Date: November 11, 2026

To,
The Manager- Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, 5th floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051

Trading Symbol: FLYSBS

Subject: Monitoring Agency Report for the quarter ended September 30, 2026

Dear Sir/Ma'am,

Pursuant to Regulation 32(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed the Monitoring Agency Report issued by CARE Ratings Limited, the Monitoring Agency, for the quarter ended September 30, 2026 in respect of Utilization of IPO proceeds of the company.

The Company will also host this report on the website at https://sbsaviation.in/

Kindly take the same on your records.

Thanking you,

For FLYSBS AVIATION LIMITED

SAPTHARISHI NARAYANAN
Digitally signed by SAPTHARISHI NARAYANAN
Date: 2026.11.11 19:03:20 +05'30'

Name : Saptharishi N
Designation : Company Secretary and Compliance Officer

FlySBS Aviation Limited
REGISTERED OFFICE
Plot No.16 (NP), 3rd Floor, IndiQube Palmyra, SIDCO Industrial Estate, Ekkatuthangal, Guindy Industrial Estate, Chennai, Chennai City Corporation, Tamil Nadu, India, 600032.
PHONE/LANDLINE
+9144 2260 4444
EMAIL
fly@sbsaviation.in
CIN:
L62200TN2020PLC136959
GST:
33AAECF1762D1Z3

No. CARE/CRO/GEN/2026-27/1019

The Board of Directors
FlySBS Aviation Limited
3rd Floor, IndiQube Palmyra,
Ekkattuthangal, SIDCO Industrial Estate,
Guindy, Chennai, Tamil Nadu 600032

November 11, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2026 - in relation to the IPO of FlySBS Aviation Limited ("the Company")

We write in our capacity of Monitoring Agency for the IPO for the amount aggregating to Rs. 102.53 crore of the Company and refer to our duties cast under section 262 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2026 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 23, 2025

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Ali Monish PE
Assistant Director
AliMonish.P@careedge.in

Report of the Monitoring Agency
Name of the issuer: FlySBS Aviation Limited
For quarter ended: 30/09/2026
Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil
(b) Range of Deviation: Nil

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 there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

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.



Ali Monish PE
Assistant Director
AliMonish.P@careedge.in

1) Issuer Details:

Name of the issuer : FlySBS aviation limited
Name of the promoter : Ambashankar, Capt. Deepak Parasuraman, Kannan Ramakrishnan, Shreshtha Business Solutions LLP and Bastimal Kishanraj
Industry/sector to which it belongs : Aviation

2) Issue Details

Issue Period : August 01, 2025 to August 05, 2025
Type of issue (public/rights) : Public
Type of specified securities : Not applicable
IPO Grading, if any : SME IPO
Issue size (in crore) : Rs. 102.53 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	No	Bank Statement, CA Certificate*and Management confirmation.	There has been delay in the deployment of the net proceeds. As per the prospectus, the deployment of entire proceeds was scheduled for FY 2026; however, Rs. 11.72 crore remains unutilised as of September 30, 2026. The company has not shared any approvals for rescheduling the planned expenditure.	The proceeds are to be utilised for the purpose of the issue and continues to be earmarked for the same. In the absence of any significant deviation or change in the issue of proceeds, no approvals are required for the same.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	CA Certificate* and Management confirmation.	Nil	No Comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA Certificate* and Management confirmation.	Nil	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	Yes	Previous monitoring agency reports, CA Certificate* and Management confirmation.	The monitoring agency report for Q2FY26, Q4FY26 and Q1FY27 were qualified on account of deviation in the stated objects and same can be referred for further details.	There have no major deviation as noted in your previous reports and our earlier responses as well.
Whether all Government/statutory approvals related to the	In Process	CA Certificate* and	Nil	Nil

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
object(s) have been obtained?		Management confirmation		
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	CA Certificate* and Management confirmation	Nil	No Comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	CA Certificate* and Management confirmation	Nil	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Prospectus	Litigation against one of the members of promoter group. Details are in footnote below^	As stated in our responses to your earlier reports, all relevant information was disclosed and relevant documents were filed at the time of exchange approval. In the absence of any nexus between utilisation of funds and this observation, we believe this is not warranted and exceeds the mandate of a monitoring agency.

*Chartered Accountant certificate from A. John & Morris & Co. dated November 03, 2026.

#Where material deviation may be defined to mean:

a) Deviation in the objects or purposes for which the funds have been raised

b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

^As per the RHP and prospectus filed for the IPO on July 24, 2025 and on August 05, 2025 respectively, there is a disclosure regarding Mr. P.Karthik Iyer as part of the promoter group. He is the brother of Mr.Deepak Parasuram. However, he is not a Director or shareholder in the company. Following is the disclosure in the RHP and prospectus:

"P Karthik Iyer Parasuraman, a member of the promoter Mr Deepak Parasuraman is involved in certain legal proceedings and these proceedings are pending at different levels of adjudication before various courts. The brief details of legal proceedings are set out below:

Sr. No	Particulars
1	CBI ACB versus P Karthik Iyer Parasuraman & Others CC 1/2008
2	CBI Bangalore versus P Karthik Iyer Parasuraman Others CC 45/ 2019
3	CBI Mumbai versus P Karthik Iyer Parasuraman & Others CC 1052 /2016
4	CBI, Hyderabad versus P Karthik Iyer Parasuraman & Others CC 1161/2019
5	Director of Enforcement versus P Karthik Iyer Parasuraman & Others ECIR/02/HYZO/2015/1592
6	IDBI Bank Ltd. Versus Ms Deccan Chronicle Holdings Limited and others CC 805/2018

