



PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED

Registered & Corporate Office :

D-112, TTC Indl. Area, Nerul, Navi Mumbai - 400 706, India | Tel : +91-22-6919 9999 | Fax : +91-22-6919 9990
CIN : L29253MH2009PLC193352 | E-mail : business@parasdefence.com | Web : www.parasdefence.com

PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED

Transcript of 17th Annual General Meeting held through Video Conferencing ("VC") & Other Audio-Visual Means on Friday, September 11, 2026 at 12:30 P.M. (IST)

Moderator (MUFG Intime)

Good afternoon, everyone. A very warm welcome to all the panel members and the shareholder for the 17th Annual General Meeting of Paras Defence and Space Technologies limited. We have the requisite member present for the quorum for this meeting. I now hand over the proceeding to the Company Secretary and Compliance Officer. Ms. Minal Bhate, over to you ma'am.

Minal Bhate - Company Secretary and Compliance Officer

Namaskar, and Good Afternoon everyone!

I am Minal Bhate, Company Secretary & Compliance Officer of Paras Defence and Space Technologies Limited. It gives me immense pleasure to welcome you all to the 17th Annual General Meeting of your Company, which is being conducted through video conferencing from the registered office of the Company at Nerul, Navi Mumbai.

Thank you for joining us today. Your attendance at this AGM demonstrates your ongoing support and commitment to the Company.

I would now, like to welcome the Board of Directors & other Dignitaries present at this AGM.

We have with us

- Mr. Munjal Shah - Our Managing Director
- Our Whole Time Director – Mrs. Shilpa Mahajan
- Mr. Manmohan Handa – Independent Director, Chairman of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee
- Mr. Suresh Katyal – Independent Director
- Dr. Hina Gokhale- Independent Director
- Mr. Harsh Bhansali – Chief Financial Officer
- Mr. Amit Mahajan – Director - Technical and R&D
- Ms. Anushka Munjal Shah- VP-Business Development
- Mr. Rupesh Shah - Partner at Chaturvedi & Shah LLP, our Statutory Auditors
- Mr. Kaushik from DM & Associates, Company Secretaries, LLP, our Secretarial Auditors, who shall also be acting as Scrutinizer for the voting process.

Before we begin, I would like to state some important guidelines for participating in this meeting:



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- This AGM is being organized through Video Conference, which is in compliance with the guidelines issued by the Ministry of Corporate Affairs and SEBI. The Company has made all the efforts to enable you all to participate in the meeting through virtual mode and to vote electronically.
- The proceedings of this meeting are being conducted live and are also being recorded for compliance purposes.
- Since the meeting is being conducted virtually, please note that the requirement of appointing proxy is not applicable.
- The Statutory Registers, as required under the Companies Act, 2013 and also the Secretarial Auditors' Certificate under the relevant SEBI regulations stating that the Company's ESOP Scheme has been implemented as per said regulations and the resolutions passed by the members, and all other documents mentioned in the Notice of the AGM have been made available electronically for inspection by the members during the AGM.
- The Annual Report for the Financial Year 2025-26 containing the Notice of the AGM, the Annual Audited Financial Statement for the Financial Year 2025-26, as well as the Director's Report and the Statutory Auditor's Report thereon, have already been circulated electronically, to those Members whose email addresses are registered with the company or depository participants.
- A letter providing the web link for accessing the Annual Report for the Financial Year 2025-26 has also been sent to those Members whose email IDs were not so registered.
- Further, printed copies of the Annual Report have been sent to those shareholders who have requested for the same.
- As all the resolutions mentioned in the Notice of the AGM have already been put to vote through e-voting, the resolutions are not required to be proposed or seconded by the members at this AGM.
- During the course of the AGM, if any shareholder is facing technical difficulty, you may kindly contact the helpline number of our RTA, MUFG Intime mentioned in the Notice of this AGM.
- Please note that all members who have joined this meeting are, by default placed on mute, to ensure a disturbance-free and a seamless meeting experience.
- During the Question-Answer session, we will be announcing the names of the shareholders who have requested to speak at the meeting. If present, the Speaker Shareholder will be unmuted by the host from MUFG Intime
- We request the Speakers to kindly switch on their video while speaking. If any speaker faces any connectivity issue, we will proceed with the next speaker and the earlier speaker may join later, if time permits.



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- If any shareholder has additional queries regarding any business transaction and we are unable to address them today due to time constraints, we will be happy to respond at a later date, via e-mail or any other permissible means as requested by the shareholder.

We further regret to inform that, on account of unavoidable circumstances, our Chairman and Non-Executive Director, Mr. Sharad Virji Shah will not be able to attend today's meeting

As per Secretarial Standard 2 issued by the Institute of Company Secretaries of India, if the Chairman of the Board, is unable to attend and act as the Chairman of the meeting then the Directors present at the Meeting can elect one of themselves to be the Chairman of the Meeting.

The Board of Directors is, therefore requested to elect the Chairman among themselves for the purpose of this AGM.

Manmohan Handa, Independent Director

I propose Mr. Munjal Shah to chair this AGM

Suresh Katyal, Independent Director

I second the proposal.

