

Examination Report of Independent Auditor on the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash Flows along with the Statement of Material Accounting Policies and other explanatory information for the six months period ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022 of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) together with its subsidiaries (collectively, the "Restated Consolidated Financial Information")

The Board of Directors

Unimech Aerospace and Manufacturing Limited

(Formerly known as Unimech Aerospace and Manufacturing Private Limited)

538, 539, 542, & 543, 7th Main of Peenya IV Phase,

Industrial Area, Yeshwanthpur Hobli,

Bangalore - 560 058,

Karnataka, India.

Dear Sirs/ Madams,

1. We, M S K A & Associates, ("we" or "our" or "us" or "M S K A") have examined the Restated Consolidated Financial Information of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) (the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group") as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, annexed to this report for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus, prepared by the Company in connection with its proposed Initial Public Offer ("IPO") of equity shares of face value of Rs. 5 each (the "Offer"). The Restated Consolidated Financial Information, have been approved by the Board of Directors of the Company (the "Board of Directors") at their meeting held on December 04, 2024, and have been prepared by the Company in accordance with the requirements of:
 - a) the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
 - b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations");
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note"); and
 - d) Email dated October 28, 2021 from Securities and Exchange Board of India ("SEBI") to Association of Investment Bankers of India ("SEBI Communication").



Management's Responsibility for the Restated Consolidated Financial Information

2. The Company's management is responsible for the preparation of Restated Consolidated Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with SEBI, BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (collectively, the "Stock Exchanges") and Registrar of Companies, Karnataka at Bangalore ("RoC"), in connection with the Offer. The Restated Consolidated Financial Information have been prepared by the management of the Company in accordance with the basis of preparation stated in Note 2.1 to Annexure V of the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group are also responsible for identifying and ensuring that the Group complies with the Act, the SEBI ICDR Regulations, the Guidance Note and the SEBI Communication, as may be applicable.

Auditor's Responsibilities

3. We have examined the Restated Consolidated Financial Information taking into consideration:
 - a) the terms of reference and our engagement agreed with you vide our engagement letter dated February 13, 2024 and addendum to the engagement letter dated November 21, 2024, in connection with the Offer.
 - b) The Guidance Note and SEBI Communication. The Guidance Note also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;
 - c) the concepts of test check and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) the requirements of Section 26 of the Act and the SEBI ICDR Regulations.
4. Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the SEBI ICDR Regulations, the Guidance Note and SEBI Communication in connection with the Offer.

Restated Consolidated Financial Information

5. The Restated Consolidated Financial Information have been compiled by the management of the Group from:
 - (a) the audited special purpose consolidated interim Ind AS financial statements of the Group as at and for the six months period ended September 30, 2024 prepared in accordance with the Basis of Preparation as described in note 2.1 to the special purpose consolidated interim Ind AS financial statements and have been approved by the Board of Directors at their meeting held on December 04, 2024.
 - (b) the audited consolidated financial statements of the Group as at and for the year ended March 31, 2024 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and have been approved by the Board of Directors at their meeting held on July 03, 2024.
 - (c) the audited special purpose consolidated Ind AS financial statements of the Group as at and for the year ended March 31, 2023, prepared by the Company in accordance with the with Basis of Preparation, as set out in Note 2.1 of Annexure V to the Restated Consolidated



Financial Information, and have been approved by the Board of Directors at their meeting held on August 07, 2024.

- (d) the audited special purpose consolidated financial statements of the Group as at and for the year ended March 31, 2022, prepared by the Company in accordance with the basis of Basis of Preparation, as set out in Note 2.1 of Annexure V to the Restated Consolidated Financial Information, and have been approved by the Board of Directors at their meeting held on August 07, 2024.

The audited special purpose consolidated financial statements as at and for the years ended March 31, 2023 and March 31, 2022 referred to in Para 5(c) and 5(d) above have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III disclosures followed as at for the year ended March 31, 2024, in accordance with Ind AS, pursuant to the SEBI Communication.

6. For the purpose of our examination, we have relied on:

- a) Auditor's report issued by us dated December 04, 2024 on the Special Purpose Consolidated Interim Ind AS Financial Statements of the Group as at and for the six months period ended September 30, 2024 as referred in Para 5 (a) above.

