C2C Advanced Systems Limited
Compliance@c2c-as.com| www.c2c-as.com |+91 11 4557 5342
NEIL RAO TOWERS, 4TH FLOOR, CENTAL WING, 117 & 118, ROAD NO 3, VIJAYANAGAR, EPIP
PHASE-1, WHITEFIELD, BANGALORE- 560066| CIN: L72200KA2018PLC110361

To,

National Stock Exchange of India Ltd.
The General Manager (Listing),
Exchange Plaza, Block G, C/1,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

Ref: - (Symbol: C2C, ISIN INE0U7V01015)

Sub.: Outcome of the Board Meeting and announcements pursuant to the Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Respected Sir/Madam,

With reference to the captioned subject, we inform you that the Board of Directors of the Company at its meeting held today, commenced at 12:30 P.M. and concluded at 07:30 .P.M. has, inter-alia, considered the following:

1. Approved the Audited Financial Results of the Company along Audit Report issued by Statutory Auditors of the Company for the half year and year ended on March 31, 2026. The said financial results were reviewed and recommended by Audit Committee prior to placing the same before the Board. Further, we hereby confirm that the Statutory Auditors of the Company have issued Audit Report on standalone annual financial results of the Company for the half year and year ended March 31, 2026, with modified opinion.

2. Appointment of Mr. Krishnamurthy Chandra as Chief Executive Officer **(Annexure A)**

3. Appointment of Ms. Neha Gupta (independent director) as a member Audit committee meeting.
4. Board comments on the Notice received from the NSE.

We request you to take the same on your records and acknowledge.

Thanking you,

Yours faithfully,

For and on behalf of Board of Directors,

C2C Advanced Systems Limited

C2C Advanced Systems Limited

Lakshmi Chandra

Lakshmi Chandra

Managing Director

DIN: 07436752

Date: 18-07-2026

Place: New Delhi

LABS & ASSOCIATES
Chartered Accountants
A-98 Rear Basement, New Friends Colony, New Delhi - 110025
rohit@labsassociates.com; +91-8168454737

Independent Auditor's Review Report on Annual Financial Results of C2C Advanced Systems Limited ("the Company") for the half year & the year ended on 31st March, 2026

To
The Board of Directors of
C2C Advanced Systems Limited

1. We have audited the accompanying Ind AS statement of audited financial results of C2C Advanced Systems Limited ("the Company") for the half year & the year ended on 31st March 2026 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. **Qualified Conclusion**

Based on our audit conducted as above, **except for the effects of the matters described in paragraphs the Basis for Qualified Conclusion section,** nothing has come to our attention that causes us to believe that the accompanying Statement of audited financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

3. **Basis for Qualified opinion**

- **Material Uncertainty Related to Going Concern (Liquidity Risk):** We draw attention to the financial results, which indicate that the Company is experiencing a liquidity crisis. The Company has undisputed statutory dues pending on account of this. Further, there has been no material recovery from Trade Receivables. At this time, the Company is highly reliant on Short-Term funding from promoter companies. Though the Management has prepared the financial results on a going concern basis, we express reasonable doubt on the Company's ability to continue as a going concern and therefore our opinion is modified in this matter. The carrying values of the assets and liabilities may be have been different, if the preparation of financial were to be on liquidation basis.

- **Impact of Uncleared Cheques on CSR Expenditure Recognition:** The Company has recognized Corporate Social Responsibility (CSR) expenses by issuing cheques that have resulted in a Book Overdraft. As on the date of signing this Report, these cheques have not yet been presented for payment. In our view, the underlying statutory obligation under Section 135 of the Companies

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Act, 2013, is effectively discharged only upon the actual clearance from bank and therefore our opinion is qualified on this matter.

- **Statutory Dues:** The Company has certain outstanding undisputed statutory payments that remain unpaid. The financial results do not include provisions for any potential interest and penal consequences that may arise from these delays. In the absence of a management assessment of the exact quantum of these charges, we are unable to determine the consequential impact on the reported current liabilities and the financial results for the period. Further, there has been certain delays in filing the statutory tax returns with various authorities due to which company had to face interest and penalties. Weak Internal controls in this respect has also been pointed out by the internal auditor of the company.

