment assets are based on geographical location of the assets.

(i) Revenues from external customers attributed to the Group's country of domicile and attributed to all foreign countries from which the Group derives revenues

	31 March 2026	31 March 2025
India	6,511.15	4,962.22
Outside India	318.52	709.10
	6,829.66	**5,671.32**

(ii) Non-current assets (other than financial instruments, tax assets and deferred tax assets) located in the Group's country of domicile and in all foreign countries in which the Group holds assets

	31 March 2026	31 March 2025
India	1,081.26	866.59
Outside India	32.93	1.37
	1,114.19	**867.96**

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Outside India	32.93	1.37
	1,114.19	**867.96**

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42 Lease disclosure

Where the Group is a lessee

The Group has entered into leasing arrangements for renting of office premises. Such leasing arrangements are predominantly renewable at mutual consent. Accordingly, non-cancellable period is restricted to lease period without considering the renewal option. Wherever applicable, only lock-in period is considered as lease period in case where either party can terminate the lease by giving prior notice. The Group has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

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

Particulars	Leasehold Properties	Total
31 March 2024	**183.89**	**183.89**
Additions	49.78	**49.78**
Deletion	(4.58)	**(4.58)**
Depreciation expense	(62.44)	**(62.44)**
31 March 2025	**166.64**	**166.64**
Additions	203.09	**203.09**
Deletion	-	**-**
Depreciation expense	(103.09)	**(103.09)**
31 March 2026	**266.64**	**266.64**

ii) Set out below are the carrying amounts of lease liabilities (included in note) and the movements during the period:

Particulars	Leasehold Properties	Total
31 March 2024	**205.77**	**205.77**
Additions	42.51	**42.51**
Accretion of interest	18.59	**18.59**
Payment	(73.00)	**(73.00)**
31 March 2025	**193.86**	**193.86**
Additions	202.18	**202.18**
Accretion of interest	23.65	**23.65**
Payment	(120.73)	**(120.73)**
31 March 2026	**298.96**	**298.96**

Particulars	**31 March 2026**	**31 March 2025**
Lease payments		
Not later than one year	143.45	57.28
Later than one year and not later than five years	229.06	120.80
Later than five years	-	18.78
Less: Future finance expense	(73.55)	(3.01)
Total	**298.96**	**193.86**

Amount recognised in statement of profit and loss account	**31 March 2026**	**31 March 2025**
Depreciation on right of use assets	103.09	62.45
Interest on lease liabilities	23.65	18.59
Expenses relating to short term leases and low value assets	50.94	34.86

Amount recognised in statement of cashflow	**31 March 2026**	**31 March 2025**
Total cash outflow for leases - principal	120.73	73.00
Total cash outflow for leases - interest	23.65	18.59

43 Financial risk management

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework. The Group's risk management activity focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to volatile financial markets. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group, resulting in a financial loss. The Group is exposed to this risk for various financial instruments. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised, as summarised below:

Particulars	31 March 2026	31 March 2025
Financial assets - Non-current		
Investments	0.02	0.02
Loans	-	-
Other financial assets	227.87	140.98
Financial assets - Current		
Trade receivables	2,247.09	1,551.82
Cash and cash equivalents	89.65	94.99
Loans	70.04	64.81
Other financial assets	440.94	387.62
	3,075.59	**2,220.24**
Financial liabilities - Non-current		
Borrowings	57.56	86.44
Lease liabilities	205.57	136.58
Financial liabilities - Current		
Borrowings	833.02	435.67
Lease liabilities	93.39	-
Trade payables	548.83	-
Total financial liabilities	**1,738.36**	**658.69**

The Group's cash and cash equivalents and other bank balances are held in reputed banks; which management believes are of high credit quality and hence no impairment allowance has been recognized. Other non-current financial assets majorly comprises of the rental deposits and fixed deposits, which the management believes are of high credit quality and hence no impairment allowance has been recognized. Other financial assets which majorly comprises of lease deposits and unbilled revenue are also monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Hence no impairment allowance is recognised on these financial assets.

