

Nagson Engineers & Consultants

Cert No: UNIMECH/4740-24

Date: 19/08/2024

To:

The Board of Directors
M/s UNIMECH Aerospace and Manufacturing Limited
538, 539, 542, & 543
7th Main of Peenya IV Phase
Industrial Area
Yeshwanthpur Hobli
Bangalore – 560 058
Karnataka, India

Anand Rathi Advisors Limited
11th Floor, Times Tower
Kamla City
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex
N.M. Joshi Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India

(Anand Rathi Advisors Limited and Equirus Capital Private Limited are collectively referred to as the “**Book Running Lead Managers**” or the “**BRLMs**”)

Re: Proposed initial public offering of equity shares of face value of ₹ 5/- each (the “Equity Shares”) of Unimech Aerospace and Manufacturing Limited (the “Company”) comprising of fresh issue of Equity Shares (such issue, the “Fresh Issue”) and an offer for sale of Equity Shares by certain existing shareholders of the Company (the “Offer for Sale”, and together with the Fresh Issue, the “Offer”)

Dear Sir / Madam,

We the undersigned, Mr. Deepak Nagaraj confirm that we are duly registered as a chartered engineers with the Institution of Engineers (India), bearing membership number AM162085-4 respectively (*Certificate of registration enclosed herewith as **Annexure D***), and that we are authorized, and have the required competence and technical knowledge, to issue this certificate. Further, we confirm that the aforesaid registration is valid as on date hereof, and as such, we are duly qualified to issue this certification. We represent that our execution, delivery and performance of this certificate has been duly authorized by all necessary actions (corporate or otherwise)



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As on the date of this certificate, the Company along with its wholly owned subsidiary, M/s **INNOMECH** Aerospace Toolings Private Limited (“**Subsidiary**”), (Company together with its Subsidiary referred as “**Group**”) operates two manufacturing facilities (the “**Manufacturing Facilities**”) as given below:

S. No.	Name/ Location	Plant Address	Ownership	Type of Facility	Products Manufactured
1.	UNIMECH AEROSPACE AND MANUFACTURING LTD		OWNED COMPANY	MANUFACTURING	AEROSPACE UNIQUE CRITICAL COMPONENTS
2.	INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED		Wholly OWNED SUBSIDIARY	MANUFACTURING	AEROSPACE UNIQUE CRITICAL COMPONENTS

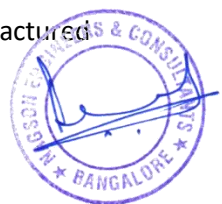
Details of facilities including total land area, utilized land area, actual area being utilised for manufacturing activities, ownership status of such facilities (freehold/ leasehold (including the duration of the lease) of the Group:

S No	Facility [Please specify the Manufacturing Facility, for which the land area is mentioned.]	Total land area (Sq. Mtr.)	Utilized land area (Sq. Mtr.)	Actual area being utilised for manufacturing activities (in [Sqm])	Ownership status	Duration of the lease
					Freehold/Leasehold	
1	UNIMECH AEROSPACE AND MANUFACTURING LTD	3152.93	2277.61	1730.40	Lease Hold	01/04/2022 to 31/03/2027
2	INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED	8093	8100	6350	Lease Hold	/11/2019 to 02/11/2118
			6018	4678	Lease Hold	

The Group operates two manufacturing facilities with the following capabilities: (i) design and engineering, (ii) manufacturing, (iii) fabrication, (iv) special process, (v) electrical and electronic integration, (vi) assembly, and (vii) quality inspection. The salient features of the products manufactured by the Group includes complexity and a “high-mix, low volume nature”, which is characterized by wide range of products (SKUs) but relatively small quantities of each based on specific customer requirements. The design and engineering capabilities include occupation design, drafting, and 3-D modelling. The group offers dual capability to the customers.

Pursuant to the request of the Company, I, Mr. Deepak N, Chartered Engineer, are required to independently examine, reviewed, verified, confirmed and certify the following:

(a) Installed capacity, actual loaded production capacity hours and capacity utilization of the Manufacturing Facilities at Bengaluru, owned and/or controlled by the Group for Fiscals 2024, 2023 and 2022 , material approvals / licenses obtained by the Group in relation to its Manufacturing Facilities and its operations, details of products manufactured at the Manufacturing Facilities and certain other matters, as appearing in **Annexure A**, and



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(b) certain other details of Manufacturing Facilities including total land area, utilized land area, **actual area being utilised for manufacturing activities**, ownership status (**freehold/ leasehold (including the duration of the lease)**), technical capabilities, and manufacturing processes, in relation to the Manufacturing Facilities, details of which are appearing in **Annexure B** of this certificate.