Minal Bhate, Company Secretary and Compliance Officer

Thank you. As the Board of Directors have unanimously elected Mr. Munjal Shah, our Managing Director, as the Chairman for this AGM, he will now chair the proceedings of this 17th Annual General Meeting.

I now invite Munjal Sir to address our shareholders and take the proceedings of the 17th AGM forward.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

Good Afternoon, Everyone.

I hope you and your families are keeping well.

It is my privilege and pleasure to welcome you all to the 17th Annual General Meeting of Paras Defence and Space Technologies Limited.

I, Munjal Shah, Managing Director of your Company, and on behalf of the Board of Directors, extend a very warm welcome to all our esteemed shareholders who have joined us through video conferencing and other audio-visual means.

Dear Shareholders, your presence at this Annual General Meeting reflects your continued confidence in Paras Defence and your commitment to the Company's journey. We deeply value the trust and support you have consistently extended to us. On behalf of the Board of Directors and the entire management team, I express my sincere gratitude to each one of you for taking time from your busy schedules to participate in today's proceedings.

Your confidence inspires us to remain focused on our strategic priorities, strengthen our capabilities, and build sustainable long-term value for all stakeholders.



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As confirmed by MUFG Intime India Private Limited, requisite number of Members have joined the meeting through video conferencing and other audio-visual means. Accordingly, I declare that the requisite quorum is present and call the 17th Annual General Meeting of the Company to order.

The Notice convening the 17th Annual General Meeting, the Directors' Report together with its Annexures, the Statutory Auditors' Report, the Secretarial Auditors' Report and the Financial Statements for the year ended 31st March 2026 have been circulated to all the Members. With your permission, I take these documents as read.

I am pleased to inform the Members that there are no qualifications, reservations, adverse remarks or disclaimers in the Reports of the Auditors. The Statutory Auditors have issued an unmodified opinion on the financial statements of the Company.

Further, I am pleased to inform you that the Board of Directors, at its meeting held on 13th May 2026, recommended a Final Dividend of ₹1 per equity share of face value ₹5 each for the Financial Year ended 31st March 2026, subject to approval of the Members at this Meeting.

Dear Shareholders,

FY 2025-26 has been another year of meaningful progress for your Company. We continued to strengthen our position as one of India's leading private-sector defence technology companies by combining strong operational execution with sustained investments in indigenous capabilities, advanced technologies and manufacturing excellence.

India's defence ecosystem continues to evolve rapidly under the vision of Atmanirbhar Bharat. The Government's emphasis on self-reliance, increased defence allocations, domestic procurement and private sector participation is creating unprecedented opportunities for companies with technological depth and proven execution capabilities. Paras Defence remains well positioned to capitalize on these opportunities.

I am pleased to share that your Company delivered a strong financial performance during the FY 2025-26.

On a consolidated basis, revenue increased to ₹476.57 crore compared to ₹364.66 crore in the previous year, reflecting healthy growth across our business verticals. Our consolidated EBITDA increased to ₹120.46 crore, while Profit After Tax grew to ₹89.46 crore, representing a margin of approximately 19%.

The Optics and Optronic Systems business contributed 42% of consolidated revenue, Defence Engineering contributed 46%, while the remaining contributions came from our subsidiary businesses. These results demonstrate the strength of our diversified business model and our ability to execute complex, technology-intensive programs.

We concluded the year with an order book of approximately ₹986 crore, providing strong revenue visibility and a solid foundation for future growth.



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During the year, we continued to strengthen our manufacturing and technological capabilities across strategic domains. Our investments in defence optics, space optics, defence electronics, electromagnetic pulse protection systems, advanced surveillance solutions and precision engineering capabilities have enhanced our ability to address increasingly sophisticated requirements of our customers.

We also continued to optimize our manufacturing infrastructure, to support integration of larger and more complex systems. Enhanced automation and process improvements across our optical manufacturing operations have enabled us to achieve higher levels of precision, consistency and productivity.

One of the Company's most significant strategic initiatives continues to be the development and manufacturing of submarine periscopes. This capability positions Paras Defence among a select group of companies globally possessing such sophisticated technological expertise. We believe this programme will contribute significantly to the Company's long-term growth and strategic importance within India's defence ecosystem.

We remain equally excited about our High Power Laser programme and advanced air defence technologies. These initiatives align closely with India's national objective of developing indigenous capabilities in next-generation defence systems and reinforce our commitment to supporting the nation's strategic security requirements.

Our subsidiary and joint venture ecosystem also continued to evolve positively during the year.

Paras Anti Drone Technologies is expanding its capabilities in counter-drone solutions, a segment that is becoming increasingly relevant in the modern security environment. At the same time, our strategic collaborations and joint ventures with leading global technology partners are enabling us to accelerate technology absorption, localization and product development.

These partnerships provide us access to advanced technologies while ensuring that critical manufacturing, integration and testing capabilities remain within India, thereby contributing to the nation's self-reliance objectives.