With respect to Trade receivables, the Group has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Group creates allowance for unsecured receivables based on historical credit loss experience and is adjusted for forward looking information. The allowance of trade receivables is based on the ageing of the receivables that are due.

Investments of surplus funds are made only in highly marketable liquid fund instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meets its liabilities. The Group invests only in quoted securities with low credit risk.

AARVEE ENGINEERING CONSULTANTS LIMITED
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(B) Market risk: Foreign exchange risk

The Group's foreign currency transactions are in multiple currencies stated as under. Consequently, the Group is exposed to the risk that the exchange rate of the Indian Rupees (INR) relative to multiple currencies may change in a manner which has a material effect on the reported values of the Group's assets and liabilities which are denominated in INR.

Foreign currency denominated financial assets and liabilities (unhedged) which expose the Group to currency risk are disclosed below.

	31 March 2026		31 March 2025	
	Amount in foreign currency	Amount in INR	Amount in foreign currency	
Receivables				
Tanzania to INR	2,050.75	74.73	525.33	18.40
Ethopia to INR	45.10	26.06	33.79	22.65
Kenya to INR	314.11	217.43	41.31	27.09
Mozambique to INR	8.81	12.29	8.67	11.50
Kazakhistan to INR	119.52	21.32	68.70	11.17
Uganda to INR	1,789.19	44.19	-	-
AUD to INR	0.68	44.54	1.11	59.42
Pound to INR	0.16	19.84	0.06	6.36
USD to INR	-	-	0.08	6.50
AED to INR	-	-	0.05	1.15
Payables				
Tanzania to INR	(2,007.54)	(73.15)	(566.48)	(19.84)
Ethopia to INR	(45.09)	(26.06)	(4.66)	(3.12)
Kenya to INR	(314.37)	(217.61)	(10.95)	(7.18)
Mozambique to INR	(11.44)	(15.96)	(3.84)	(5.10)
Kazakhistan to INR	(115.82)	(20.66)	(26.91)	(4.38)
Uganda to INR	(1,797.63)	(44.40)	-	-
AUD to INR	(0.98)	(63.97)	(0.70)	(37.43)
Pound to INR	(0.14)	(16.86)	(0.83)	(91.68)

Sensitivity

The following table details the Group's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where ₹ strengthens 1% against the relevant currency. For a 1% weakening of ₹ against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

	Increase		Decrease	
Particulars	**31 March 2026**	**31 March 2025**	**31 March 2026**	**31 March 2025**
Sensitivity				
Tanzania to INR	(0.02)	0.01	0.02	(0.01)
Ethopia to INR	(0.00)	(0.20)	0.00	0.20
Kenya to INR	0.00	(0.20)	(0.00)	0.20
Mozambique to INR	0.04	(0.07)	(0.04)	0.07
Kazakhistan to INR	(0.01)	(0.07)	0.01	0.07
Uganda to INR	0.00	-	(0.00)	-
AUD to INR	0.19	(0.22)	(0.19)	0.22
Pound to INR	(0.03)	0.85	0.03	(0.85)
USD to INR	-	2.94	-	(2.94)
AED to INR	-	(0.01)	-	0.01

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(C) Liquidity risk

Liquidity risk is that the Group might be unable to meet its obligations. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. The Group manages its liquidity needs by monitoring cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, usually on a month on month basis. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable investments, such as mutual funds, with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

As at 31 March 2026, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

Maturities of financial liabilities

31 March 2026	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings- Non Current	-	53.69	3.86	57.56
Borrowings- Current	833.02	-	-	833.02
Trade payable	548.83	-	-	548.83
Total	**1,381.85**	**53.69**	**3.86**	**1,439.41**

31 March 2025	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings- Non Current	-	81.68	4.77	86.45
Borrowings- Current	479.04	-	-	479.04
Trade payable	265.69	-	-	265.69
Total	**744.73**	**81.68**	**4.77**	**831.17**