- **New Labour Code:** The Company has not assessed the financial impact, if any, nor revised its salary structures to comply with the new Labour Code introduced by the Government of India in November 2025. The Management has represented to us that the implementation of these codes is pending since the State of Karnataka, where the Company's operations are primarily based, is yet to notify the relevant rules. However any expert opinion was not produced before us to support this opinion of management. In the absence of an empirical or actuarial assessment by the management of the potential impact on employee benefit obligations (including wage structures, provident fund, and gratuity), we are unable to determine the quantum of understatement, if any, of these liabilities and its resultant effect on the financial results for the period.

- **Foreign Exchange Management Act (FEMA):** The Company has not realized the receivables from overseas customers within the timelines prescribed by RBI and the company has not yet submitted any application to RBI for regularization/extension of these delayed receivables. Further, the company has made application for SOFTEX registration which is still pending to be approved. In the absence of this application and a formal assessment of potential regulatory levies, the financial results omit provisions for any anticipated penal consequences that may arise from these delays. Consequently, we are unable to determine the impact, if any, on the current liabilities and results for the period.

Management's Responsibilities for the Financial Results

These financial results have been prepared on the basis of the Annual financial statements. The Board of Directors' of the Company are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit/loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records

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FRN-0211

in accordance with the provisions of the Act; safeguarding of the assets of the Company and (or preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent: and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the

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FRN-021161C

company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The financial results include the results for the half year ended March 31, 2026 being the balancing figures between the audited figures of the full financial year 2025-26 and the unaudited published figures up to the first half year (September 30, 2025) of the current financial year, which was subject to Limited review by us.

For **LABS & Associates**
Chartered Accountants
Firm Registration No: 021131C

LABS & ASSOCIATES ★ FRN-021131C ★

Rohit Gupta
Partner
Membership No: 571943

UDIN: 26571943AAWCNT1501

Place: New Delhi
Date: 18th July 2026

C2C Advanced Systems Limited
Neil Rao Towers, 4th Floor, Central Wing 117-118, Vijayanagar
EPIP Phase-1, Whitefield, Bangalore, Karnataka - 560066
CIN: L72200KA2018PLC110361
(Formerly known as C2C Advanced Systems Private Limited)

Ind AS Statement of Assets & Liabilities
as on 31st March 2026

(All Amount in INR Lakhs unless otherwise stated)

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
I. ASSETS		
(1) Non-Current Assets		
(a) Property, Plant and Equipment and Intangible Assets		
(i) Property, Plant & Equipment	251.13	294.50
(ii) Intangible Assets	187.44	218.68
(iii) Intangible Assets under Development	-	-
(iv) Right to Use Assets	834.15	876.37
(v) Capital work-in-progress	2,666.74	2,556.74
(b) Deferred Tax Assets (Net)	36.87	-
(c) Other Non-Current Assets	111.18	158.61
(2) Current Assets		
(a) Inventories	6,205.68	5,882.60
(b) Financial Assets		
(i) Trade Receivables	24,029.55	10,995.87
(ii) Cash & Cash Equivalents	93.16	171.82
(iii) Other Current Financial Assets	25.43	2,380.72
(c) Other Current Assets	2,940.95	2,708.92
TOTAL	**37,382.27**	**26,244.83**
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	1,696.84	1,664.12
(b) Other Equity	21,950.93	18,094.82
(c) Share Application Money Pending Allotment		
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Long-Term Borrowings	-	-
(b) Long Term Provisions	90.83	63.25
(c) Deferred Tax Liability (Net)	-	166.79
(d) Lease Liability	737.10	817.51
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Short-Term Borrowings	4,531.55	3,761.02
(ii) Lease Liability	177.96	53.12
(iii) Trade Payables		
- Total Outstanding Dues of Micro & Small Enterprises	1.10	16.44
- Total Outstanding Dues of Creditors other than Micro & Small Enterprises	6,180.41	256.64
(iv) Other Financial Liabilities	897.74	265.63
(b) Provisions	1,117.81	1,085.49
TOTAL	**37,382.27**	**26,244.83**