(c) The Group set up a facility in Unit-I in Peenya, Bangalore, is spread across an area of over 30,000 sq.ft. and the Unit-II factory is situated in Special Economic Zone (“SEZ”) near Bangalore International Airport which is spread across an area of over 90,000 sq. ft. Based on our independent review of the documents as mentioned in **Annexure F** and other necessary procedures carried out by us, we confirm that the information mentioned in Annexure A and **Annexure B** regarding the Manufacturing Facilities are true, complete, accurate and fair. The layout and on-site photograph of actual Manufacturing Facilities as on the date of this certificate is attached as **Annexure C**. (Unimech Photos). The details of the key manufacturing capabilities, manufacturing process, assembly capabilities and testing capabilities have been attached as **Annexure D**

We further confirm that we are an independent organization with no direct or indirect interest in the Company, except for provision of professional services in the ordinary course of our profession in connection with the Offer, and are not related in any manner to the promoters, promoter group, directors, shareholders, officers, employees, agents, selling shareholders, representatives of the Company and are not a related party of the Company, or otherwise interested or engaged in the formation, promotion or management of the Company.

We consent to the inclusion (in part or full) of the information in this certificate, the annexures hereto and the reference(s) thereto in the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”) and the prospectus (“**Prospectus**”) intended to be filed by the Company with the Securities and Exchange Board of India (the “**SEBI**”), Registrar of Companies, Karnataka at Bangalore and any relevant stock exchange(s) where the Equity Shares are proposed to be listed (the “**Stock Exchanges**”), as the case may be, and as well as in addenda or supplements thereto, investor and roadshow presentations, research reports and other documents in relation to the Offer and any other material to be used in relation to the Offer (the “**Offer Documents**”).

We also consent to the inclusion of this certificate as a part of “*Material Contracts and Documents for Inspection*” in connection with the Offer, which will be available for inspection at the Company’s registered office or uploaded on the Company’s website from date of the filing of the RHP until the Bid/Offer Closing Date.

We also consent to be named as an ‘Expert’ in terms of Section 2(38) and Section 26(5) of the Companies Act, 2013, as amended, with respect to this certificate. The following details with respect to us may be disclosed in the Offer Documents:

Name of Chartered Engineer: DEEPAK N
Name of the Organization: NAGSON ENGINEERS & CONSULTANTS
Address: No.141, 6th Main, Prashanth Nagar, Bangalore, 560079
Phone: +91-9986787177
Email Id: nagsonnec@gmail.com
Chartered Engineer Number: AM162085-4
Website: NA



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We hereby confirm that this certificate does not contain any untrue statement of a material fact and does not omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading. This certificate may be relied upon (in part or in full) by the Company, the BRLMs and the legal counsels, appointed pursuant to the Offer and may be submitted to the Stock Exchanges and any other regulatory or statutory or governmental authority. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation or order of a court or by any government or competent regulatory authority, or (ii) in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation in relation to the contents of the Offer Documents.

We undertake to immediately inform the Company, BRLMs and the legal counsels in case of any changes or qualifications or any material developments in respect of the matters covered in this certificate (including the annexures hereto) until the date when the Equity Shares pursuant to the Offer commence trading on the Stock Exchanges. In the absence of any such written communication from us until the date when the Equity Shares commence trading on the Stock Exchanges, the above information contained in this certificate herein should be taken as true, correct, accurate and updated and you may assume that there is no change in respect of the matters covered in this certificate.

We agree to keep information regarding the Offer and the contents of this certificate granted by us strictly confidential.

All capitalized terms used but not defined herein have the meanings ascribed to them in the Offer Documents.



Nagson Engineers & Consultants

Sincerely,

For, NAGSON ENGINEERS & CONSULTANTS



Deepak N

Chartered Engineer
No. AM162085-4
Place: BANGALORE

Encl: As above

Cc:

Trilegal

One World Centre
10th floor, Tower 2A & 2B
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India

Legal counsel to the Book Running Lead Managers

J. Sagar Associates

One Lodha Place
27th Floor, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India

Encl.: As above



Annexure A

Details of the installed capacity, actual production and capacity utilization of the Manufacturing Facility for Fiscals 2024, 2023 and 2022. Given the “high-mix, low volume nature” of business, the Group manufactures a wide range of products (SKUs) but relatively small quantities of each SKU based on specific customer requirements. Accordingly, it is difficult for the Group to track the capacity of the manufacturing facilities in terms of number of products manufactured. Hence, the installed capacity and utilized capacity of the manufacturing facilities of the Group, has been calculated in number of hours.