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(All amounts in ₹ millions, except share data and where otherwise stated)

45 Fair value measurements

A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2026 were as follows:

Particulars	**Amortised cost**	**Financial assets/ liabilities at FVTPL**	**Financial assets/ liabilities at FVTOCI**	**Carrying value**
Financial assets - Non-current				
Investments	0.02	-	-	0.02
Loans	-	-	-	-
Other financial assets	227.87	-	-	227.87
Financial assets - Current				-
Trade receivables	2,247.09	-	-	2,247.09
Cash and cash equivalents	89.65	-	-	89.65
Loans	70.04	-	-	70.04
Other financial assets	440.94	-	-	440.94
Total financial assets	**3,075.59**	**-**	**-**	**3,075.59**
Financial liabilities - Non-current				
Borrowings	57.56	-	-	57.56
Lease liabilities	205.57	-	-	205.57
Financial liabilities - Current				-
Borrowings	833.02	-	-	833.02
Lease liabilities	93.39			93.39
Trade payables	548.83	-	-	548.83
Other financial liabilities	-	-	-	-
Total financial liabilities	**1,738.36**	**-**	**-**	**1,738.36**

The carrying value and fair value of financial instruments by categories as at 31 March 2025 were as follows:

Particulars	**Amortised cost**	**Financial assets/ liabilities at FVTPL**	**Financial assets/ liabilities at FVTOCI**	**Carrying value**
Financial assets - Non-current				
Investments	0.02	-	-	0.02
Loans	-	-	-	-
Other financial assets	140.98	-	-	140.98
Financial assets - Current				
Trade receivables	1,531.82	-	-	1,531.82
Cash and cash equivalents	94.99	-	-	94.99
Loans	64.81	-	-	64.81
Other financial assets	387.62	-	-	387.62
Total financial assets	**2,220.24**	**-**	**-**	**2,220.24**
Financial liabilities - Non-current				
Borrowings	86.44	-	-	86.44
Lease liabilities	136.58	-	-	136.58
Financial liabilities - Current				
Borrowings	479.04	-	-	479.04
Lease liabilities	57.28			57.28
Trade payables	265.69	-	-	265.69
Other financial liabilities	-	-	-	-
Total financial liabilities	**1,025.03**	**-**	**-**	**1,025.03**

AARVEE ENGINEERING CONSULTANTS LIMITED

erstwhile Aarvee Associates Architects Engineers & Consultants Private Limited)

CIN: U74200TG2005PLC045491

Notes to the Consolidated Financial Statements for the Year ended 31 March 2026

(All amounts in ₹ millions, except share data and where otherwise stated)

46 Disclosure for MSME creditors as required by MSMED Act, 2006 is as follow:

SI.No	Particulars	31 March 2026	31 March 2025
(a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	Principle amount due to MSME	103.01	
	Interest due on above	0.61	
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro,Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year;	0.61	
(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.	0.61	

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47 Revenue from contracts with customers

Significant changes in contract asset and contract liability during the period are as follows:

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Trade receivables, contract assets and contract liabilities

Trade receivables are recorded when the right to consideration becomes unconditional. Trade receivables are non-interest bearing.

Contract assets relate to the revenue where the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional.

Contract assets are presented under Other current assets in the Note 16. of the consolidated financial statements.

Contract liabilities relate to the company's obligation to transfer goods or services to customer for which the group has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognised as revenue as the group performs under the contract.