For and on behalf on
LABS & Associates
Chartered Accountants
FRN: 021131C

CA Rohit Gupta
Partner
Membership No. 571943

Lakshmi Chandra
(Managing Director)
DIN: 07436752

Place: New Delhi
Date: 18th July 2026

C2C Advanced Systems Limited

Neil Rao Towers, 4th Floor, Central Wing 117-118, Vijayanagar
EPIP Phase-1, Whitefield, Bangalore, Karnataka - 560066
CIN: L72200KA2018PLC110361
(Formerly known as C2C Advanced Systems Private Limited)

Ind AS Statement of Profit & Loss

for the half year and the year ended on 31st March 2026

(All Amount in INR Lakhs unless otherwise stated)

Sr. No	Particulars	for the half year ended on		for the year ended on	
		Mar 31, 2026	Sep 30, 2025	Mar 31, 2026	Mar 31, 2025
I	Revenue from Operations	7,954.68	6,609.55	14,564.23	11,511.11
II	Other Income	1,424.29	178.87	1,603.17	234.78
	III. Total Revenue (I +II)	**9,378.98**	**6,788.42**	**16,167.40**	**11,745.90**
IV	***Expenses:***				
	Cost of Equipment & Software Licences	5,989.09	1,788.88	7,777.97	10,316.61
	Changes in Inventories	-517.22	194.15	-323.07	-5,227.58
	Employee benefits Expenses	724.40	847.89	1,572.29	1,217.94
	Finance Cost	819.26	51.09	870.35	91.79
	Depreciation and Amortization Expenses	158.43	151.91	310.34	172.72
	Other Expenses	2,383.74	832.22	3,215.96	1,062.24
	Total Expenses (V)	**9,557.70**	**3,866.14**	**13,423.84**	**7,633.72**
VI	Profit before exceptional and extraordinary items and tax (III-V)	-178.72	2,922.29	2,743.56	4,112.17
VII	Exceptional Items	-	-	-	-
VIII	Profit before extraordinary items and tax (VI + VII)	-178.72	2,922.29	2,743.56	4,112.17
IX	Extraordinary Items	-			
X	Profit before tax (VIII - IX)	**-178.72**	**2,922.29**	**2,743.56**	**4,112.17**
XI	***Tax expenses:***	-			
	(1) Current Tax	360.16	754.11	1,114.27	1,057.61
	(2) Deferred Tax Expenses/(Income)	-6.30	-197.36	-203.66	168.82
		-			
XII	Profit(Loss) after Tax and before Prior Period Items (X-XI)	**-532.58**	**2,365.54**	**1,832.96**	**2,885.74**
XIII	Prior Period Items	-			
	-Income Tax Expenses of Previous Year Incurred	-	-	-	1.79
XIV	Profit(Loss) after Tax (XII-XIII)	**-532.58**	**2,365.54**	**1,832.96**	**2,883.95**
XV	**Other Comprehensive Income**	-			
	A (i) Items that will not be reclassified to Profit or Loss	-8.33		-8.33	
	(ii) Income Tax relating to items that will not be reclassified to Profit or	-			
	B (i) Items that will be reclassified to Profit or Loss	-			
	(ii) Income Tax relating to items that will be reclassified to Profit or loss	-			
	Total Other Comprehensive Income (XV)	**-8.33**	**-**	**-8.33**	**-**
XVI	Earning per equity share: (In INR)	-			
	(1) Basic	-3.29	14.21	10.92	21.07
	(2) Diluted	-3.34	14.21	10.87	21.07

For and on behalf on
LABS & Associates
Chartered Accountants
FRN: 021131C

CA Rohit Gupta
Partner
Membership No. 571943

Place: New Delhi
Date: 18th July 2026

Lakshmi Chandra
(Managing Director)
DIN: 07436752

C2C Advanced Systems Limited
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CIN: L72200KA2018PLC110361
(Formerly known as C2C Advanced Systems Private Limited)

Ind AS Statement of Cash Flows
for the year ended on 31st March 2026

(All Amount in INR Lakhs unless otherwise stated)

