

Date: 12<sup>th</sup> November, 2025

**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

**National Stock Exchange of India Ltd.,**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai - 400 051

**Scrip Code: 540879**

**Symbol: APOLLO**

**ISIN: INE713T01028**

Dear Sir(s),

**Sub: Submission of Monitoring Agency Report under Regulation 32(6) of SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015 - Utilization of Preferential Issue Proceeds.**

Pursuant to the provisions of Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we hereby submit the Monitoring Agency Report for the quarter ended 30<sup>th</sup> September 2025, issued by Acuite Ratings & Research Limited.

The Securities Allotment Committee of the Board of Directors of the Company has at its meeting held on June 2, 2025 allotted 2,70,42,894 Equity Shares and 3,80,67,058 Convertible Equity Warrants on preferential basis. The proceeds received from the preferential issue have been utilized as per the objects stated in the explanatory statement to the notice dt.9<sup>th</sup> January 2025, convening the Extra-Ordinary General Meeting of the Company.

Accordingly, we are enclosing herewith the Monitoring Agency Report for the aforesaid quarter, confirming the utilization of funds in line with the stated objects.

We request you to kindly take on record the information and disseminate the same.

Thanking you,

Yours faithfully,

**For Apollo Micro Systems Limited**

**Karunakar Reddy Baddam**  
**Managing Director**  
**DIN:00790139**

## Report of the Monitoring Agency (MA)

<b>Name of the issuer</b>	: Apollo Micro Systems Limited
<b>For quarter ended</b>	: Q2 FY2025-26
<b>Name of the Monitoring Agency</b>	: Acuite Ratings and Research Limited
<b>(a) Deviation from the objects</b>	: No deviation is observed
<b>(b) Range of Deviation*</b>	: Not applicable
<b>(c) Any other material fact to be highlighted</b>	: None

*(Based on publicly available information)*

### **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.

**Vikas Y**  
Digitally signed  
by Vikas Y Mishra  
Date: 2025.11.12  
19:38:02 +05'30'

**Mishra**

### **Signature:**

Vikas Mishra  
Deputy Vice President - Process Excellence

## 1. Issuer Details:

**Name of the issuer** : Apollo Micro Systems Limited

**Names of the promoter:**

**Promoters**

Mr. Karunakar Reddy Baddam

**Industry/sector to which it belongs** : Aerospace and Defense / Capital Goods

## 2. Issue Details:

**Issue Period** : April and May 2025

**Type of issue** : Preferential Issue

**Type of specified securities** : Equity Shares and Convertible Warrants

**IPO Grading, if any** : Not applicable

**Issue size (INR Crore)** : INR 742.25 Crores (INR 308.29 Crores Equity Shares + INR 433.96 Crores Convertible Warrants)

*(For additional details, refer on Page no 4.)*

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

Particulars	Reply from the issuer	Source of information/ certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments the Board of Directors
1. Whether all utilization is as per the disclosures in the Offer Document?	Yes	As per the documents provided by the issuer, including Independent Auditors Certificate.	Yes, the utilisation in respective objects is as per disclosure by the company.	<b>Yes</b>
2. Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	Not Applicable		Material deviation is not observed.	<b>There are no deviations</b>
3. Whether the means of finance for the disclosed objects of the issue has changed?	No		No change is observed.	<b>No</b>
4. Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable		The issuer has not appointed any other Monitoring Agency to monitor utilization of these objects.	<b>NA</b>
5. Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes		Government / Statutory approval is not required for objects.	<b>Yes in principle and Listing approvals from stock exchanges is obtained</b>
6. Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable		No arrangement pertaining to technical assistance / collaboration is required with reference to the objects.	<b>NA</b>
7. Are there any favorable events improving the viability of these object(s)?	NA		No favorable event is observed that may improve the viability of these objects.	<b>No</b>
8. Are there any unfavorable events affecting the viability of the object(s)?	No		No unfavorable event is observed affecting the viability of these objects.	<b>No un favourable event has occurred</b>
9. Is there any other relevant information that may materially affect the decision making of the investors?	No		No relevant information is evident that may materially affect the decision making of the investors.	<b>No</b>