Unit I: UNIMECH

As of, and for year ended March 31,								
2024			2023			2022		
Annual Installed Capacity (Hrss.)	Annual utilization Hours(hrs.)	Capacity Utilization (%)	Annual Installed Capacity (Hours .)	Annual Actual Production (Hours .)	Capacity Utilization (%)	Annual Installed Capacity (Hours.)	Annual Actual Hours (Hours.)	Capacity Utilization (%)
43,170.00	41,113.64	95.24%	43,170.00	40,963.61	94.89%	38,220.00	35,781.00	93.62%

Unit II: INNOMECH

As of, and for year ended March 31,								
2024			2023			2022		
Annual Installed Capacity (Hours)	Annual Actual Production (Hours.)	Capacity Utilization (%)	Annual Installed Capacity (Hours.)	Annual Actual Production (Hours)	Capacity Utilization (%)	Annual Installed Capacity (Hours.)	Annual Actual Production (Hours)	Capacity Utilization (%)
1,79,820.00	1,68,348.85	93.62%	81,930.00	77,441.88	94.52%	61,590.00	58,592.00	95.13%



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		2021-2022							2022-2023							2023-2024									
Sl no	Machine	Qty	Practical Capacity				Utilization @ 80%	Actual Capacity Available / Year	Loaded Hrs	Qty	Practical Capacity				Utilization @80%	Actual Capacity Available / Year	Loaded Hrs	Qty	Installed Capacity				Utilization @80%	Actual Capacity Available / Year	Loaded Hrs
			No Of Hrs/day	No of Hrs/ Month	No of Hrs/ Year	Scrap @5%					No Of Hrs/day	No of Hrs/ Month	No of Hrs/ Year	Scrap @ 5%					No Of Hrs/day	No of Hrs/ Month	No of Hrs/ Year	Scrap @5%			
1	LATHE	2	10	500.00	6,000.00	300.00	1,200.00	4,500.00	3,702.00	3	10	750.00	9,000.00	450.00	1,800.00	6,750.00	6,175.00	4	10	1,000.00	12,000.00	600.00	2,400.00	9,000.00	8,897.63
2	AMS	4	22	2,200.00	26,400.00	1,320.00	5,280.00	19,800.00	18,931.00	4	22	2,200.00	26,400.00	1,320.00	5,280.00	19,800.00	19,710.00	4	22	2,200.00	26,400.00	1,320.00	5,280.00	19,800.00	19,757.29
3	YQM	0		-	-	-	-	-		1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,779.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,777.00
4	VF4	3	22	1,650.00	19,800.00	990.00	3,960.00	14,850.00	14,727.00	3	22	1,650.00	19,800.00	990.00	3,960.00	14,850.00	14,740.00	4	22	2,200.00	26,400.00	1,320.00	5,280.00	19,800.00	18,929.00
5	VF5	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,692.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,840.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,856.30
6	VF6	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,943.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,792.00	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,512.30
7	BFW+AWEA	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,897.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,837.00	5	22	2,750.00	33,000.00	1,650.00	6,600.00	24,750.00	23,363.90
8	VTL	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,916.00	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,736.00	4	22	2,200.00	26,400.00	1,320.00	5,280.00	19,800.00	19,674.80
9	AJAX	1	10	250.00	3,000.00	150.00	600.00	2,250.00	1,992.00	1	10	250.00	3,000.00	150.00	600.00	2,250.00	2,156.00	1	10	250.00	3,000.00	150.00	600.00	2,250.00	1,732.00
10	ST25	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	8,714.00	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,851.85	4	22	2,200.00	26,400.00	1,320.00	5,280.00	19,800.00	19,020.40
11	ST20Y	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,894.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,750.60	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,629.30
12	ST40	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,915.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,846.70	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,557.64
13	M1TR	0		-	-	-	-	-		1	10	250.00	3,000.00	150.00	600.00	2,250.00	2,177.15	1	10	250.00	3,000.00	150.00	600.00	2,250.00	2,156.00
14	EDM	0		-	-	-	-	-		1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,860.27	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,575.23
15	5 AXIS	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,111.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,778.92	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,104.00
16	LASER MARK	1	8	200.00	2,400.00	120.00	960.00	1,320.00	1,138.00	1	8	200.00	2,400.00	120.00	960.00	1,320.00	1,291.00	3	8	600.00	7,200.00	360.00	2,880.00	3,960.00	3,379.00
17	CVIM	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,832.00	1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,749.00	2	22	1,100.00	13,200.00	660.00	2,640.00	9,900.00	9,783.70
18	WELDING	3	10	750.00	9,000.00	450.00	3,600.00	4,950.00	4,997.00	4	10	1,000.00	12,000.00	600.00	4,800.00	6,600.00	5,170.00	8	10	2,000.00	24,000.00	1,200.00	9,600.00	13,200.00	11,690.00
19	PAINTING	1	16	400.00	4,800.00	240.00	1,920.00	2,640.00	1,972.00	1	16	400.00	4,800.00	240.00	1,920.00	2,640.00	1,893.00	1	16	400.00	4,800.00	240.00	1,920.00	2,640.00	2,397.00
20	HEAT TREAT	0		-	-	-	-	-		1	16	400.00	4,800.00	240.00	1,920.00	2,640.00	1,312.00	1	16	400.00	4,800.00	240.00	1,920.00	2,640.00	2,394.00
21	BLACKENING	0		-	-	-	-	-		1	10	250.00	3,000.00	150.00	1,200.00	1,650.00	960.00	1	10	250.00	3,000.00	150.00	1,200.00	1,650.00	997.00
22	VF2	0		-	-	-	-	-									1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	1,940.00	
23	SPARKING	0		-	-	-	-	-									1	22	550.00	6,600.00	330.00	1,320.00	4,950.00	4,701.00	
24	CYL GRING	0		-	-	-	-	-									1	10	250.00	3,000.00	150.00	600.00	2,250.00	1,638.00	
				11,450.00	1,37,400.00	6,870.00	30,720.00	99,810.00	94,373.00			14,500.00	1,74,000.00	8,700.00	40,200.00	1,25,100.00	1,18,405.49			25,750.00	3,09,000.00	15,450.00	70,560.00	2,22,990.00	2,09,462.49