S. No.	Particulars		for the year ended 31-Mar-2026	for the year ended
I	CASH FLOWS FROM OPERATING ACTIVITIES			
	Profit before Tax and exceptional items		2,743.56	4,112.17
	Adjustments for:			
	Depreciation		310.34	172.72
	Provision for Gratuity		17.02	52.00
	Provision for CSR & ECL		1,453.84	11.40
	Finance Cost		870.35	45.05
	Finance Income		-8.15	-81.26
	Operating Profit before Working Capital Changes		5,386.96	4,312.08
	Net Changes in Trade Payables		5,908.43	38.85
	Net Changes in Other Current Financial Liabilities		632.11	78.19
	Net Change in Lease Liability		44.43	-58.58
	Net Changes in Trade Receivables (Net of unrealised forex fluctuation &		-14,479.10	-6,726.36
	Net Changes in Other Current Financial Assets		2,361.79	-1,633.43
	Net Changes in Other Current Assets		-232.04	-1,904.25
	Net Changes in Inventories		-323.07	-5,227.58
	Cash Generated from Operations		-700.49	-11,121.06
	Less: Payment of Taxes (net of refunds)		-1,094.63	-402.44
	Net Cash Generated from Operating Activities		**-1,795.12**	**-11,523.50**
II	CASH FLOWS FROM INVESTING ACTIVITIES			
	Addition in Property, Plant & Equipment		-57.45	-302.79
	Net Changes in Intangible Assets		-	-0.77
	Net Changes in Capital Work in Progress		-110.00	-2,556.74
	Net Changes in Intangible Asset Under Development		-	-
	Net Changes in Other Non- Current Assets		-88.62	-8.29
	Interest Income		8.15	78.16
	Net Cash used in Investing Activities		**-247.92**	**-2,790.43**
III	CASH FLOWS FROM FINANCING ACTIVITIES			
	Net Change in Share Capital		32.73	438.36
	Net Changes in Security Premium (net of issue expenses)		1,771.03	8,790.91
	Proceeds received against share warrants		260.44	-
	Finance Cost		-870.35	-45.05
	Net Change in Long-Term Borrowings		-	-
	Net Change in Short-Term Borrowings		770.53	3,761.02
	Net Cash used in Financing Activities		**1,964.38**	**12,945.23**
IV	**Net Increase/(decrease) in Cash & Cash Equivalents**	**(I+II+III)**	**-78.66**	**-1,368.70**
V	**Cash & Cash Equivalents at the beginning of the period**		171.82	1,540.52
VI	**Cash & Cash Equivalents at the end of the period**	**(IV+V)**	**93.16**	**171.82**

For and on behalf on
LABS & Associates
Chartered Accountants
FRN: 021131C

CA Rohit Gupta
Partner
Membership No. 571943

LABS & ASSOCIATES CA FRN-021131C

Lakshmi Chandra
(Managing Director)
DIN: 07436752

C2C Advanced Systems Limited

Place: New Delhi
Date: 18th July 2026

C2C Advanced Systems Limited
Neil Rao Towers, 4th Floor, Central Wing 117-118, Vijayanagar
EPIP Phase-1, Whitefield, Bangalore, Karnataka - 560066
CIN: L72200KA2018PLC110361
(Formerly known as C2C Advanced Systems Private Limited)

Segment Information

The Company has only one business segment and two geographical segments i.e. India and USA

Particulars	for the half year ended on		for the year ended on	
	31-03-2026	30-09-2025	31-03-2026	31-03-2025
Segment Revenue from Operations				
India	391.25	6,609.55	7,000.80	11,277.04
USA	7,563.09	-	7,563.09	234.07
Total	**7,954.34**	**6,609.55**	**14,563.89**	**11,511.11**
Segment Results				
(Profit before tax and finance cost)				
India	-908.22	2,985.54	2,077.31	4,166.30
USA	1,548.76	-12.16	1,536.60	37.66
Less: Finance Cost	-819.26	-51.09	-870.35	-91.79
Total Profit Before Taxes	**-178.72**	**2,922.29**	**2,743.56**	**4,112.17**

Particulars	as on		
	31-03-2026	30-09-2025	31-03-2025
Segment Assets			
India	29,668.50	29,063.74	26,027.68
USA	7,713.77	204.99	217.15
Total	**37,382.27**	**29,268.73**	**26,244.83**
Segment Liabilities			
India	7,351.63	7,127.02	6,467.53
USA	6,382.87	18.36	18.36
Total	**13,734.50**	**7,145.38**	**6,485.89**