The opportunities before us today extend well beyond traditional defence manufacturing. We see significant potential across defence, homeland security, aerospace and space applications. The increasing acceptance of indigenously designed and manufactured systems, coupled with growing export opportunities, creates a large addressable market for the Company.

We continue to engage closely with our customers, both in India and internationally, to develop solutions that meet evolving strategic and operational requirements. Our focus remains on building long-term relationships, delivering mission-critical systems and creating value through technological excellence.

Looking ahead, our priorities remain clear.

We shall focus on timely execution of our existing order book, strengthening operational efficiency, investing in innovation and reducing product development timelines. We will continue expanding our manufacturing capabilities, deepening customer engagement and strengthening our presence across domestic and international markets.



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At the same time, we remain committed to maintaining financial discipline, prudent capital allocation and strong corporate governance standards. Our robust balance sheet provides us the flexibility required to pursue growth opportunities while creating sustainable value for our shareholders.

The future of India's defence and space sector is extremely promising, and Paras Defence is committed to playing a meaningful role in this transformation. Guided by our core principles of Precision, Power and Protection, we will continue to advance indigenous technologies, strengthen national capabilities and build a globally competitive enterprise.

Before concluding, I would like to place on record my sincere appreciation to our colleagues for their dedication and commitment, our customers for their trust, our shareholders for their continued confidence, our business partners and vendors for their support, and the Central and State Governments, regulatory authorities and all other stakeholders for their continued cooperation and encouragement.

On behalf of the Board and the Management Team, I thank all of you for your unwavering support and faith in Paras Defence.

I am confident that together we will continue creating sustainable growth and long-term value in the years ahead.

Thank you.

I now request our Company Secretary, Ms. Minal Bhate, to take the proceedings of the AGM forward.

Minal Bhate, Company Secretary and Compliance Officer

Thank you, Sir.

According to the Notice of this meeting, there are a total of 6 items to be transacted at this meeting, out of which 3 are ordinary and 3 are special businesses.

The businesses to be transacted are:

- | Item no. | Ordinary Business |
|----------|--|
| 1. | To receive, consider and adopt the Audited Standalone and Consolidated Financial statements of the Company for the year ended March 31, 2026 |
| 2. | To declare Dividend on equity shares for the Financial Year ended March 31, 2026 |
| 3. | To consider the re-appointment of Mrs. Shilpa Amit Mahajan, who retires by rotation |
| 4. | Special Business |
| 5. | Ratification of Remuneration of Cost Auditors for FY 2026-27 |
| 6. | Approval and Modification of Material Related Party Transaction(s) with Controp-Paras Technologies Private Limited ("Associate Company") |

Before we proceed to Item No. 6 of the Notice, I would like to inform that, Mr. Munjal Shah, Chairman of the Meeting, is concerned or interested in this agenda item, and in accordance with prescribed guidelines, Mr. Munjal Shah will not be able to conduct the proceedings of the meeting in respect of agenda item no 6.

Accordingly, with the consent of the Members present at the Meeting, I request Dr. Hina Gokhale, Independent Director, who is not concerned or interested in this transaction, to conduct the proceedings of the meeting in respect of Item No. 6.



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Dr. Hina Gokhale- I accept

Minal Bhate, Company Secretary and Compliance Officer-

Item no Approval of Material Related Party Transaction with Paras Anti-Drone Technologies
6 Private Limited ("Subsidiary Company")

Thank you, Madam.

The proceedings in respect of Item No. 6 having been completed, I request Mr. Munjal Shah to resume the Chair.

Further I would like to inform that

The Company has appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary or failing him any other eligible representative of M/s. DM & Associates Company Secretaries LLP as Scrutinizer to scrutinize remote e-voting or e-voting at the AGM in a fair and transparent manner

In accordance with Regulation 44 of the SEBI LODR Regulations, 2015 and Section 108 of the Companies Act, 2013, along with rules made thereunder, remote e-voting facility was made available through our RTA, MUFG Intime, prior to the meeting. Shareholders who have not yet voted can cast their votes, during the meeting, using the link on the dashboard. Also, the e-voting facility will remain open for a period of 15 minutes after the conclusion of AGM.

Members who have already voted via remote e-voting cannot vote again during the AGM.

The detailed instructions for electronic voting is also included in the Notice of the AGM

For resolutions, where the promoter or promoter group is interested, their votes shall be excluded by the Scrutinizer and only the votes of non-interested shareholders will be considered

All the items proposed require ordinary resolutions.

The Scrutinizer will submit his report within 48 hours from the conclusion of this AGM and once the report of the Scrutinizer is received, the results of the e-voting along with the Scrutinizer's report will be announced and made available on the company's website at www.parasdefence.com and will also be intimated to the Stock Exchanges – NSE and BSE.

To ensure all registered speaker shareholders get a chance to participate at this meeting, I would request the speaker shareholders to keep their queries brief.

I now invite the moderator from MUFG Intime to patch in the shareholders, who have registered to speak at today's AGM, one by one

Over to MUFG Intime, please.



