

AVL/SE/2026-27

April 26, 2026

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 March 31, 2026

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 March 31, 2026, issued by M/s. 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.

Yours faithfully,

For **Avantel Limited**

D Rajasekhara Reddy
Company Secretary & Compliance Officer

Avantel Limited

Corporate office:

Survey No. 17, Unit No. 201 & 202, 2nd Floor,
Block - 1, Vasavi's Shalom Sky City,
Gachibowli, Serilingampally (M), Ranga Reddy (D),
Hyderabad - 500032, Telangana.
Tel : +91-40-6630 5000, Fax : +91-40-6630 5004
marketing@avantel.in www.avantel.in

Registered Office & Unit-1

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

CIN - L72200AP1990PLC011334

Unit-2

Plot No. S-119 (M), Sy. No. 49,
E-City, Raviryal (V), Maheswaram (M),
Ranga Reddy (Dt),
Hyderabad - 501510, Telangana.
Tel: +91-40-3537 1900
Fax: +91-40-3537 1904

No. CARE/HRO/GEN/2026-27/1002

The Board of Directors

Avantel Limited

Survey No. 17, Unit No.201 & 202,
2nd Floor, Block - 1, Vasavi's Shalom Sky City,
Gachibowli, Serilingampally (M), Ranga Reddy (D),
Hyderabad – 500032
Telangana, India

26/04/2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended March 31, 2026 - 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 31/03/ 2026, 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

CARE Ratings Limited

401, Ashoka Scintilla, 3-6-520, Himayat Nagar,
Hyderabad - 500 029
Phone: +91-40-4010 2030

4th Floor, Godrej Coliseum, Somaiya Hospital
Road, Off Eastern Express Highway, Sion (East),
Mumbai - 400 022
Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

Report of the Monitoring Agency

Name of the issuer: Avantel Limited

For quarter ended: March 31, 2026

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

CARE Ratings Limited

401, Ashoka Scintilla, 3-6-520, Himayat Nagar,
Hyderabad - 500 029
Phone: +91-40-4010 2030

4th Floor, Godrej Coliseum, Somaiya Hospital
Road, Off Eastern Express Highway, Sion (East),
Mumbai - 400 022
Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

1) Issuer Details:

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

2) Issue Details

Issue Period : 15/05/2025 to 28/05/2025
 Type of issue (public/rights) : Rights issue
 Type of specified securities : Equity shares
 IPO Grading, if any : NA
 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?	No	CA certificate*, Management Certificate, Bank statements	Proceeds from the Rights Issue have been utilized for the objectives mentioned in the Letter of Offer. However, there is a deviation in timelines in which the amounts were to be spent on objects 1 & 2. Board approval for the deviation in timelines is not in place.	No comments received
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	CA certificate* and Management certificate	No material deviations	No comments received
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA certificate*	No change in means of finance	No comments received
Is there any major deviation observed over the earlier monitoring agency reports?	No	MA report for quarter ending December 31, 2025.	No deviations from earlier monitoring report issued for Q3FY26	No comments received
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Chartered Accountant certificate* and Letter of Offer	Approval is not required as per the Letter of Offer.	No comments received
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Chartered Accountant certificate* and Letter of Offer	As per the Letter of Offer, the company did not enter into any collaboration agreement for manufacturing or marketing purposes.	No comments received

TR

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
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Chartered Accountant certificate*	Nil	No comments received
Is there any other relevant information that may materially affect the decision making of the investors?	No	Chartered Accountant certificate*	Nil	No comments received

* CA certificate from Grandhy & Co dated April 14, 2026

#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	Not Applicable	None for quarter under review	No comments received	No comments received	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,		6.17			No comments received	No comments received	No comments received

TR

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
	Raviryala (V), Maheswaram (M), Rangareddy (Dt), Hyderabad – 501510, Telangana, India							
3	General Corporate Purpose		19.94			No comments received	No comments received	No comments received
4	Issue related expenses		0.95			No comments received	No comments received	No comments received
Total			80.91					