ABS & ASSOCIATES
FRN-021131C

Lakshmi Chandra

C2C Advanced Systems Limited

Notes to Financial Results

1. The above Financial Results for the half year and year ended on March 31, 2026 have been reviewed by Audit Committee and approved by the Board of Directors in their respective meetings held on 18th July 2026.
2. These Financial Results have been prepared in accordance with the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in accordance with section 133 of the Companies Act 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
3. These Financial Results and Ind AS Statement of Assets & Liabilities include financial results of overseas branch of the company.
4. During the year, the company issued 1,79,306 share warrants for Rs. 581 per warrant. The Company has received 25% of the sum on application. Balance amount is not received yet and no equity shares are issued yet against these warrants.
5. During the year, the company issued 3,27,265 fully paid equity shares at a premium of Rs. 571 per share.
6. The Company has not received Report of IPO Proceeds Utilization from the Monitoring Agency (ICRA). However, As per report of ICRA for the quarter ended on 30th September 2025, Funds remaining to be utilized were INR 11 Lakhs.

C2C Advanced Systems Limited

LABS & ASSOCIATES
Chartered Accountants
A-98 Rear Basement, New Friends Colony, New Delhi - 110025
rohit@labsassociates.com; +91-8168454737

CERTIFICATE FOR UTILIZATION OF NET PROCEEDS FROM IPO

To
The Board of Directors
C2C Advanced Systems Limited
Neil Rao Towers, 4th Floor,
Cental Wing, 117 & 118, Road No 3,
Vijayanagar, EPIP Phase-1, Whitefield, Bangalore- 560066

We, the Statutory Auditor of C2C Advanced Systems Limited, have verified the books of accounts and other relevant record/documents maintained by the Company for certifying the utilization of net proceeds from IPO as per the offer document.

The details of utilization of proceeds from IPO are as follows:

Particulars	**Total Amount (in Crore)**	**Utilized upto 31st March 2026 (in Crore)**	**Un-Utilized upto 31st March 2026 (in crore)**
Issue Related Expenses	7.45	7.45	-
Working Capital Requirements	46.00	46.00	-
Purchase of Fixed Assets & Fit-outs	14.73	14.73	-
Fitouts at new premises at Bengaluru	4.30	4.19	0.11
Towards Security Deposits	1.06	1.06	-
General Corporate Purpose	25.53	25.53	-

* Out of Net IPO proceeds which were unutilized as at March 31, 2026, INR 0.11 Crore are lying in Escrow account maintained with Indusind Bank.

For LABS & Associates
Chartered Accountants
Firm Registration No. 021131C

LABS & ASSOCIATES
FRN-021131C

CA Rohit Gupta
Partner
Membership No. 571943
UDIN: 26571943ZFXQYE4712

Place: New Delhi
Date: 18th July 2026

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Standalone Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026 (See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.

S.NO	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total Income	Not applicable as the qualifications are not quantifiable	Not applicable as the qualifications are not quantifiable
2	Total Expenditure		
3	Net Profit / (loss)		
4	Earnings per share		
5	Total Assets		
6	Total Liabilities		
7	Net Worth		
8	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

Following qualification has been given by the Auditors in the audit report on Standalone Financial Statements of the Company:

• Material Uncertainty Related to Going Concern (Liquidity Risk): We draw attention to the financial results, which indicate that the Company is experiencing a liquidity crisis. The Company has undisputed statutory dues pending on account of this. Further, there has been no material recovery from Trade Receivables. At this time, the Company is highly reliant on Short-Term funding from promoter companies. Though the Management has prepared the financial results on a going concern basis, we express reasonable doubt on the Company's ability to continue as a going concern and therefore our opinion is modified in this matter. The carrying values of the assets and liabilities may be have been different, if the preparation of financial were to be on liquidation basis.

• Impact of Uncleared Cheques on CSR Expenditure Recognition: The Company has recognized Corporate Social Responsibility (CSR) expenses by issuing cheques that have resulted in a Book Overdraft. As on the date of signing this Report, these cheques have not yet been presented for payment. In our view, the underlying statutory obligation under Section 135 of the Companies Act, 2013, is effectively discharged only upon the actual clearance from bank and therefore our opinion is qualified on this matter.