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Ashish Upadhyay, Moderator, MUFG Intime India Private Limited

The Managing Director and Chairman of the AGM will address to all the questions raised by the shareholders after taking all the queries. However, if there are any, additional request seeking more clarification the same shall be responded in the interactive manner.

I now invite our speaker number one, Mr. Kaushik Shahukar. Mr. Kaushik Shahukar is currently not present in the panel. So we'll move to the next speaker. Our speaker number two, Mr. Manjit Singh, is also not present in the panel. So I now invite speaker number three, Mr. Ravi Kumar Naredi. Mr. Naredi, you are in the panel. Please start your video and you may ask your question.

Ravi Kumar Naredi, Speaker Shareholder

Hello,

Ashish Upadhyay, Moderator, MUFG Intime India Private Limited

Yes, Mr. Ravi you are audible.

Ravi Kumar Naredi, Speaker Shareholder

Thank You for the opportunity Yeah, the 1st one is why does the company not have provided a quarterly investor presentation or conduct regular investor con call? Does the management plan to start these practice going forward? So that the shareholder can get better visibility on financial performance, business development in the future plan.

The 2nd one is what kind of revenue growth does the management expect over one, one to two years? How much of the, of this growth do you expect from the existing business and new businesses? And with the EBIDTA margin can, shareholder expect going forward?

And the 3rd one is Paras Defence is expanding into several new areas like P 75. And P 75 high submarine periscope site 25 HD and high power laser system. So which of these new businesses do you see as the biggest opportunity growth opportunity for the company? And by when do you expect them to start making a meaningful contribution to revenue? And profit. That's all. Thank you.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

So thank you sir. So 1st is we intend to start calls from the early next calendar year, so you could see us from beginning of the next calendar year for sure on con calls, and this way you may have maybe more understanding through it. But of course we also have a lot of investor meetss that we participate in and we are going through any and every investor meet that we are invited for. So, so yes, calls also will begin from early next calendar year.

2nd, we are very, very hopeful that the company will continue to grow by minimum 30% to maybe 40 % that is what has been our guidance, maybe a little bit more. So on an average you could consider maybe the company growing by maybe about 40% for this financial year, and we also believe that we will grow at least by the same percentage for next financial year.



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The main business for Paras Defence is producing optics, that is camera lenses for defence and space. In the space Paras is the only company for optics and in defence, Paras is the leading company for optics and all the programs that you mentioned that is somewhere in periscope or site 25 HD or high power laser systems, they are all very optics intensive programs, like minimum, minimum 50 % of the bill of material for high power laser is optics about 30 % of bill of material is for suffering periscope and for site 205D is optics and because of our capability of producing optics, designing optics and also now doing complete system engineering, we have also a very good advantage to be able to produce these systems at a very, very competitive price because of having the entire manufacturing in house for not even optics but also for mechanical and also for electronics.

So with in house manufacturing and also offering the solutions which are really world class, like if you see submarine periscope in Paras for we are the only company in India and also the only company in all of Asia for high power data systems participants. In 2027 or so, we will become India's number one company and the potential for high power laser is so high that it's not only for defence, but it is also going to be for other sectors like oil and gas, for ports, for all strategic infrastructures.

So all these areas are going to give Paras Defence a very big possibility of an inflection point on in the in the career and also because of in house designing and in house manufacturing of most of the items that go into building of this, we should be able to probably see better margins than what we are today so this is how, like we are trying to grow, and also like go forward integration and probably be able to get higher revenues and continue the growth as well as get higher value additions in term, higher profits for the company.

Ravi Kumar Naredi, Speaker Shareholder

Okay thank you.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

Thank you.

Ashish, Moderator, MUFG Intime India Private Limited

Thank you Mr. Ravi. I now invite speaker number four. Mr. Tushar Sodha. Mr. Sodha, you are in the panel. Please start your video and you may ask your question.

Tushar Sodha, Speaker Shareholder

Very good afternoon to all. Am I audible in.

Ashish, Moderator, MUFG Intime India Private Limited

Yes sir. Thank you so much.

Tushar Sodha, Speaker Shareholder

Respected Chairman Sir and eminent and board of directors. My name is Tushar Sodha and I have joined our video conference at this AGM from Mumbai. Secretarial and finance departments of our company deserve appreciation for detailed presentation of the financial statements. Kudos to team Paras Defence and space technologies for all time high revenues of 477 crores with highest ever 89 crores net profits. 2026 has been landmarked in the best ever year on all financial parameters.



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I'm very happy to read that's Defence has closed the year with an order book of nearly 1000, thereby providing visibility for future growth. What are our order book estimates for the next three to four years?

Chairman sir, how well are we geared up to handle competition from peers, domestic as well as international? I request you to please give details of strategic collaborations with domestic and international organization. To strengthen our technological capabilities, expand market access, and enhance our operational expertise. I refer to page 223 and 275 of the annual report consolidated statements. In March 2026, our company has divested 58 % stake in subsidiary company, Ayatti innovative for consideration of approximately 7 crores. Amount reflected in P&L is 2.91 crore. I request our finance department to please give some color on this.