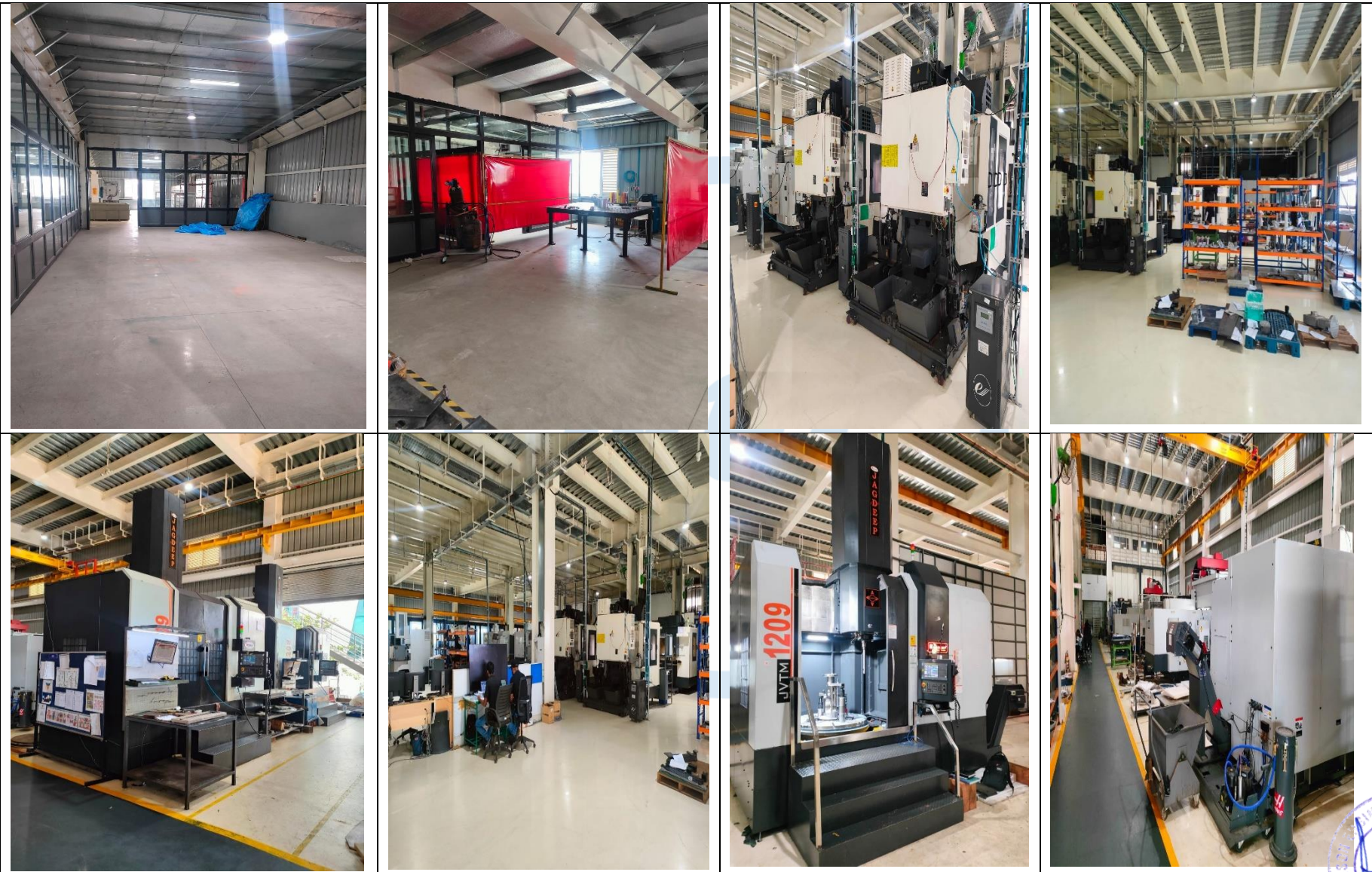


ANNEXURE B

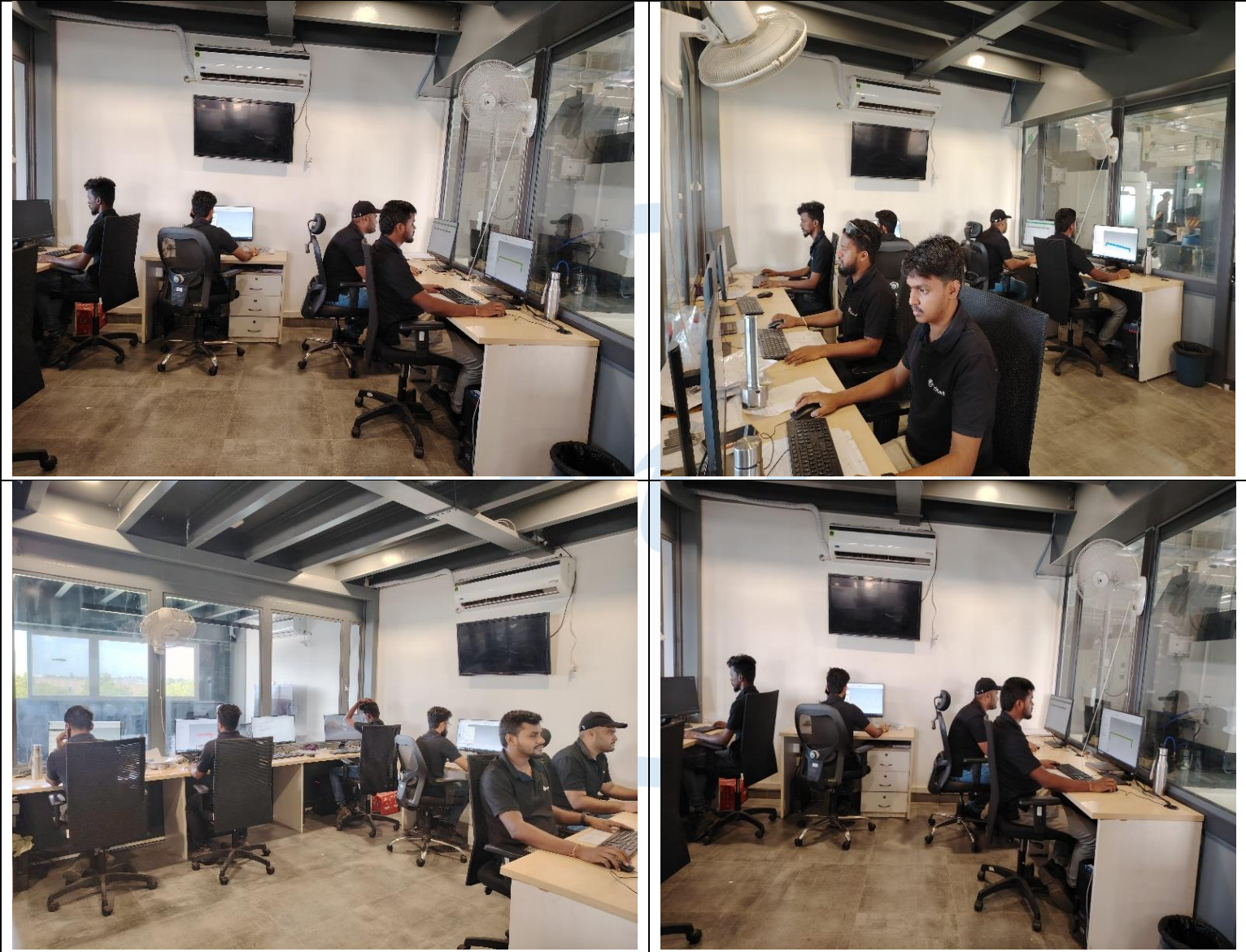
S No	Facility [Please specify the Manufacturing Facility, for which the land area is mentioned.]	Total land area (Sq. Mtr.)	Utilized land area (Sq. Mtr.)	Actual area being utilised for manufacturing activities (in [Sqm])	Ownership status	Duration of the lease
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1	UNIMECH AEROSPACE AND MANUFACTURING LTD	3,152.93	2277.61	1730.40	Lease Hold	01/04/2022 to 31/03/2027
2	INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED	8093	8100	6350	Lease Hold	02/11/2019 to 02/11/2118
			6018	4678	Lease Hold	