Assets and liabilities related to contracts with customers

	31 March 2026	1 March 2025
Contract Balances		
Trade receivables	2,247.09	1,531.82
	2,247.09	**1,531.82**
Contract liabilities at the beginning of the year		-
Add: Revenue to be recognized from performance obligations to be satisfied in succeeding		-
Less: Revenue recognized that was included in contract liability at the beginning of the year		-
Contract liabilities at the end of the year	-	-
Contract Assets at the beginning of the year	622.17	299.14
Less: Contract assets invoiced during the year	(622.17)	(299.14)
Add: Satisfied performance obligations not invoiced*	1,111.86	622.17
Contract assets at the end of the year	**1,111.86**	**622.17**

*including works under progress

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	31 March 2026	31 March 2025
Revenue as per contract	6,829.67	5,671.32
Adjustments		-
Revenue from contract with customers	**6,829.67**	**5,671.32**

48 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Additional information:

Name of the entity in the group	Net Asset i.e. total asset minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As %age of Consolidated net asset	Amount	As %age of Consolidated profits	Amount	As %age of Consolidated profits	Amount	As %age of Consolidated profits	Amount
Parent Entity:								
Aarvee Engineering Consultants Limited	110.6%	3,431.81	184%	698.77	99.5%	19.28	180%	718.0
Indian Subsidiaries:								
SRA OSS India Private Limited	0.1%	3.40	-3%	-9.84	0.7%	0.13	-2%	-9.7
Nag Infrastructure Consulting Engineers Private Limited	0.2%	6.50	-7%	-25.67	-0.2%	-0.03	-6%	-25.7
Hyve Global Engineering Private Limited	-0.2%	-6.69	-3%	-9.96			-2%	-9.9
Foreign Subsidiaries:								
Aarvee Engineering Consultants Pty Ltd. (UK)	-6.6%	-204.16	-31%	-119.05			-30%	-119.0
Aarvee Associates Limited (Australia)	-4.1%	-128.24	-41%	-154.13			-39%	-154.1
Total	**100%**	**3,102.62**	**100%**	**380.12**	**100%**	**19.38**	**100%**	**399.5**

49 Subsequent events

There are no adjusting or significant non-adjusting events which have occurred between 31 March 2026 and the date of authorisation of these consolidated financial statements.

As per our report of even dated attached.

For M. Bhaskara Rao & Co.
Chartered Accountants
Firm's Registration No.: 000459S

Sd
K S Mahidhar
Partner
Membership No: 220881
Place: Hyderabad
Date: 29-05-2026

For and on behalf of the Board of Directors of
AARVEE ENGINEERING CONSULTANTS LIMITED
(formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers & Consultants Pvt Ltd)

Sd/-
R. V. Chakrapani
Managing Director
DIN:00576037

Sd/-
R. Sneha
Director
DIN: 09592284

Sd/-
V.V. Subrahmanyam
Chief Financial Officer
M. No: 026946

Sd/-
Sugandha Khandelwal
Company Secretary
M No: A48323

Independent Auditor’s Report

To the Members of
Aarvee Engineering Consultants Limited
(Formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Aarvee Engineering Consultants Limited**(Formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited) **(“Holding Company”)** and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”) which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standardson Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated financial statements” section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matter	Auditor's Response
Revenue from operations *(Refer Note 2(v) and Note 47 to the consolidated financial statements)* The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.	We have performed the following audit procedures in relation to the revenue recognition: Assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 - Revenue from Contracts with Customers. Understanding and Testing of design and operating effectiveness of Internal controls in place relating to recognition and measurement of revenue. Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. Selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of operation of these controls. Selected a sample of contracts and performed the following procedures: − Read, analysed and identified the distinct performance obligations in these contracts. − Compared these performance obligations with that identified and recorded by the Group − Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. − Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
Trade Receivables and Contract Assets *(Refer note 11 and 16 to the consolidated financial statements)* Total trade receivables and total contract assets amounting to 2247.09 Million and 925.76 Million respectively, represents approximately 53.25% of the total assets of the Group as at 31 March 2026. In assessing the recoverability of the aforesaid balances and determination of allowance for expected credit loss, management's judgement involves consideration of ageing status, historical payment records, evaluation of litigations, the likelihood of collection based on the terms of the contract and the credit information of its customers. Management estimation is required in the measurement of work completed as at year end for recognition of unbilled revenue. We considered this as key audit matter due to the materiality of the amounts and significant judgements as stated above.	We have performed the following audit procedures in relation to the trade receivables and contract assets: We understood and tested on a sample basis the design and operating effectiveness of management controls over the recognition and the recoverability of the trade receivables and contract assets. We performed test of details and tested relevant contracts, documents and subsequent settlements for trade receivable and contract assets on sample basis. Obtaining direct confirmation of balances from the outstanding trade receivables and performing alternate procedures, where confirmations were not received. We tested the ageing of trade receivables at the year end. We performed test of details and tested relevant contracts and documents with specific focus on measurement of work completed as at the year end for unbilled revenue balances included in contract asset on a sample basis. We performed additional procedures, in respect of over-due trade receivables and long outstanding contract assets, i.e. tested historical payment records, verification of last bills certified, correspondence with customers Enquired the management for any ongoing litigations and potential outcomes in respect of these overdue receivables. We assessed the allowance for expected credit loss made by management.