- Statutory Dues: The Company has certain outstanding undisputed statutory payments that remain unpaid. The financial results do not include provisions for any potential interest and penal consequences that may arise from these delays. In the absence of a management assessment of the exact quantum of these charges, we are unable to determine the consequential impact on the reported current liabilities and the financial results for the period. Further, there has been certain delays in filing the statutory tax returns with various authorities due to which company had to face interest and penalties. Weak Internal controls in this respect has also been pointed out by the internal auditor of the company.

- New Labour Code: The Company has not assessed the financial impact, if any, nor revised its salary structures to comply with the new Labour Code introduced by the Government of India in November 2025. The Management has represented to us that the implementation of these codes is pending since the State of Karnataka, where the Company's operations are primarily based, is yet to notify the relevant rules. However any expert opinion was not produced before us to support this opinion of management. In the absence of an empirical or actuarial assessment by the management of the potential impact on employee benefit obligations (including wage structures, provident fund, and gratuity), we are unable to determine the quantum of understatement, if any, of these liabilities and its resultant effect on the financial results for the period.

- Foreign Exchange Management Act (FEMA): The Company has not realized the receivables from overseas customers within the timelines prescribed by RBI and the company has not yet submitted any application to RBI for regularization/extension of these delayed receivables. Further, the company has made application for SOFTEX registration which is still pending to be approved. In the absence of this application and a formal assessment of potential regulatory levies, the financial results omit provisions for any anticipated penal consequences that may arise from these delays. Consequently, we are unable to determine the impact, if any, on the current liabilities and results for the period.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification : **First Time**

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : Not ascertainable

(i) **Management's estimation on the impact of audit qualification:** Not ascertainable

(ii) **If management is unable to estimate the impact, reasons for the same:** The Management has expressed its considered view that the outstanding Receivables are fully recoverable and that substantial realisation of the receivables is expected within the next forty-five (45) days. After due consideration, the Board has taken note of and accepted the Management's assessment regarding the realisation of the said receivables. Accordingly, the financial statements have been prepared taking into account the said position.

(iii) **Auditors' Comments on (i) or (ii) above:** Included in the Standalone Auditors' report

III. **Signatories:**

For C2C Advanced Systems Limited Lakshmi Chandra Lakshmi Chandra (Managing Director) DIN : 07436752	Statutory Auditor of the Company For LABS & Associates Chartered Accountants FRN 021131C CA Rohit Gupta Partner Membership # 571943
For C2C Advanced Systems Limited Ganapathy Subramanian Chief Financial Officer	
For C2C Advanced Systems Limited Kishore Soni ID/Audit Committee Chairman	

Statement of Deviation / Variation in utilisation of funds raised

Name of the Company	C2C ADVANCED SYSTEM LIMITED
Mode of Fund Raising	Preferential Issue of Equity shares and Convertible Warrants
Date of Raising Funds	22-10-2025 (Date of allotment)
Amount Raised	Rs. 19,01,40,965/-(Equity) and Rs.2,60,44,196.5 (Upfront receipt of 25% of total consideration of warrants)
Report filed for Quarter ended	March, 2026
Monitoring Agency	NA
Monitoring Agency Name, if applicable	NA
Is there a Deviation / Variation in use of funds raised	Yes
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	No
If Yes, Date of shareholder Approval	NA
Explanation for the Deviation / Variation	The shareholders approved preferential issue of Rs. 143,46,58,071/- but allotment was done for Rs. 21,61,85,161.5/-
Comments of the Audit Committee after review	NA
Comments of the auditors, if any	NA

Objects for which funds have been raised and where there has been a deviation, in the following table:

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
The proceeds of the preferential issue will be utilized for the following purposes: a) Funding of Capital Expenditure b) Funding	General Corporate Purpose	337150000	21,61,85,161.5	21,61,85,161.5	-	-

of long term Working Capital c) General Corporate Purpose						

Deviation or variation could mean:
(a) Deviation in the objects or purposes for which the funds have been raised or
(b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
(c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc

Annexure A

S.NO	PARTICULARS	DETAILS
1.	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment of Chief Executive Officer
2.	Date of appointment/cessation (as applicable) & term of appointment	Appointment of Mr. Krishnamurthy Chandra as Chief Executive Officer w.e.f 18^{th} July, 2026
3.	Brief profile (in case of appointment)	**Attached as Annexure I**
4.	Disclosure of relationships between directors (in case of appointment of a director)	Ms. Lakshmi Chandra is wife of Mr. Krishnamurthy Chandra Ms. Maya Chandra is daughter of Mr. Krishnamurthy Chandra
5.	Information as required under Circular no. LIST/COMP/14/2018-19 and NSE/CML/2018/02 dated June 20, 2018 issued by BSE and NSE respectively.	The Board of Directors and Nomination and Remuneration committee of the Company had while considering appointment of Mr. Krishnamurthy Chandra as Chief Executive Officer w.e.f. 18^{th} July, 2026.