**ANNEXURE C:
INNOMECH SHOP FLOOR:**



INNOMECH PROGRAMMING:



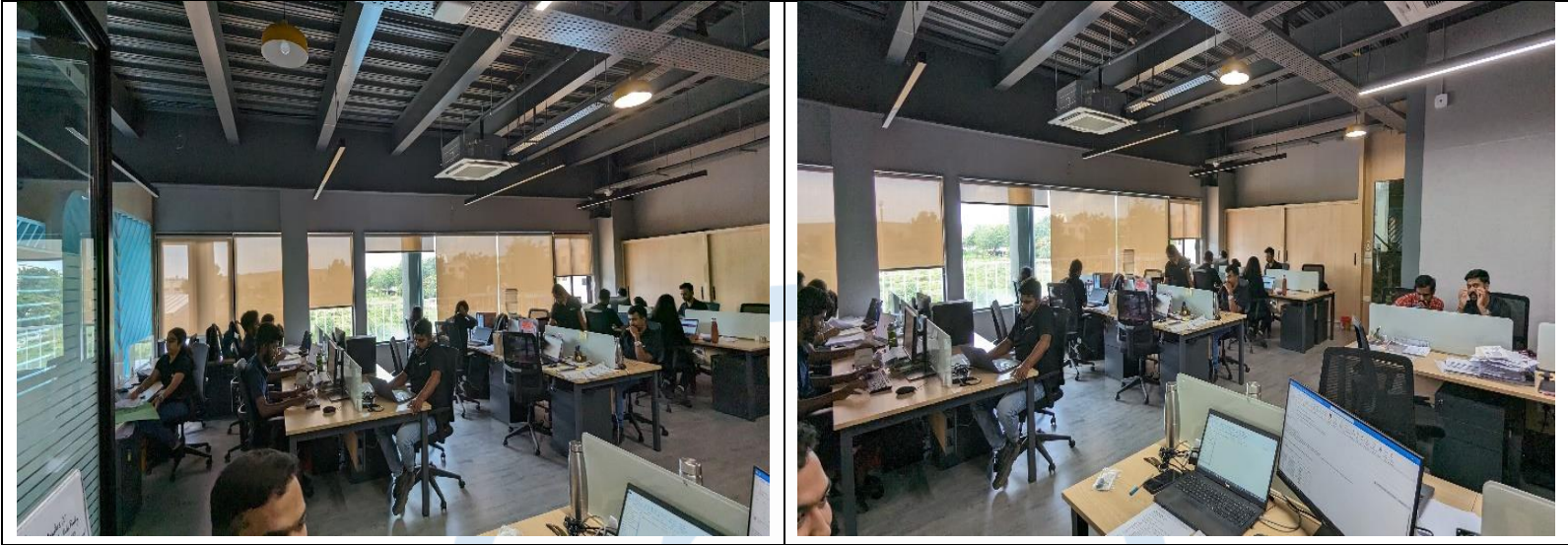
INNOMECH TRAINING:



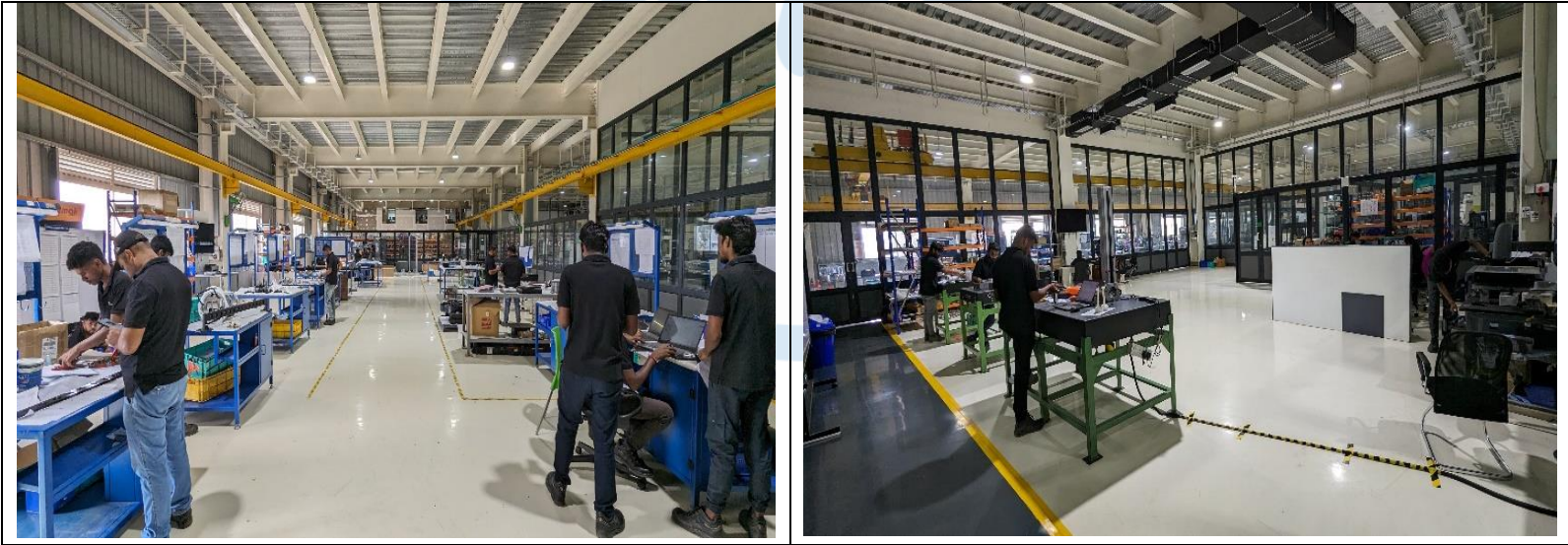
INNOMECH QUALITY:



INNOMECH ACCOUNTS & PURCHASE:



INNOMECH ASSEMBLY:





UNIMECH SHOP FLOOR:



UNIMECH QUALITY:



UNIMECH LAYOUT:



ANNEXURE D

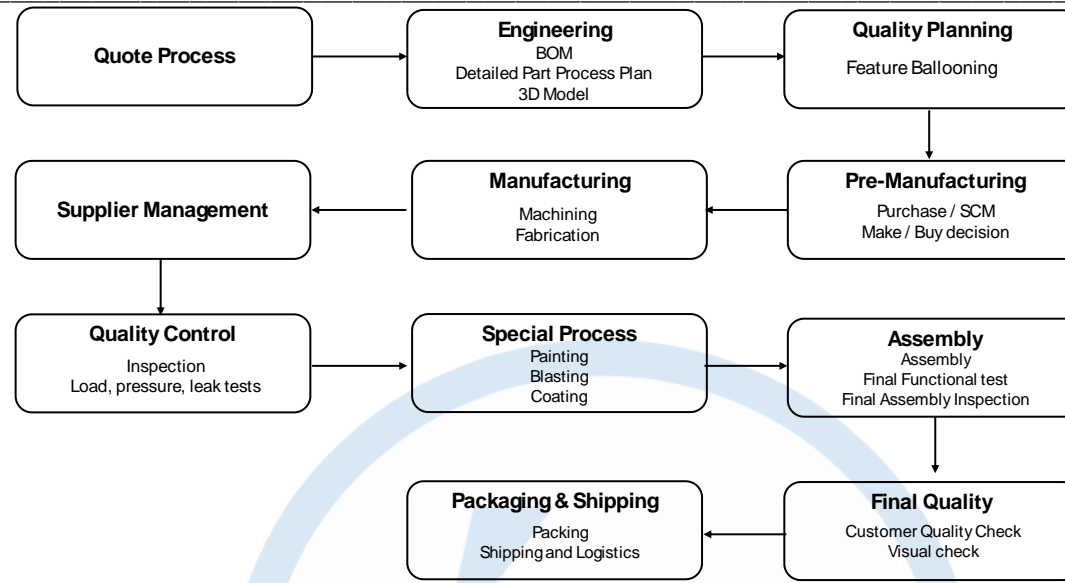
Overview of Key Manufacturing Capabilities of the Group