Information Other than the consolidated financial statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the preparation of other information.

The other information comprises the information included in the Board's Report including annexures to Board's Report, but does not include the consolidated financial statements and our Auditor's Report thereon. The Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated

When we read the Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including consolidated other comprehensive income), consolidated changes in equity and consolidatedcash flows of the Group in accordance with the accounting principles generally accepted in India,including the Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operatingeffectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group

Auditor's Responsibilities for the Audit of the Consolidated financial statements

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

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

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

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

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

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

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

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

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

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

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

Other Matters

a. We did not audit the financial statements in respect of three Indian subsidiaries and one foreign subsidiary included in the Consolidated Financial Statements of the Group, whose financial statements reflect Group's share of total assets of Rs. 155.71 million as at March 31, 2026, Group's share of total revenues of Rs. 43.76 million, Group's share of total net profit after tax of Rs.164.52 Million and net cash inflows amounting to Rs. 36.00 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these three Indian subsidiaries and one foreign subsidiary is based solely on the reports of the other auditors.

b. The consolidated financial statements include unaudited financial statements of one foreign subsidiary of the Group, whose financial information reflect Group's share of total assets of Rs. 91.07 million as at March 31, 2026, Group's share of total revenues of Rs. 76.15 million, Group's share of total net loss after tax of Rs.154.13 million and net cash inflows / (outflows) amounting to Rs. 12.09 million for the year ended on that date, as considered in the consolidated financial statements. The said foreign subsidiary financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Group's management has converted the financial statements of said subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. The financial information has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said foreign subsidiary is based solely on the financial information furnished by the management.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and other financial statements certified by the Management.

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(11) of the Act, based on our audit and on the consideration of report on the separate financial statements of the subsidiary companies incorporated in India, we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2A.As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports on the separate financial statements of the subsidiary companies incorporated in India and of the other auditors on the separate financial information on the foreign subsidiaries referred to in the Other Matters section above, we report to the extent applicable that:

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

b. in our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches/subsidiaries not visited by us, except for the matters stated in the paragraph 2B (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

c. The reports on the accounts of the branch offices of the Holding Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

d. the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account and with the returns received from the branches/subsidiaries not visited by us;

e. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the relevant rules issued thereunder;

f. on the basis of the written representations received from the directors of Holding Company as on March 31, 2026, taken on record by the Board of Directors of the Holding Company and reports of the subsidiary companies incorporated in India, none of the directors of the Group's companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act;

g. with respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

2B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial information of subsidiaries, as noted in the 'Other matters' paragraph:

i. the Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements (Refer note - 36 to the consolidated financial statements);

ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. there are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended March 31, 2026.;

iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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; and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The Group has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Holding Company and its subsidiary companies incorporated in India have used 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 except that, in the case of Holding Company, recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the accounting software used for maintaining the books of account. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention.