Chairman sir, I request you to consider shareholders visit to our Ambernath facilities for better understanding and updates. I'm assertive that Paras Defence will surely be Bharat's leading force in High end Optical Systems, Laser Based Air Defence, Anti-Drone Technologies, and Electromagnetic Protection. Our company has demonstrated growth with resilience and I'm confident that financial future of Paras Defence is brilliant. I extend my support for all resolutions and wish for a bright financial performance on a sustainable basis.

Thank you chairman sir for giving me this opportunity to put for my queries and express my views. Thank you so very much sir.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

Thank you. So just like I would like to briefly address today also the order book is in excess of 900 broads, but the pipeline for Paras Defence, as we have been mentioning in the investor meets, just from the space sector. We are currently have different different tenders with approximately 1500 crore of value. And in space Paras Defence has an edge for being the only company which is making space optics. So we believe that we should be able to have a substantial share in this funnel of 1500crore only from the space sector plus from the defence sector only for optical systems our funnel currently live funnel where we are participating in different tenders is over 500 crore.

Along with that, our High-Power License System, which is going to be ready for demonstration in the next few months, this system has tremendous potential. Like we are talking of system required in hundreds of numbers not only locally, but also globally. And the price for system, starting from a couple of million dollars dollars upward to several million dollars depending on the capacity and the capability. So, we feel that there is a tremendous pipeline as we already mentioned just a bit, but the pipeline is still building. And by end of this year, we should be able to start seeing the outcome of the pipeline. Maybe in the next maybe weeks or so we should start hearing about or we should start knowing about the tenders that we have already participated in. So, we believe that Paras Defence has a very, very good future. 2nd, you are most welcome to visit all our facilities. We have two facilities, one in Nerul and one In Ambernath. Besides that, we just started the manufacturing facility at Hyderabad. We have two design and development or hardcore R & D establishments at Bangalore. So please feel free to visit any of them whenever you wish because it is your company and you also should see what we are doing. And anything else that if I would have missed we will surely come back to you by email because we have seen an email from you and we will respond if at all anything I missed.



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Tushar Sodha, Speaker Shareholder

Thank you. Thanks a lot for a very detailed reply. Thank you so much.

Ashish, Moderator, MUFG Intime India Private Limited

Thank you Mr. Sodha. I now invite speaker number five Mr. Yashpal. Mr. you are in the panel. Please start your video and you may ask a question.

Yashpal Chopra, Speaker Shareholder

Am I audible?

Ashish, Moderator, MUFG Intime India Private Limited

Yes Mr. Yashpal Chopra, you're audible? Yeah.

Yashpal Chopra, Speaker Shareholder

I don't go for video, I just let the setting yeah setting, ok, ok. Anyhow, myself shareholder from daily. I would say that I'm a lucky shareholder that I'm having this company in my portfolio. The company which I'm very much sure that just in a short time it will be called as a blue chip company. The company, which had a low of 585 and made a 1585 within a span of few months. So that shows that how much investors confidence is there in this company. So I'm really very, very much proud of the management of a dynamic management. And the management and the dedicated employees, so they have just given next, they have chosen a project. The project is that of vital importance. The project is that of national importance. This is a great, great thing sir that you have done it. I will come to that thing later on.

1st of all, I would like to congratulate you for the excellent performance of the company for financial performance. There has been all round growth in revenue, PBT, PAT, ROCE and EPS EBIDTA, and in a friendly dividend, of course. So, the project you have chosen, that is not only for that interest national interests, that is just has heighten the image of our country on the international map. Even those foreign countries, they are looking to us for our for help so this is a big thing that you are exporting, you are having even a big revenue, even from the exporter in the exporting in other countries. The time was when they would consider India as a not a worthwhile country and where now the time has called that the India will be called a guru company and this is because of the contribution of companies like our Paras Defence and all that so I am very, very much proud of that so as we have the future of the company, I can say it with confidence that it is very, very bright because the project in hand though those have a very, very big score. But sir, on just going through this annual report of 280 pages, one chapter was made. Missing over there. That was your spent on CSR. I don't know if you started it or not, that I don't know, but I could not find out in that exhaustive annual report. I could not find out that thing so that was the only thing and because our company is just on a path on a on a fast-track growth because of the fundamentals, the fundamental of precision engineering and that the power of innovation and protection and your focus is on the national interests and defences not only the need of our country that the need worldwide and our company is just having this project and running with the pride all that.

So some my queries that are the two verticals of these optics and this defence which is more revenue earner. 2nd query comes that way. What is the ratio of foreign exchange, I mean in our revenue? And the final query which is very important, that is the application of modus operandi in manufacturing or in the which vertical you are applying it because I think I would just like to make you a note in your role that that



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my grandson has done his PhD in artificial intelligence. And he has set up a company called iceberg system by done Doctor Ayush Chopra. So in case at any stage you need to consult you for any project that you are welcome over there so before I wind up, I would thank our company secretary our CFO for getting me a chance to speak, and at the same time, I will just give a food for thought that sir, all those speakers who investing their time over here, they deserve a returned gift from this AGM festival. Because this is the festival of the shareholder and no festival is complete without return gift to those attendees to those speakers, to those participants to those well wisher.