1. The company's capabilities include (i) design and engineering, (ii) manufacturing, (iii) fabrication, (iv) special process, (v) electrical and electronic integration, (vi) assembly, and (vii) quality inspection.
2. The company's manufacturing capabilities include machining capabilities such as turning, milling, double column milling, electro discharge machining and grinding.
3. The company's electrical and electronic integration include wire harness, control panel development, electronic component qualification and testing, developing test jigs and fixtures, electrical and electronic assembly, obsolescence management.
4. The in-house capabilities of the company include Machining, large CNC milling, Fabrication, special processes, inspection and electrical and electronics
5. The turning capabilities include vertical turning of up to 1.50 metres, horizontal turning up to the diameter of up to 0.7 metres and length of up to 2.00 metres and turn mill up to 200 mm.
6. The milling capabilities of the company include 5 axis of diameter up to 600 mm, 3 axis machine of length up to 1.50 meters, 4 axis up to diameter up to 600 mm.
7. The company's Double column milling capabilities include machining length of 3.30 metre and width of 1.60 metre
8. The EDM can machine up to 0.5 meter machining. The grinding capabilities of the company include grinding up to 300 mm diameter.
9. The fabrication capabilities of the company include engineering fabrication of up to 2.0 metres and structural fabrication of up to 6 metres with AWS and ASME certified welders and processes
10. The special process capability of the company includes painting, polymer based coatings, NADCAP certified process including heat treatment and anodizing, through third party vendors.

Overview of Manufacturing Process

The digital manufacturing system of the company is set out in the diagram below:





Assembly Capabilities

1. The assembly centre can handle up to 10 metre assemblies and diameter of up to 3 metres.
2. The assembly capabilities of the company include different types of assemblies such as interference, transition fits, heli-coil assemblies, smooth sealing application, with capacities of up to 3,000 components in one assembly, along with laser tracker calibration.
3. The company has various marking techniques for assembly including laser marking, stencilling and engraving.

Testing Capabilities

The testing capabilities of the company include load testing capabilities of up to 70 tonnes and pressure testing of up to 420 bars, balancing of up to 1 gram, helium leak testing, NDT tests like ultrasonic tests, die-penetrant test, magnetic particle inspection, fluorescent penetration test and drive mechanism testing.

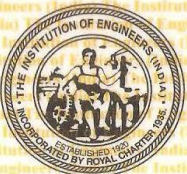


ANNEXURE E:

029619

The Institution of Engineers (India)

AM162085-4



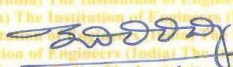
By virtue of Qualification, Professional training and Corporate Membership of this Institution

DEEPAK N
OF
ELECTRONICS & TELECOM ENGINEERING DIVISION

is hereby authorised to use the style and title of

Chartered Engineer [India]

Dated this **First** day of **December** **2015**

Dated **01/12/2015**  Secretary and Director General

ANNEXURE F:

Details of Procedures Undertaken and Documents/Record Examined/Studied:

The following records/data/procedure was examined/studied to understand the plants installed/available capacity and the mechanism in which company operates and manufacture its products:

- * Company presentation about the facility and operations
- * Plant operational procedures
- * Customers of the company
- * Manufacturing cycle time data
- * Production planning data
- * List of machineries and its capabilities & capacity (Brochures / Catalogues)
- * Manufacturing process flow charts / statement of work instructions
- * Raw materials used for manufacturing
- * Maintenance records