Annexure I - Brief profile of Mr. Krishnamurthy Chandra

Mr. Krishna Chandra has over 45 years of experience conceptualizing, building and commercializing technology licensing in Defense and industrial systems. He has a dynamic track record of exceptional business transformational leadership encompassing all facets of technology, business development and management. A visionary leader who is well known for his passion for building India' technological prowess and excellence and for creating value for the end customers globally.

Chandra is an alumnus of IIT Madras from where he obtained his B. Tech degree in Chemical Engineering in the year 1973. Thereafter he obtained dual MBA degrees in Business Administration and Finance & Operations Management from Rutgers University, New Jersey, USA.

For over 18 years Chandra built his credentials in Core Technology Building and Licensing. During the initial years of his entrepreneur journey, Mr Chandra, through assiduous and sustained efforts, became a Leading Conceptual Process Technologist in the field of High Temperature Physics and Cryogenics. He came back to India in 1985 to head ABB Lummus and was instrumental in Conceptualizing Petroleum and Petrochemical Projects in India including Bombay High Platforms, Reliance Petroleum & Petrochemicals, Essar Refinery, Haldia Petro Chemicals etc.

Thereafter, he was involved in successful turnaround of seven bankrupt companies in India, Holland and the US in areas such as Agriculture, Manufacturing and Technology Consulting.

During the last 15 years, Mr Chandra has been at the forefront of Conceptualizing and Building Domain Driven Intelligent Platforms for Defence, Homeland Security and Industry 4.0.

In 2017, Krishna conceived the vision to develop as a start-up C2C Advanced Systems, an indigenous Indian provider of globally competitive high technology systems and subsystems for the defense industry, and has been focused on building Indian architected platforms.

C2C Advanced systems delivers C5ISR (MAGI-C5ISR) systems integrating sensors, seekers, communications in a highly secure manner and delivering various systems for Combat and combat enabling systems. The software platform is built in India with deep understanding of the Indian requirements and integrates legacy to advanced sensors.

His focus is to build top down transformation platform driven systems at C2C Advanced Systems. His vision is to transform C2C Advanced Systems into an innovation-driven company focused on delivering cutting-edge technology software and hardware products and services to our esteemed customers in defence services, security agencies, DRDO, public & private sector industries and global clients.

C2C Advanced Systems has diversified into AI/ML & Blockchain Powered and Cyber Hardened Plug-ins for existing framework of our MAGI-C5ISR Systems viz. Battlefield Video Analytics System, AI Prognosis based Predictive Maintenance System, Cognitive AI based Digital ISR systems for MDO, Data Lake/ Data Intelligence (DL/ DI) - AI/

ML - Blockchain Powered Unified Situational Awareness Dashboards, Agentic AI based Multi-layered Cyber Security Platform for GRC & Proactive CTI, Counter UAS System, etc. He is currently working towards Upgradation of Digital ISR Systems to achieve AI Powered Decision Superiority, Autonomous Cyber Defence, AI powered Climate Risk Intelligence, and Trust based Data Exchange using Blockchain.

He is looking forward towards engagement with MCTE, Mhow for working together as R&D Partners to drive Collaborative Design and Development Projects based on Emerging Technologies like AI/ ML, DL/ DI, Blockchain, Cyber and Space to address imminent operational requirements of our Defence Forces.

Chandra's extensive global 'Emerging Technology' understanding, security and defence experience as well as his business development skills have proved to be his core strengths towards conceptualizing and implementing C2C Advanced Systems' growth strategy through collaboration, new strategic alliances and expanding international sales.

Krishna is a student of Indian and Global security and diplomacy.

He is an active supporter of several charitable endeavors in human development, arts and animal rights.