

AVL/SE/2025-26

July 25, 2025

To
The Corporate Relations Department
BSE Limited
Floor 25, P J Towers, Dalal Street,
Mumbai – 400 001, India.
Scrip Code: 532406

To
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051, India.
Symbol: AVANTEL

Dear Sir/Madam,

Sub: Submission of Monitoring Agency Report for the quarter ended June 30, 2025

Ref: ISIN: INE005B01027

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 82(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed the Monitoring Agency Report for the quarter ended June 30, 2025 issued by CARE Ratings Limited in respect of utilisation of funds raised through Rights Issue of equity shares made by the Company vide its Letter of Offer dated May 5, 2025. The proceeds from the Rights issue have been utilized appropriately for the objects mentioned in the offer document.

This is for your information and necessary records.

Thanking you,

Yours faithfully,
For **Avantel Limited**

D Rajasekhara Reddy
Company Secretary & Compliance Officer

Avantel Limited

Corporate office:

Plot No. 68 & 69, 4th Floor, Jubilee Heights
Survey No's. 66 & 67, Jubilee Enclave
Madhapur, Hyderabad - 500 081. Telangana
Tel : +91-40-6630 5000, Fax : +91-40-6630 5004
Marketing@avantel.in www.avantel.in

Registered Office & Production Unit-1

Plot No.47/P, APIIC Industrial Park
Gambheeram (V), Anandapuram (M)
Visakhapatnam - 531 163. A.P.
Tel : +91-891-2850000
Fax : +91-891-2850004

CIN - L72200AP1990PLC011334

Production Unit-2

Plot No. S-119 (M), Sy. No. 49
E-City, Maheswaram (M)
Ranga Reddy (Dt),
Hyderabad - 501510.
Telangana.

No. CARE/HRO/GEN/2025-26/1014

The Board of Directors

Avantel Limited

68 & 69, 4th floor, Jubilee Heights,
Jubilee Enclave, Madhapur, Hyderabad,
Hyderabad
Telangana 500081

25/07/2025

Dear Sir,

Monitoring Agency Report for the quarter ended 30/06/2025 - in relation to the Rights issue of Avantel Limited ("the Company")

We write in our capacity of Monitoring Agency for the Rights Issue for the amount aggregating to Rs. 80.91 crore of the Company and refer to our duties cast under 82 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 30/06/2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated 02/05/2025.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Tejeshwar Reddy

Y Tejeshwar Reddy

Associate Director

tejeshwar.reddy@careedge.in

Report of the Monitoring Agency

Name of the issuer: Avantel Limited

For quarter ended: 30/06/2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(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 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.

Signature: *Tejeshwar Reddy*

Name and designation of the Authorized Signatory: Y Tejeshwar Reddy

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Avantel Limited
 Name of the promoter : Dr. Abburi Vidyasagar, Mrs. Abburi Sarada and Mr. Abburi Siddhartha Sagar
 Industry/sector to which it belongs : Capital goods - Aerospace & defense

2) Issue Details

Issue Period : 05/15/2025 to 05/28/2025
 Type of issue (public/rights) : Rights Issue
 Type of specified securities : Equity Shares
 IPO Grading, if any : Not applicable
 Issue size (in crore) : Rs. 80.91 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?	Yes	Chartered Accountant certificate*, Bank statements	Proceeds from the Rights Issue have been utilized for the objectives mentioned in the offer document.	No comments received
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	No comments received
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	No	No comments received
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	No comments received
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Letter of Offer	Not applicable	No comments received
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Letter of Offer	Not applicable	No comments received
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Not applicable	No	No comments received
Is there any other relevant information that may materially	No	Not applicable	No	No comments received

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
affect the decision making of the investors?				

* Chartered Accountant certificate from Grandhy & Co Chartered Accountants (Statutory auditor) dated July 10, 2025

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

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 the Capital Expenditure towards establishment of new manufacturing facility for Design, Development & Manufacturing of Electronics, Antennas & Connectors for Commercial, Defence & Aerospace applications at Survey No. 243 in Kondaparva Village, Visannapeta Mandal, NTR District - 521213, Andhra Pradesh, India.	Letter of Offer and CA Certificate*	53.85	-	NA	No comments received		
2	Funding the Capital Expenditure towards establishment of GSaaS (Ground Station as a Service) infrastructure for offering GSaaS services at our facility situated at Plot No: S-119 (M), Sy. No: 49, E-City, Raviryala (V), Maheswaram (M), Rangareddy (Dt), Hyderabad – 501510, Telangana, India.		6.17	-	NA	No comments received		
3	General Corporate Purpose		19.94	-	NA	No comments received		
4	Issue related expenses		0.95	-	NA	No comments received		
	Total		80.91					

