



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

April 30, 2025

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai - 400001
Scrip Code: 543367

National Stock Exchange of India Limited

Exchange Plaza, Plot C/1, G Block,
Bandra - Kurla Complex,
Bandra - (East), Mumbai - 400051
Trading Symbol: PARAS

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended March 31, 2025

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 82(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed Monitoring Agency Report for the quarter ended March 31, 2025, issued by ICRA Limited, the Monitoring Agency, appointed to monitor the utilisation of funds raised through Qualified Institutions Placement (QIP).

Request you to please take the above on record.

Thanking you,

For Paras Defence and Space Technologies Limited

Munjal Sharad Shah

Managing Director
DIN: 01080863

Encl.: As Above

MONITORING AGENCY REPORT**Name of the Issuer:** Paras Defence And Space Technologies Limited**For quarter ended:** March 31, 2025**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:

PARUL
GOYAL
NARANG

Digitally signed
by PARUL
GOYAL NARANG
Date: 2025.04.30
19:21:52 +05'30'

Parul Goyal Narang

Vice President & Head-Process Excellence

Analyst: Tiyasha Dey**Quality Analyst:** Dhvani Vinchhi

1. Issuer Details**Name of the Issuer:** Paras Defence And Space Technologies Limited**Name(s) of the promoters:**

| Promoters |
|--------------------|
| Munjal Sharad Shah |
| Sharad Virji Shah |

*Source: BSE***Industry/ sector to which it belongs:** Aerospace & Defense**2. Issue Details****Issue Period:** Opening date - October 01, 2024

Closing date – October 07, 2024

Type of Issue: QIP Issue**Type of specified securities:** Equity shares**IPO Grading, if any:** *Not Applicable***Issue Size (Rs. Crore): 135.182****With OFS portion:** Not applicable**Excluding OFS portion:** Not applicable**Net proceeds:** INR 130.599 Crore**Actual Net proceeds:** INR 130.987 Crore***Revision in Net proceeds is on account of actual offer related expenditure being lower than estimated by INR 0.388 Crore***Note:** ICRA has monitored Gross Proceeds of INR 135.182 crore for Q4 FY2025

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 | -Peer reviewed CA certificate -Confirmation from management -Bank statement of the escrow account/Proceed Account | No deviation observed | No comments |
| 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 | No comments |
| Whether the means of finance for the disclosed objects of the issue has changed? | No | As confirmed by the Issuer's management | No comments | No comments |
| Is there any major deviation observed over the earlier monitoring agency reports? | No | As confirmed by the Issuer's management | No comments | 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 | No comments |
| Whether all arrangements pertaining to technical assistance/ collaboration are in operation? | Not Applicable | As confirmed by the Issuer's management | No comments | 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 | No comments |
| 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 | No comments |
| Is there any other relevant information that may materially affect the decision making of the investors? | No | As confirmed by the Issuer's management | As understood from the Issuer's management | No comments |

[#] 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 | Funding working capital requirements of the Company | Placement Document | 120.000 | 120.000 | No comments | No comments | | |
| 2 | General corporate purposes | Placement Document | 10.599 | 10.987 | Revision in General Corporate Purpose is on account of actual offer related expenditure being lower than estimated by INR 0.388 Crore | No comments | | |
| Total | | | 130.599 | 130.987 | | | | |

(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] (A) | Amount utilized. [Rs. Crore] | | | Total unutilized amount [Rs. Crore] (C=A-B) | 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 (B) | | | Reasons for idle funds | Proposed course of action |
| | Issue Expenses | -Placement document -Peer reviewed CA certificate -Bank Statement of the proceeds account/ corresponding bank account statements | 4.582 (4.195)* | 4.195 | - | 4.195 | Nil | Revision in Issue related expenses is on account of actual Issue related expenses being lower than estimated by INR 0.388 Crore | No comments | |
| | Objects for utilization of Net Proceeds | | | | | | | | | |
| 1 | Funding working capital requirements of the Company | -Placement document -Peer reviewed CA certificate -Bank Statement of the proceeds account/ corresponding bank account statements -Invoices | 120.000 | 117.504 | 2.496 | 120.000 | Nil | No Comments | No comments | |
| 2 | General corporate purposes | Same as above | 10.599 (10.987)* | 2.648 | 2.882 | 5.530 | 5.457 | The company has taken reimbursement for INR 1.189 crore, which has been incurred earlier from its internal accruals | No comments | |
| Total | | | 135.182 | 124.347 | 5.378 | 129.725 | 5.457 | | | |

*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 | Maturity date | Earning | Return on Investment | Market Value as at the end of quarter* |
|--------------|---|-----------------|---------------|--------------|----------------------|--|
| | | [Rs. Crore] | | [Rs. Crore] | [%] | [Rs. Crore] |
| 1 | Fixed Deposit with Kotak Mahindra Bank | 5.000 | 8-Apr-25 | 0.068 | 6% | 5.068 |
| 2 | Monitoring A/c Balance as on 31.03.2025 | 0.457 | - | - | - | 0.457 |
| Total | | 5.457 | | 0.068 | | 5.525 |

Source: As certified by ABHL & ASSOCIATES

*Market Value including interest accrued till 31.03.2025

(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 |
| Funding working capital requirements of the Company | FY25 | Completed | N.A. | No comments | |
| General corporate purposes | FY25-FY26 | On Schedule | N.A. | No comments | |

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 (Q3 FY2025) | 2.648 | -Peer reviewed CA certificate -Bank Statement of the proceeds account/ corresponding bank account statements | No comments | No comments |
| 2 | Capex (Q4 FY2025) | 1.189 | Same as above | No comments | No comments |
| 3 | For Working Capital Purpose (Q4 FY2025) | 1.693 | Same as above | No comments | No comments |
| Total | | 5.530 | | | |