#### 4. Details of object(s) to be monitored:

##### i. Cost of object(s)

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) [INR Crore]	Revised Cost*	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangement
1	For Working Capital Requirement	As per the documents provided by the issuer, including Independent Auditors Certificate.	500.00	454.77	The cost of objects was revised proportionately due to the low subscription of shares.	The Company has proposed to raise RS.816.08 Crs. However the Company has received subscription for Rs.742.25 Crs, hence the cost is revised.		
2	For Research & Development Expenditure for development of futuristic technologies		75.00	68.21				
3	Investment in Subsidiary(ies)		66.00	60.03				
4	General Corporate Purposes		175.08	159.24				
	<b>Total</b>		<b>816.08</b>	<b>742.25</b>				

\* The Company aimed to raise INR 816.08 Crores (INR 308.29 Crores Equity Shares and INR 433.96 Crores Convertible Warrants) but received INR 742.25 Crores against the subscription.

ii. Progress in the object(s) –

Sr. No.	Item Heads	Source of information / certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the Offer Document [INR Crore] *	Amount raised [INR Crore] **	Amount utilized [INR Crore]			Total unutilized amount [INR Crore] **	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
					As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	For Working Capital Requirement	As per the documents provided by the issuer, including certificate from the statutory auditors***.	454.77	Not confirmed	108.49	299.73	408.22		The company has utilized INR 408.22 Crores towards this object.	<p><b>The Company raised by issue of equity shares upon conversion of warrants amounting to Rs.18.02 crs is kept in a separate account as the Company has received the listing approval from BSE Ltd but is yet to receive the listing approval from NSE</b></p>	
2	For Research & Development Expenditure for development of futuristic technologies		68.21	Not confirmed	-	4.43	4.43	18.02	The company has utilized INR 4.43 Crores towards this object.		
3	Investment in Subsidiary(ies)		60.03	Not confirmed	-	-	-		The company has not utilised any amount towards this object.		
4	General Corporate Purposes		159.24	Not confirmed	-	4.13	4.13		The company has utilized INR 4.13 Crores towards this object.		
<b>Total</b>			<b>742.25</b>	<b>434.80</b>	<b>108.49</b>	<b>308.29</b>	<b>416.78</b>	<b>18.02</b>			

\* The amount reflects the cost revision detailed in Section 4.1 (Cost of Object(s))

\*\* Out of the total INR 742.25 crores, the Company has received INR 434.80 crores till Q2 FY2025-26. The unutilised proceeds of INR 18.02 crores (Warrants converted to Equity Shares) are available in the company's Warrant Issue account with HDFC Bank Ltd (A/c No. 50200106841745).

\*\*\*Issued by M/s S T Mohite & Co., (Firm Registration Number: 011410S) dated November 03, 2025.

iii. **Deployment of unutilised IPO/FPO/Rights Issue Proceeds:** Not applicable

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (INR Cr)	Maturity date	Earning (INR Cr)	Return on Investment (%)	Market Value as at the end of quarter (INR Cr)
-	-	-	-	-	-	-

iv. **Delay in implementation of the object(s):** Not applicable

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
-	-	-	-		

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

Sr. No.	Item Head	Amount (INR Cr)	Source of information/certifications considered by Monitoring Agency for preparation of report	Comments of The Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purposes	159.24	As per the documents provided by the issuer, including Independent Auditors Certificate.	The company has utilized INR 4.13 Crores for this object, which was incurred towards Consultancy charges for the Preferential Issue.	The Company has paid the consultancy charges with respect to preferential issue the amount paid Rs.4.13 Crs
	<b>Total</b>	<b>159.24</b>			

**Disclaimer:**

- a) This Report is prepared by Acuite Ratings & Research Limited (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 auditors 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 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.



### **About Acuite Ratings & Research**

Acuite is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuite has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.