2C. In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its subsidiaries to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

for **M. Bhaskara Rao and Co**
Chartered Accountants
Firm Registration No. 000459S

K S Mahidhar
Partner
Membership No 220881
UDIN: 26220881ZMGZIJ6099

Hyderabad, May 29, 2026

Re: Aarvee Engineering Consultants Limited *(Formerly Aarvee Engineering Consultants Private Limited, erstwhile*

Aarvee Associates Architects Engineers and Consultants Private Limited)

“Annexure A” to the Independent Auditors’ report on the consolidated financial statements

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” of our Report of even date to the members of Aarvee Engineering Consultants Limited (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited) on the consolidated financial statements for the year ended March 31, 2026)

With respect to the matters specified in clause (xxi) of paragraph 3 of the Companies (Auditor’s Report) Order, 2020 (“CARO” / “the Order”) issued by the Central Government in terms of section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us on respective companies included in the consolidated financial statements to which reporting under CARO is applicable, there are no qualifications or adverse remarks in the CARO reports of the said companies except for the following:

Name of the Company	CIN	Nature of relationship	Clause number of the CARO report
Aarvee Engineering Consultants Limited (Formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)	U74200TG2005PLC045491	Holding Company	Clause (ii)(b), (vii)(b)

for **M. Bhaskara Rao and Co**
Chartered Accountants
Firm Registration No. 000459S

K S Mahidhar
Partner
Membership No 220881
UDIN: 26220881ZMGZIJ6099

Hyderabad, May 29, 2026

(Formerly Aarvee Engineering Consultants Private Limited,
erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited)

"Annexure A" to the Independent Auditors' report

(Referred to in paragraph 1A.(h) under "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Aarvee Engineering Consultants Limited** (formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited) on the consolidated financial statements for the year ended March 31, 2026)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to consolidated financial statements of **Aarvee Engineering Consultants Limited** (Formerly Aarvee Engineering Consultants Private Limited, erstwhile Aarvee Associates Architects Engineers and Consultants Private Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control over financial reporting criteria established by the Group 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 Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to consolidated 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 Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

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

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

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

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to these consolidated financial statements of the Holding Company, in so far as it relates to these 3 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

for **M Bhaskara Rao and Co.**
Chartered Accountants
Firm Registration No: 000459S

K S Mahidhar
Partner
Membership No: 220881
UDIN: 26220881ZMGZIJ6099

Hyderabad, May 29, 2026

Corporate Information

Registered Office

Aarvee Engineering Consultants Limited
CIN: U74200TG2005PLC045491
8-2-5, Ravula Residency, Srinagar Colony Main Road,
Hyderabad – 500 082, Telangana, India.
Email: **cs@aarvee.net**
Website: **www.aarvee.com**
Phone: **+91-40-48483456**
Fax: **+91-40-23736277**

Statutory Auditors

M/s. M Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. **000459S**
5-D, Kautilya, 6-3-652, Somajiguda,
Hyderabad – 500082, Telangana, India.

Internal Auditors

Rahul Anne & Associates
Chartered Accountants
Ambe Sadan, H. No: 8-7-93/NE/68/9,
Hastinapuram Colony North Extension,
Sagar Road, LB Nagar,
Hyderabad – 500 074, Telangana, India.
Phone: **+91 98661 62392**

Registrar and Share Transfer Agent

KFIN Technologies Limited
Selenium Building, Tower-B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana – 500 032, India.
Phone: **+91 40 7961 5565**
Email: **einward.ris@kfintech.com**
Website: **www.kfintech.com**

Other Information

Particular	Details
Bankers	SBI / ICICI / Yes Bank
Secretarial Auditor	C.N. Kranthi Kumar H.No.80/67-5, Krishna Nagar, Opposite ITC , Kurnool-518002, Andhra Pradesh
Credit Rating Agency	ICRA
Investor Relations Contact	Sugandha Khandelwal Contact No. +91 4048483446
Corporate Identification Number	U74200TG2005PLC045491
ISIN	INE1EJT01011