Sr. No	Particulars
7	Kotak Mahindra Bank Versus Ms Deccan Chronicle Holdings Limited and others CC/1078
8	Canara Bank Versus Ms Deccan Chronicle Holdings Limited and others CC 151/2013
9	Ms. Canara Bank Versus Ms Deccan Chronicle Holdings Limited and others CC 29/2013
10	Ms ICICI Bank Versus Ms Deccan Chronicle Holdings Ltd and others CC39/2013
11	Unilazer Ventures Limited versus Ms Deccan Chronicle Holdings Limited and others SS/2800202/2013
12	Securities and Exchange Board of India versus Deccan Chronicle Holding Limited and 6 others 100071/2016

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Funding capital expenditure towards acquisition of six pre-owned aircraft on long term dry lease basis Funding capital expenditure towards acquisition of six pre-owned aircraft on long term dry lease basis	CA Certificate*, Bank Statement & Offer Document	80.47	80.47	Nil	No Comments	No Comments	No Comments
2	Repayment/prepayment, in full or part, certain outstanding borrowings availed by our Company	CA Certificate*, Bank Statement & Offer Document	7.276	7.276	Nil	No Comments	No Comments	No Comments
3.	General Corporate Purposes	CA Certificate*, Bank Statement & Offer Document	9.79	9.79	Nil	No Comments	No Comments	No Comments
4.	Issue Expenses	CA Certificate*, Bank Statement & Offer Document	4.99	4.99	Nil	No Comments	No Comments	No Comments
Total			102.53	102.53				

*Chartered Accountant certificate from A. John & Morris & Co. dated November 03, 2026.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Funding capital expenditure towards acquisition of six pre-owned aircraft on long term dry lease basis	CA Certificate*, Bank Statement & Offer Document	80.47	69.44	-	69.44	11.03	There has been delay in the deployment of the net proceeds. As per the prospectus, the deployment of entire proceeds was scheduled for FY 2026; however, however, Rs. 11.72 crore remains unutilised as of September 30, 2026. The company has not shared any approvals for rescheduling the planned expenditure.	The current war like situation in the middle east inhibits free movement of the assets.	The management is constantly evaluating the prevailing situation for the purpose of relocation of the assets and is confident that balance formalities can be concluded as soon as normalcy returns to the middle east.
2	Repayment/prepayment, in full or part, certain outstanding borrowings availed by our Company	CA Certificate*, Bank Statement & Offer Document	7.276	7.276	-	7.276	-	Already utilised in Q3FY26. Hence no utilisation during the quarter.	No Comments	No Comments
3	General Corporate Purposes	CA Certificate*, Bank Statement & Offer Document	9.79	9.10	-	9.10	0.69	No utilisation during the quarter.	No Comments	No Comments
4	Issue Expenses	CA Certificate*, Bank Statement & Offer Document	4.99	4.99	-	4.99	-	Already utilised in Q2FY26. Hence no	No Comments	No Comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
								utilisation during the quarter.		
Total			**102.53**	**90.81**	**0.00**	**90.81**	**11.72**			

*Chartered Accountant certificate from A. John & Morris & Co. dated November 03, 2026.

(iii) Deployment of unutilized proceeds:

Sr. No.	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
1	Fixed deposit – ICICI Bank	Rs. 10.22 crore	October 15, 2026	-	5.00%	Rs. 10.49 crore
2	Fixed deposit – ICICI Bank	Rs. 2.09 crore	December 02, 2026	-	5.00%	Rs. 2.12 crore
	Total fixed deposit	**Rs. 12.31 crore***				
	Interest portion	**0.31^**				
	Excessive fixed deposit amount booked from cc account	**0.28^**				
	Total unutilized proceeds	**Rs. 11.72 crore**				

*As per the chartered accountant certificate from A. John & Morris & Co. dated November 03, 2026 and management certificate dated November 02, 2026 total unutilized proceeds was Rs. 11.72 crore. The company has shared Fixed Deposit receipts amounting to Rs. 12.31 crore, of which Rs 11.72 crore is represented as unutilized funds, the excess amount comprises ₹0.31 crore accumulated interest earned on the fixed deposits and Rs. 0.28 crore funds deployed from the cash credit account.

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

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Funding capital expenditure towards acquisition of six pre-owned aircraft on long term dry lease basis	Fiscal 2026	Ongoing	Delay (Exact number of days of delay not ascertainable)	No Comments	No Comments
Repayment/prepayment, in full or part, certain outstanding borrowings availed by our Company	Fiscal 2026	Repaid on November 27, 2025	-	No Comments	No Comments
General Corporate Purposes	Fiscal 2026	Ongoing	Delay	No	No Comments

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
			(Exact number of days of delay not ascertainable)	Comments	

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

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
No utilization during the quarter.					

^ *Section from the offer document related to GCP:*

"In terms of Regulation 230(2) of the SEBI ICDR Regulations, as amended, the extent of the Issue Proceeds proposed to be used for general corporate purposes must not exceed 15% of the Gross Proceeds from the Issue or ₹ 1,000.00 lakhs, whichever is lower. Our Board will have flexibility in applying the balance amount towards part or full repayment/prepayment of outstanding borrowings, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act. Our management, in response to the competitive and dynamic nature of our industry and business, will have flexibility in utilizing any amount for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilisation of funds towards any of the purposes will be determined by the Board or a duly appointed committee, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law, including the necessary provisions of the Companies Act."

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as **"Monitoring Agency/MA"**). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. 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.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or 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 MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditors, lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.