So before I wind up, I will pray God for the positivity from the entire, for the entire management from the top to the last. And in the organization because it is that positively means the strength of the company and strength of the company in the strength of my investment. So, pray God that you all enjoy an upcoming festivals in a happy mood, in a healthy mood with you, with your family and with your loved one. Thank you, best of luck.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

Thank you sir. At 1st we will be very happy to connect with Ayush please do have him connected with us. We will definitely be interested to explore or to understand what is he doing and where we could probably have some interests of working together. So thank you very much for the same. Second, we have noted all your suggestions. And definitely we will look into the same and we will revert, and 3rd, thank you very much for all your best wishes and we look towards your continued support to us at all times. Thank you so much.

Ashish, Moderator, MUFG Intime India Private Limited

Thank you Mr. Yashpal. I now invite speaker number six Yashvee Kothari, Madam, you are in the panel. Please start your video and you may ask your question.

Yashvee Kothari, Speaker Shareholder

Hello. Am I audible?

Ashish, Moderator, MUFG Intime India Private Limited

Yes sir, you audible?

Yashvee Kothari, Speaker Shareholder

So majorly most of my question is already covered, but few questions are left which I'm grateful to have the opportunity to present here. So I have a question that on the future pipeline side, so right now the space fraction is very. Very much good coming from like SPS three program and the 4th SPS four that is in discussions. So like how much big opportunity we are targeting either through the public means as in the government segments and through the private those the private participation is also high and optics and demand is there also and do the space products that is supply have the similar margin profile that the defence or comparatively it will be higher and what kind of proportions we are seeing in the future to defence to the space and on the defence vertical right now we have seen last one week there was a approval of the AoNs Rs. 1.10 lakh crore So on that like many vehicles have a futuristic program where our IR infrared sensors and the optics would be in the utilization modes. So I understand that it would be on a contractual term either on a like six to nine months down the timeline. But what would be the opportunity there and how much. Other players are competing with this and that and means if you see



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like in the time of 2021 and 2022, we had a greater margin profile. So are we in a part to achieve that margin profile or investors would assume that this margin profile would be sustainable for the future profile? These are my questions. Thank you and all the best for the future. Thanks.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

So at 1st defence is the only Indian company for space optics. There is no government company and there is no private company in India who is producing space optics. The only other company that is or only other organization that produces space optics is the space organization ISRO by themselves. So if they have to produce or if they have to look at any company for space optics especially large optics for their large telescope. The only Indian company that is qualified and has heritage and is having also the capability in whole of India is Paras Defence. And as you know, like now there is a big boost for space programs. For the last few years, the space organization or the space spending was little limited or restricted. But now there is so much demand for putting a lot of maybe satellites up in the space for various applications that for any and every optical mission of ISRO Earth observation in the planetary mission or science mission. The only company for optics currently is Paras Defence. And the funnel for the 1st phase that is SBC 3. For that only the optics funnel for Paras Defence currently which we know the outcome in the next maybe four months or five months is about hundred million dollars. So it will be the defence like you know and also it is very time bound, so we will not like be looking at taking everything because too much pressure but we believe that we should be able to back sizable value of optics business and the rest otherwise if you don't, then it will be going to foreign companies and the margins here definitely are higher because space is very, very critical.

It took us several years to get here, a lot of efforts, a lot of investments, and then only finally we are here. So space, the criticality is so high the requirements are so stringent that if there is no good valuation it will not be viable. So the value additional space definitely will be higher than any other optics business that we do. And so we believe that we will have a better margin or we will have good margins for sure better than what we are, we are right now. I think today also we are at a very good and EBIDTA and PAT margin, but going Forward maybe starting from this year itself we should be a little improvement on little bit more better, but going forward with more space programs coming to us will be giving us much higher value addition.

The total funnel, as I mentioned to you for space organization or with the space sector is about 1500 crores, it is a mix of optics and telescopes. So telescope is our new area of offering where we are offering telescopes ground to space on turnkey basis. Again, here for telescopes, there is no other private company independently by themselves who is able to do this and if at all there would be anybody they would have a partner who would be supporting them. So, but we are independent hundred percent free of any partner. So, this way all the valuation stays with us and we will be also more competitive so there is a big opportunity for Paras in the space sector and all of them outcome in the next maybe four to five months and. With them coming in the next financial years will be more stronger in terms of revenue and also in terms of profitability. Also now coming to defence, you know, like optical systems are not only just you know required for soldiers for night vision or for maybe binoculars, but they are optical systems are on all types of land systems, several type of airborne systems so any and every program that gets like that gets sanctioned.

Paras Defence has a good chance for optics and optical systems. If we don't win the optical system business, then whosoever else wins the optics comes from Paras Defence to a very great extent, so we



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are directly benefited right from maybe just optics to the other OEMs, there are few other OEMs for optical systems for defence or the complete optical systems directly for the platform with the OEM or with the end users. So, we have a very, very good possibility in the area of optics and all this is because of the efforts of the company for the last 15 years and investing into this technology when there was nobody ready to invest. And we also invested very big sum when you know that investment today maybe not that big, but that time it was like a very good investment and also large companies would also have a second thought on investing that kind of money. So, with that investment and also with the company's capabilities and capacities and also its goodwill and also all the heritage that it has, we believe that Paras Defence will have a lot of business or a lot of possibilities and also very strongly positioned in the coming times especially in the area of optical domain. Thank you.