* CA certificate from Grandhy & Co dated April 14, 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 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	33.76	18.57	52.33	1.52	The company utilized Rs.18.57 crore during the quarter towards vendor payments, which were made directly through the monitoring account. The invoice copies for all the transactions	The Board noted that funds have been utilized in line with the stated object. The marginal unutilized amount represents normal timing differences in execution and does not constitute any deviation, including in timelines, as the utilization is progressing in accordance with the implementation schedule. Pending final settlement of certain vendor invoices and completion of installation and project milestones	The balance funds will be utilized in FY 2026–27 upon completion of vendor milestones and project execution stages, in line with the overall project plan.

TR

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
								were provided and verified.		
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	Chartered Accountant certificate*, Bank statements and Prospectus	6.17	0.00	3.26	3.26	2.91	The company has utilized the funds towards the procurement of machinery for GSaaS. The payments to vendors were made directly from the monitoring account. Supporting invoice copies for all transactions have been provided and duly verified.	The amount of approximately ₹4 Cr allocated towards GSaaS antenna procurement under the Rights Issue has not been deployed during the period due to the absence of clear policy guidelines from the Department of Telecommunications (DoT) regarding private sector participation in GSaaS operations. In view of the continued regulatory uncertainty and the delay of over one year with no definitive timeline for government approval, the Board has decided to redirect these funds towards capital procurement of equipment and materials used in the manufacture of GSaaS antennas, which will support the execution of the current order received from NSIL. This approach ensures productive utilization of the Rights Issue proceeds rather than continuing to hold the funds idle pending	The Board has decided to deploy the funds towards capital procurement of equipment and materials used in the manufacture of GSaaS antennas, which will support the execution of the current order received from NSIL. This approach ensures productive utilization of the Rights Issue proceeds rather than continuing to hold the funds idle pending

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
									<p>This does not constitute a deviation from the objects of the Rights Issue, as the funds continue to be deployed towards GSaaS-related capital expenditure within the overall framework disclosed in the Letter of Offer.</p> <p>The funds remained idle due to the absence of clear policy guidelines from the Department of Telecommunications (DoT) regarding private sector participation in GSaaS operations. The government approval and regulatory framework, which were expected to be finalized, have been delayed by more than one year with no certain timeline for issuance.</p>	<p>uncertain government policy guidelines from DoT. The utilization is expected to be completed during FY 2026–27.</p>
3	General Corporate Purpose	Chartered Accountant certificate*, Bank statements and Letter of Offer	19.94	19.94	0.00	19.94	0.00	Fully utilized.	No comments received	No comments received
4	Issue related expenses	Chartered Accountant certificate*, Bank statements and Letter of Offer	0.95	0.95	0.00	0.95	0.00	Fully utilized.	No comments received	No comments received
Total			80.91	54.65	21.83	76.48	4.43			

* CA certificate from Grandhy & Co dated April 14, 2026

TR

(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.	Axis Bank Monitoring account	4.96	-	-	-	NA
	Less: Interest earned on fixed deposits	0.53	-	-	-	-
	Unutilized proceeds maintained in MA account	4.43				

(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	Delay (exact number of days of delay not ascertainable) [@]	No comments received	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, E-City, Raviryala (V), Maheswaram (M), Rangareddy (Dt), Hyderabad – 501510, Telangana, India	March 31, 2026	Ongoing		No comments received	No comments received
General Corporate Purpose	March 31, 2026	June 30, 2025	No delay	No comments received	No comments received

[@]The funds are to be fully utilised by March 31, 2026. However, there is unutilised amount at the end of the quarter. As per Letter of offer document, in the event that the estimated utilization of the Net Proceeds in scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year i.e. Fiscal 2026-27, as may be determined by the board, in accordance with applicable laws.

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
Not applicable as entire amount has been utilized by end of Q1FY26.					

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 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.

TR