Our audit report on the Special Purpose Consolidated Interim Ind AS Financial Statements of the Group for the six months period ended September 30, 2024, included an Emphasis of Matter Paragraph and an Other Matter Paragraph as follows:

Emphasis of matter- Basis of Accounting and Restriction on Distribution and Use

"We draw attention to Note 2.1 to the Special Purpose Consolidated Interim Ind AS Financial Statements, which describe the basis of its preparation. These Special Purpose Consolidated Interim Ind AS Financial Statements have been prepared by the management of the Company, solely for the purpose of the preparation of the Restated Consolidated Financial Information of the Company for the six months period ended September 30, 2024, to be included in the Red Herring Prospectus ("RHP") and Prospectus (collectively referred to as the "Offer Documents") which is to be filed by the Company in connection with its proposed Initial Public Offering of equity shares ("IPO") of the Company with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited, BSE Limited and the Registrar of Companies, Karnataka at Bangalore ("ROC") as per the requirements of Section 26 of Part I of Chapter III of the Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the "SEBI ICDR Regulations"), and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"). As a result, these Special Purpose Consolidated Interim Ind AS Financial Statements may not be suitable for another purpose.

Our report is addressed to the Board of Directors of the Company and intended solely for the purpose specified above. This should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of above matter."



Other Matter

“The Special Purpose Consolidated Interim Ind AS Financial Statements for the six months period ended September 30, 2024 has been prepared by the management in accordance with the basis of preparation stated in Note 2.1 to the Special Purpose Consolidated Interim Ind AS Financial Statements solely for the purpose of preparation of Restated Consolidated Financial Information to be included in the Offer Documents in connection with the proposed IPO of equity shares of the Company. Accordingly, the management has not presented the corresponding comparative figures in these Special Purpose Consolidated Interim Ind AS Financial Statements.

Our opinion is not modified in respect of above matter.”

- b) Auditor’s report issued by us dated July 03, 2024 on the Consolidated Financial Statements of the Group as at and for the year ended March 31, 2024 as referred in Para 5 (b) above.

Our audit report on the Consolidated Financial Statements of the Company for the year ended March 31, 2024, included Other Matter Paragraphs as follows:

Other Matters

- a. “We did not audit the special purpose financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 152.56 lakhs as at December 18, 2024, total revenues of Rs. 25.43 lakhs and net cash outflows amounting to Rs. (4.04) lakhs for the period ended on that date, as considered in the consolidated financial statements. These special purpose 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 this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b. The consolidated financial statements of the Company for the year ended March 31, 2023, were audited by another auditor whose report dated September 29, 2023 expressed an unmodified opinion on those statements.
- c. The comparative financial information of the Group for the year ended March 31, 2023 and the transition date opening balance sheet as at April 01, 2022 included in these consolidated financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by the predecessor auditor whose report for the year ended March 31, 2023 and March 31, 2022 dated September 29, 2023 and September 29, 2022 respectively expressed an unmodified audit opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.”

- c) Auditor’s report issued by us dated August 07, 2024 on the Special Purpose Consolidated Ind AS Financial Statements of the Group as at and for the year ended March 31, 2023 as referred in Para 5 (c) above.

Our audit report on the Special Purpose Consolidated Ind AS Financial Statements of the Company for the year ended March 31, 2023, included an Emphasis of Matter Paragraph and an Other Matter Paragraph as follows:



Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

"We draw attention to Note 2.1 to the Special Purpose Consolidated Ind AS Financial Statements, which describe the purpose and basis of accounting of the Special Purpose Consolidated Ind AS Financial Statements. These Special Purpose Consolidated Ind AS Financial Statements are prepared by the management of the Group, solely for the purpose of the preparation of Restated Consolidated Financial Information to be included in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus (collectively referred to "Offer Documents") in connection with its proposed Initial Public Offering ('IPO') of equity shares of Holding Company as required by Section 26 of Part I of Chapter III of the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the "SEBI ICDR Regulations"), the SEBI Communication and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI. As a result, the Special Purpose Consolidated Ind AS Financial Statements may not be suitable for another purpose.

Our report is intended solely for the use of Holding Company's Board of Directors for their purpose as specified above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Holding Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of above matter."

Other Matters

- a. "The Holding Company has prepared a separate set of General Purpose Consolidated Financial Statements for the year ended March 31, 2023 in accordance with the Accounting Standards specified under Section 133 of the Act read along with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India on which the predecessor auditor have issued a consolidated auditor's report to the shareholders of the Holding Company dated September 29, 2023 and expressed an unmodified opinion on those financial statements.
- b. As informed to us by the management of the Group, the predecessor auditor do not hold a valid peer review certificate as issued by the 'Peer Review Board' of the ICAI and have therefore, expressed their inability to perform any work on the Restated Consolidated Financial information for the year ended March 31, 2023 to be included in Offer Documents. Accordingly, in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, and pursuant to SEBI Communication, we have audited the Special Purpose Ind AS Consolidated Financial Statements of the Group for the year ended March 31, 2023.
- c. The Special Purpose Consolidated Financial Statements for the year ended March 31, 2023, has been prepared by the management in accordance with the basis stated in Note 2.1 to the Special Purpose Consolidated Financial Statements solely for the purpose of preparation of Restated Financial Information to be included in the Offer Documents in connection with the proposed IPO of equity shares of the holding Company. Accordingly, the management has not presented the corresponding comparative figures in these financial statements

Our opinion is not modified in respect of above matters."