Ashish, Moderator, MUFG Intime India Private Limited

Thank you Mr. Kothari. I now invite speaker number seven. Mr. Santosh Kumar Saraf.

Mr. Santosh you are in the panel. Please start your video and you may ask a question.

Santosh Kumar Saraf, Speaker Shareholder

Respected Chairman Sir,

I, Santosh Kumar Saraf, extend my warm greetings to you and everyone present. I hope that you are all in good health and spirits. First of all, Sir, I would like to thank all the employees of our company for their hard work and dedication, because of which our company continues to perform well and grow. Sir, there are often several questions in our minds that we are unable to ask during the limited 2–3 minutes available to us. Therefore, I have already shared some of my questions with your Secretary in advance and requested that the responses be provided to me either before or after the meeting.

Sir, I would like to raise the following questions today: 1. ESG Rating: What is the current ESG rating of our company? Has the company undertaken an independent ESG assessment or obtained an ESG rating? If not, is the company considering undertaking such an assessment in the future?

2. Investment in Subsidiary Companies: How much total investment has the company made in its subsidiary companies, such as Paras Heven, Paras Avionics, Paras Semiconductors, and Himanshi Thermal? What additional investment is expected to be required in these businesses? Also, what level of profitability or returns does the company expect from these investments?

3. Renewable Energy: What percentage of the company's total energy consumption currently comes from renewable sources? Of this, what percentage is generated internally through sources such as solar or wind power, and what percentage is procured or outsourced from renewable-energy providers? Additionally, what are the company's future plans for reducing carbon emissions and improving its overall environmental performance?

4. Women Employees: What is the current percentage and total number of female employees in the company? What specific initiatives or measures is the company undertaking to increase the participation and representation of women in its workforce?



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Sir, I congratulate and extend my best wishes to the company for FY 2026–27. I sincerely hope that the coming financial year brings continued growth and prosperity not only to our company but also to all our Directors, employees, associates, and their families.

I also extend my warm wishes to everyone for all the upcoming festivals and pray for good health, happiness, and prosperity for all.

Thank you, Sir.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

Most of Paras Defence's subsidiaries are currently in a phase where significant capex has not yet been incurred. These subsidiaries are focused on unique offerings and, in many cases, are building complete, integrated products, such as Paras Heven.

Paras Heven is a joint venture between an Indian entity and an Israeli company whose 100% parent company in the US is Heven Aerotech. The JV is bringing hydrogen-powered UAV technology to India. Currently, most UAVs in India are battery-powered. Paras Heven's offering is among the first hydrogen-powered UAV solutions in the Indian market. By using hydrogen gas as the power source, these UAVs can potentially deliver 5–6 times longer endurance than conventional battery-powered drones. The cost is expected to be only around 25% higher than battery-powered alternatives, while offering significantly longer time and very low noise levels.

The key differentiator is that we are not merely manufacturing individual components; we are offering a complete, integrated solution. For manufacturing, we do not necessarily need to establish large-scale manufacturing facilities. Depending on the product, we either manufacture certain components in-house, subcontract manufacturing, or source already-available components, integrate and test them, and then deliver the complete solution to customers.

A similar model is being followed by our anti-drone subsidiary, which offers turnkey anti-drone solutions to end users and defence forces and has now also started exporting. The subsidiary primarily focuses on system design and engineering, while manufacturing is supported by Paras Defence, with a significant portion of the components being outsourced. The final system is then integrated, tested and delivered to the customer.

Therefore, most of our subsidiaries are currently operating on an asset-light business model, with relatively low incremental capex and maximum emphasis on system integration, engineering and technology. Importantly, these businesses can also leverage the existing infrastructure and facilities of the company, which helps us avoid additional rental costs and unnecessary overheads.

Our latest subsidiary, Paras Avionics, is focused on bringing mid-air refuelling technology for fighter aircraft to India. The technology enables fighter jets to be refuelled while airborne through a tanker aircraft. The complete refuelling equipment is expected to be manufactured in India, while existing systems can also be upgraded using this technology.

The overall strategy across these subsidiaries is therefore to maintain relatively low operating expenses and capex while targeting high-value, technology-intensive opportunities. By leveraging existing facilities, outsourcing where appropriate, and focusing internally on design, system engineering, integration and



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testing, the businesses can potentially achieve strong operating leverage and attractive margins as revenues scale.

Santosh Kumar Saraf, Speaker Shareholder

Thank you. Thank you so much.

Ashish, Moderator, MUFG Intime India Private Limited

Thank you, Mr. Santosh. I now invite speaker number eight. Ms Vibhuti Naredi. Please start your video and you may ask a question. Ms. Naredi, you may ask a question, please? Ms. Naredi. It seems some audio connectivity issue. So we will move to the next speaker, and we invite our last speaker Anjan Trivedi. Mr. Trivedi with you are in the panel. Please start your video and you may ask a question.

