

January 31, 2024

<p>To, The General Manager, Department of Corporate Services, BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400001 Company Code No.: 543972</p>	<p>To, The Listing Department. National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051 Trading Symbol: AEROFLEX</p>
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Dear Sir/ Madam,

Pursuant to Regulation 32(6) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we hereby enclosed the Monitoring Agency Report for the quarter ended December 31, 2023, issued by ICRA Limited, Monitoring Agency, appointed to monitor the utilization of proceeds of the Public Issue (IPO) of the Company.

Request you to kindly take the same on record.

Thanking You,

Yours faithfully,

For AEROFLEX INDUSTRIES LIMITED

ASAD
DAUD

Asad Daud
Managing Director
DIN: 02491539

Encl: As above

Aeroflex Industries Limited

Business Office & Factory

Plot No: 41 & 42/13, 14, 18, Village: Chal, Near Taloja M.I.D.C.,

Post: Ghot Camp, Tal: Panvel, Dist: Raigad,

Maharashtra - 410 208 India

Phone: +91 22 6146 7100 (100 Lines), Fax: +91 22 6146 7136

Email: info@aeroflexindia.com, Website: www.aeroflexindia.com

CIN: U24110MH1993PLC074576



Govt. of India Recognised Export House

Date: January 30, 2024

Mr. Asad Daud

Managing Director and Chairman
Aeroflex Industries Limited
Plot No. 41, 42/13, 42/14 & 42/18,
near Talaja MIDC, Village Chal,
Behind IPGL, Panvel
Navi Mumbai – 410208

Dear Sir,

Re: Final Monitoring Agency report of Aeroflex Industries Limited for Q3 FY2024

Please refer to agreement dated June 15, 2023, appointing ICRA Limited as the Monitoring Agency (MA) for Aeroflex Industries Limited 's IPO.

After due consideration, ICRA has prepared the attached final Monitoring Agency report as per SEBI (Issue of Capital and Disclosure Requirements) Regulations for Q3 FY2024.

Please note that the Monitoring Agency report does not constitute a commentary on the quality of the objects of the issue, appropriateness or reasonableness of costs or spending by Aeroflex Industries Limited against any objects / heads or assurance on outcome of such spending.

We thank you for your kind cooperation extended during the course of Q3 FY2024. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards

For ICRA Limited

PARUL
GOYAL
NARANG

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by PARUL
GOYAL NARANG
Date: 2024.01.30
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Parul Goyal Narang
Vice President & Head-Process Excellence
Parul.goyal@icraindia.com

MONITORING AGENCY REPORT

Name of the Issuer: Aeroflex Industries Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency (MA): ICRA Limited

(a) Deviation from the objects of the issue:

No deviation - the utilization of the issuance proceeds is in line with the objects of the issue.

(b) Range of deviation:

Not Applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013. The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that we do not perceive any conflict of interest in such relationship/ interest while monitoring and reporting the utilization of the issue proceeds by the issuer. We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:

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GOYAL
NARANG

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by PARUL
GOYAL NARANG
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Parul Goyal Narang

Vice President & Head- Process Excellence

Analyst: Dhwani Vinchhi

QA: Parul Narang

1. Issuer Details

Name of the Issuer: Aeroflex Industries Limited

Name(s) of the promoters:

Promoters
Sat Industries Limited

Source: BSE

Industry/ sector to which it belongs: Manufacturing- light engineering.

2. Issue Details

Issue Period: Opening date- August 22, 2023

Closing date- August 24, 2023

Type of Issue: Initial Public Offer

Type of specified securities: Equity shares

IPO Grading, if any: No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the offer.

Issue Size (Rs. Crore): 351.000

With OFS portion: INR 351.000 Crore; Excluding OFS portion: INR 162.000 Crore.

Net proceeds as per offer letter: INR 131.527 Crore (Excluding Issue Related Expenses) *

*The proceeds credited to the Net Proceeds account stood at INR 136.011 Crore as issue related expenses (IRE) incurred were lower than the estimated by INR 4.484 Crore. Hence ICRA will be monitoring the revised Net Proceeds amount of INR 136.011