- d) Auditor's report issued by us dated August 07, 2024 on the special purpose consolidated financial statements of the Group as at and for the year ended March 31, 2022 as referred in Para 5 (d) above.



Our audit report on the Special Purpose Consolidated Financial Statements of the Company for the year ended March 31, 2022, included an Emphasis of Matter Paragraph and Other Matter Paragraphs as follows:

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

“We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the purpose and basis of accounting of the Special Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements are prepared by the management of the Group, solely for the purpose of preparation of the restated consolidated financial information to be included in the Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus (“RHP”) and Prospectus (collectively referred to “Offer Documents”) in connection with its proposed Initial Public Offering (‘IPO’) of equity shares of Holding Company, as required by Section 26 of Part I of Chapter III of the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the “SEBI ICDR Regulations”), the SEBI Communication and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI. As a result, the Special Purpose Consolidated Financial Statements may not be suitable for another purpose.

Our report is intended solely for the use of Holding Company’s Board of Directors for their purpose as specified above and should not be distributed to or used by any other parties. M S K A & Associates shall not be liable to the Holding Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our Opinion is not modified in respect of above matter.”

Other Matters

- i) “The Group has prepared a separate set of General Purpose Consolidated Financial Statements for the year ended March 31, 2022 in accordance with the Accounting Standards specified under Section 133 of the Act read along with the Companies (Accounting Standards) Rules, 2021, and other accounting principles generally accepted in India on which the predecessor Auditor have issued a consolidated auditor’s report to the shareholders of the Holding Company dated September 29, 2022 and expressed an unmodified opinion on those financial statements.
- ii) As informed to us by the management of the Group, the predecessor auditor did not hold a valid peer review certificate as issued by the ‘Peer Review Board’ of the ICAI and have therefore, expressed their inability to perform any work on the Restated Consolidated Financial Information for the year ended March 31, 2022 to be included in Offer Documents. Accordingly, in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, and pursuant to SEBI Communication, we have audited the Special Purpose Consolidated Financial Statements of the Group for the year ended March 31, 2022.
- iii) The Special Purpose Consolidated Financial Statements for the year ended March 31, 2022, has been prepared by the management in accordance with the basis stated in Note 2.1 to the Special Purpose Consolidated Financial Statements solely for the purpose of preparation of Restated Financial Information to be included in the Offer Documents in connection with the proposed IPO of equity shares of the holding Company. Accordingly, the management has not presented the corresponding comparative figures in these financial statements.

Our opinion is not modified in respect of the above matters.”



MSKA & Associates

Chartered Accountants

7. Based on the above and according to the information and explanations given to us, we report that:
- i) Restated Consolidated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/reclassifications retrospectively in the financial years as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended September 30, 2024, as more fully described in Annexure V and VI to the Restated Consolidated Financial Information;
 - ii) there are no qualifications in the auditor's reports on the Special Purpose Consolidated Interim Ind AS Financial Statements for the six months period ended September 30, 2024, Consolidated Financial Statements for the year ended March 31, 2024, Special Purpose Consolidated Ind AS Financial Statements for the year ended March 31, 2023 and Special Purpose Consolidated Financial Statements for the year ended March 31, 2022 which require any adjustments to the Restated Consolidated Financial Information. There are Emphasis of Matters (refer paragraph 6(a), 6(c) and 6(d) above) which do not require any adjustment to the Restated Consolidated Financial Information; and
 - iii) Restated Consolidated Financial Information have been prepared in accordance with the Act, the SEBI ICDR Regulations the Guidance Note and SEBI Communication.
8. We have not audited any financial statements of the Group as at any date or for any period subsequent to September 30, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as at any date or for any period subsequent to September 30, 2024.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 6 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous auditor's reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of this report.




MSKA & Associates

Chartered Accountants

12. Our report is intended solely for use of the Board of Directors and for inclusion in the RHP and Prospectus to be filed with the SEBI, Stock Exchanges and ROC, as applicable in connection with the proposed Offer. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care towards any other person relying on the Examination Report.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W



Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 24233552BKBKPG3221



Place: Bengaluru
Date: December 04, 2024