Anjan Trivedi, Speaker Shareholder

Good afternoon. Am I audible? Yes Mr. you are audible. Yes, thank you for giving me an opportunity for speaker shareholder. I saw your annual report and the numbers are very impressive. So I want to know the management that my company is not giving good amount of dividend because you have a good amount of reserves. Second is the now defence sector is booming, how does the management envision the powers as a consolidated level by 2030? And the last is, is the company is evaluating any strategic equation for listed or unlisted company in the same line of business? That's all from my side. Thanks.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

Sure, so as you know, we are a growing company and we intend to grow by 30-40 or 50 % year on year for this financial year, for next financial year and the year later. And we are also debt free. So we have no bank money that we use. So we try to use all our accruals for working capital so that we don't have any interest costs or we don't have to borrow any money. The only limits that we try to away from the banks or from the financial institutions are mostly towards bank guarantees. We also don't have any term loans. plus we have a few capex plan in this year and the next year, which will give the company much bigger opportunities. To take bigger projects. So currently that is why we have given whatever best design or best possible after discussions internally and also with all the directors, maybe going forward once we have a substantial cash and we also have maybe like you know we have more value addition. Or also our growth is also maybe reasonable because right now we are looking at the growth as I mentioned, 30-40 50 %. So for that we want to like we believe that the cash available will help us to get there and also we don't have to go and again borrow from the banks as we would like to remain debt-free. Probably we want to remain debt-free for long time or lifetime. So that is why but going forward yes, we will also look at considering higher dividends. 2nd, the company believes that it will grow by 30-40 % for sure, for at least FY 27-28, maybe also hopefully 29 because we have a lot of new products that are in the making and all of our subsidiaries will also start chipping in from the. FY28 so that they will be able to also give us this will also be able to help us to keep the momentum of at least 30 % year on year.

So if you can do the math by yourself like based on our FY26 and be going by 30-40 % by FY27 and then again on FY27. Going by 30 % to 40 % on FY 28 and again 30 % FY29 and 30 % you will be also able to see where the company is going to be heading towards or like how the company will be, mostly at on FY30 and also we believe the margins also will be similar because we are now offering full solutions as compared to earlier times when we were when we were more on sub-assemblies and assemblies working for OEMs. Now we are working we still continue working for OEMs, but also now we work for the end users or the forces. In fact, also our export business has started growing as as designed by our honourable



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prime minister that we should be an export country rather than being import countries. So we hopefully will be at least maybe 20 % of our revenues for this financial year. Whatever the numbers for FY27 will come from exports. So, we are also growing globally. So, this way we believe that we should be in a very very good position in the next few years and FY30 number should be also like substantially good and also with better budgets because you know export definitely gives you a little. A bit more margin as compared to domestic and also dollars supporting it. So overall looks being fine and the growth also is highly possible. Thank you.

Anjan Trivedi, Speaker Shareholder

What about my last question? His company is evaluating any strategic equation of listed.

Munjal Sharad Shah, Managing Director & Chairman of the Meeting

No acquisitions are planned like no strategic acquisitions or no, there's no inorganic growth that the company is a company is planning, like there is no inorganic and no acquisitions, sorry, because the company has enough standalone by itself to grow by 30%-40%.

So, then I don't think and also if you are today's time, you know, it is very expensive to buy out and also when you buy you when you need maybe some technology or maybe when you want to bring some maybe niche to yourself, but we already have quite a bit and we are already having a very strong positioning in the domain. That we are working in So there is no like no thoughts and no even discussions and no also exploration for anything or any inorganic that is acquisitions or maybe taking any company and consolidating, so nothing like that.

Anjan Trivedi, Speaker Shareholder

Understood. Thank you and all the best. Thank you so much.

Ashish Upadhyay, Moderator, MUFG Intime India Private Limited

Thank you, Mr. Saraf. With the permission of management, can we allow Ms. Vibhuti Naredi to reconnect with us?

Munjal Sharad Shah, Managing Director and Chairman of the Meeting

Yes.

Ashish Upadhyay, Moderator, MUFG Intime India Private Limited

Madam you are in the panel. Restart your video and you may ask your question. Ms. Naredi, you may ask your question, please? [Still an audio connectivity issue — question could not be completed. So, with this we complete with our speakers queries and now hand over the proceeding to the company secretary Ms. Minal Bhate. Over to you ma'am.

Minal Bhate, Company Secretary and Compliance Officer

Thank you, shareholders!

We would like to remind our shareholders that the e-voting facility will remain open for a period of 15 minutes after the conclusion of this AGM.

As all Shareholder queries are satisfactorily resolved, we hereby declare the proceedings of this AGM formally concluded.



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Many Thanks to the Board of Directors and other esteemed officials for their valuable presence. We are also deeply grateful to our shareholders for their active engagement and enduring support. Special thanks goes to the Team at MUFG Intime for their excellent coordination and technical management

Thank you all once again!!!

Jai Hind!