3. Details of the arrangement made to ensure the monitoring of issue proceeds.

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	-Statutory Auditor Certificate -Confirmation from management -Bank statement of the proceeds account	No deviation observed.	
Whether shareholder approval has been obtained in case of material deviations [#] from expenditures disclosed in the Offer Document?	Not Applicable	As confirmed by the Issuer's management	No comments	
Whether the means of finance for the disclosed objects of the issue has changed?	No	As confirmed by the Issuer's management	The proceeds credited to the Net proceeds account stood at INR 136.011 Crore due to actual issue related expenses (IRE) being lower than the estimated IRE by 4.484 Crore. However, there is no deviation.	
Is there any major deviation observed over the earlier monitoring agency reports?	No	No deviation observed.	No comments	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	Not Applicable	As confirmed by the Issuer's management	No comments	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	Not Applicable	As confirmed by the Issuer's management	No comments	
Are there any favorable events improving the viability of these object(s)?	No	As confirmed by the Issuer's management	As understood from the Issuer's management	
Are there any unfavorable events affecting the viability of the object(s)?	No	As confirmed by the Issuer's management	As understood from the Issuer's management	
Is there any other relevant information that may materially affect the decision making of the	No	As confirmed by the Issuer's management	As understood from the Issuer's management	

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
investors?				

Where material deviation is defined to mean:

(a) Deviation in the objects or purposes for which the funds had been raised.

(b) Deviation in the amount of funds utilized by more than 10% of the amount specified in the offer document.

4. Details of the object(s) to be monitored.

(i) Cost of object(s)

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Original cost (as per the offer document) [Rs. Crore]	Revised cost [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	Full or part repayment and/or prepayment of certain outstanding secured borrowings (including foreclosure charges, if any) availed by our Company	Prospectus	32.000	-	No Comments			
2	Funding working capital requirements of our Company	Prospectus	84.000	-	No Comments			
3	General corporate purposes and Unidentified Inorganic Acquisitions	Prospectus	15.527	20.011	Revision in General Corporate Purpose is on account of actual offer related expenditure being lower than estimated by INR 4.484 Crore			
	Total		131.527	136.011				

(ii) Progress in the object(s)

S.N.	Item Head*	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the offer document [Rs. Crore]	Amount utilized [Rs. Crore]			Total unutilized amount [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
				As at the beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Full or part repayment and/or prepayment of certain outstanding secured borrowings (including foreclosure charges, if any) availed by our Company	-Statutory Auditor Certificate -Bank statement of the proceeds account -Prospectus	32.000	32.000	-	32.000	Nil	No comments		
2	Funding working capital requirements of our Company	Same as above	84.000	28.354	3.000	31.354	52.646	No comments		
3	General corporate purposes and Unidentified Inorganic Acquisitions	Same as above	15.527 (20.011)*	5.350	-	5.350	14.661	Revision in General Corporate Purpose is on account of actual offer related expenditure being lower than estimated by INR 4.484 Crore.		
Total			136.011	65.704	3.000	68.704	67.307			

*Revised cost as per point no 4(i) above.

(iii) Deployment of unutilized proceeds

S.N.	Type of instrument and name of the entity invested in	Amount invested [Rs. Crore]	Maturity date	Earning [Rs. Crore]	Return on Investment [%]	Market Value as at the end of quarter@ [Rs. Crore]
1	Fixed deposit with kotak Mahindra Bank Limited (Deposit no: 7749086777)	20.000	February 09, 2024	0.460	7.00%	20.460
2	Fixed deposit with kotak Mahindra Bank Limited (Deposit no: 7749086791)	30.000	April 14, 2024	0.700	7.10%	30.700
3	Fixed deposit with kotak Mahindra Bank Limited (Deposit no: 7749153646)	15.000	May 01, 2024	0.167	7.00%	15.167
4	Fixed deposit with kotak Mahindra Bank Limited (Deposit no: 7749190399)	2.000	January 08,2024	0.006	4.50%	2.006
5	Aeroflex Industries Limited – Monitoring Agency Account (Current A/C: 9047232870)	0.307	-	-	-	0.307
Total		67.307	-	1.333	-	68.604

Source: As certified by M/S Shweta Jain & Co., Chartered Accountant (ICA).

@Where providing the market value was not feasible, the NAV/ NRV/ Book Value of the same has been provided, while disclosing so.

(iv) Delay in the implementation of the object(s)

Object(s)	Completion date		Delay [Number of days or months]	Comments of the Issuer's Board of Directors	
	As per the offer document	Actual [^]		Reason for delay	Proposed course of action
<i>Full or part repayment and/or prepayment of certain outstanding secured borrowings (including foreclosure charges, if any) availed by our Company</i>	FY24	On Schedule	NA		
<i>Funding working capital requirements. of our Company</i>	FY24- FY25	On Schedule	NA		
<i>General corporate purposes and Unidentified Inorganic Acquisitions</i>	FY24- FY25	On Schedule	NA		

Source: As confirmed by the Issuer's management

5. Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
1	Capex Land Acquisition	5.350	-Statutory Auditor Certificate -Bank statement of the proceeds account	No Comments	
Total		5.350	-	-	