* Chartered Accountant certificate from Grandhy & Co Chartered Accountants (Statutory auditor) dated July 10, 2025

(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 the Capital Expenditure towards establishment of new manufacturing facility for Design, Development & Manufacturing of Electronics, Antennas & Connectors for Commercial, Defence & Aerospace applications at Survey No. 243 in Kondaparva Village, Visannapeta Mandal, NTR District - 521213, Andhra Pradesh, India.	Chartered Accountant certificate*, Prospectus and Bank statements	53.85	0.00	5.60	5.60	48.25	The company utilised Rs.5.60 crore during the quarter towards vendor payments, which were made directly through the monitoring account.	No comments received	
2	Funding the Capital Expenditure towards establishment of GSaaS (Ground Station as a Service) infrastructure for offering GSaaS services at our facility situated at Plot No: S-119 (M), Sy. No: 49, ECity, Raviryala (V), Maheswaram (M), Rangareddy (Dt), Hyderabad – 501510, Telangana, India	Chartered Accountant certificate*, Prospectus and Bank statements	6.17	0.00	0.00	0.00	6.17	Nil utilization during the quarter.	No comments received	
3	General Corporate Purpose	Chartered Accountant certificate*, Bank statements and Letter of Offer	19.94	0.00	19.94	19.94	0.00	The company transferred the allotted General Corporate Purposes (GCP) component funds to its cash credit (CC) account. Out of the total amount, Rs. 7.34 crore was utilized towards a reduction of working capital limits as can be verified from bank statements. The balance	No comments received	

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
								amount Rs.12.60 crore was deployed to meet other working capital requirements.		
4	Issue related expenses	Chartered Accountant certificate*, Bank statements and Letter of Offer	0.95	0.00	0.95	0.95	0.00	The company incurred issuerelated expenses of approximately Rs. 1.17 crore, of which Rs. 0.95 crore was funded through proceeds from the rights issue, while the balance was met through internal accruals. The allocated funds were transferred to cash credit (CC) account, and the payments were made from this account. We have verified the relevant invoices and payments incurred during Q1FY26.	No comments received	
Total			80.91	0.00	26.49	26.49	54.42			

* Chartered Accountant certificate from Grandhy & Co Chartered Accountants (Statutory auditor) dated July 10, 2025

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	Axis Bank Monitoring account	54.42	-	-	-	-
	Total	54.42				

(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 the Capital Expenditure towards establishment of new manufacturing facility for Design, Development & Manufacturing of Electronics, Antennas & Connectors for Commercial, Defence & Aerospace applications at Survey No. 243 in Kondaparva Village, Visannapeta Mandal, NTR District - 521213, Andhra Pradesh, India.	March 31, 2026	Ongoing	-	No comments received	
Funding the Capital Expenditure towards establishment of GSaaS (Ground Station as a Service) infrastructure for offering GSaaS services at our facility situated at Plot No: S-119 (M), Sy. No: 49, ECity, Raviryala (V), Maheswaram (M), Rangareddy (Dt), Hyderabad – 501510, Telangana, India	March 31, 2026	Ongoing	-	No comments received	
General Corporate Purposes	March 31, 2026	June 30, 2025	No delay	No comments received	

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
1	Reduction of working capital limits	7.34	Chartered Accountant certificate* and Bank statements	Out of the total GCP proceeds, Rs. 7.34 crores were utilized towards a reduction in working capital limit.	No comments received
2	Salaries and Wages	3.48	Chartered Accountant certificate* and Bank statements	This amount was utilized for meeting salaries and wages, vendor payments, other operational expenses and admin expenses etc.	No comments received
3	Inventory – Vendor payment	5.92			No comments received
4	Administrative and other operating expenses	3.20			No comments received
	Total	19.94			

* Chartered Accountant certificate from Grandhy & Co Chartered Accountants (Statutory auditor) dated July 10, 2025

TR

^ Section from the offer document related to GCP:

3. General Corporate Purpose

In terms of Regulation 62 (2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceed 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including 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 the necessary provisions of the Companies Act, 2013.

Subject to the compliance with applicable laws, our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company. from time to time.

TR

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 auditors (or from peer reviewed CA firms) 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 (or from peer reviewed CA firms), 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.

TR