

हिंदी केवल एक भाषा नहीं बल्कि हमारी राष्ट्रीय पहचान है।

ITI LIMITED
(A Govt. of India Undertaking)



आईटीआई लिमिटेड
(भारत सरकार का उपक्रम)

Ref: K/NSE&BSE/2025-26
Date: 13.02.2026

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001
Scrip Code: 523610

The Manager
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
Scrip Code: ITI

Dear Sir/Madam,

Sub: Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Nine Months ended 31st December, 2025;

Ref: Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, this is to inform that with the recommendation of the Audit Committee, the Board of Directors in its meeting held on 13th February, 2026 approved the Unaudited Financial Results for the Quarter and Nine Months ended 31st December, 2025

Please find herewith the following documents:

1. Unaudited Consolidated Financial Results for the Quarter and Nine Months ended 31st December, 2025;
2. Limited Review Report on Consolidated Financial Results;
3. Unaudited Standalone Financial Results for the Quarter and Nine Months ended 31st December, 2025;
4. Limited Review Report on Standalone Financial Results;

The Board Meeting commenced at 12:25 pm and concluded at 03:35 pm.

Thanking you

Yours faithfully
For ITI Limited

Y Sathyan
Company Secretary & Compliance Officer

ITI Limited, Registered and Corporate Office, ITI Bhavan, Doorvaninagar, Bengaluru-560 016, India

आईटीआई लिमिटेड, पंजीकृत एवं निगमित कार्यालय, आईटीआई भवन, दुरवाणीनगर, बेंगलूरु 560 016, भारत

Phone : +(91) (80) 2561 7486, 2561 4466, Fax : +(91) (80) 2561 7525,

Email: cosecy_crp@itilttd.co.in, Website : www.itilttd.in

CIN : L32202KA1950GoI000640



I T I LIMITED

CIN No: L32202KA1950GOI000640

Registered & Corporate Office: ITI Bhavan, Doorvaninagar, Bengaluru-560016

Website: www.itiltld.in; Email: cosecy_crp@itiltld.co.in

Tel: +91 (80) 2561 7486; Fax: +91 (80) 2561 7525

Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended 31st December 2025

₹ in Lakhs except per share data

SL No	Particulars	Quarter Ended			Nine months ended		Year Ended
		31-12-2025	30-09-2025	31-12-2024	31-12-2025	31-12-2024	31-03-2025
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from Operations	51,465	54,340	1,03,454	1,55,607	2,57,072	3,61,642
	Other Income	1,231	1,482	2,016	4,016	4,987	8,520
	Total Revenue	52,696	55,822	1,05,470	1,59,623	2,62,059	3,70,162
2	Expenses						
	(a) Cost of Materials Consumed & Services	(60,541)	65,560	35,424	5,712	77,503	1,06,919
	(b) Purchase of stock-in-trade	1,03,313	(18,090)	56,597	1,29,560	1,60,171	2,34,634
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	(42)	1,145	3,785	989	(309)	(2,505)
	(d) Employee benefits expense	3,879	3,831	4,240	11,610	13,028	19,185
	(e) Finance costs	4,764	5,299	6,410	15,150	17,881	22,430
	(f) Depreciation and amortisation expense	1,101	1,315	1,267	3,870	4,028	6,920
	(g) Other expenses	2,322	2,015	4,459	6,055	9,850	9,397
	Total Expenses	54,796	61,075	1,12,182	1,72,946	2,82,152	3,96,980
3	Profit / (Loss) before exceptional, Prior period and extraordinary items and tax (1 - 2)	(2,101)	(5,253)	(6,712)	(13,323)	(20,093)	(26,818)
4	Prior period Items	-	-	-	-	-	-
5	Profit / (Loss) before exceptional, extraordinary items and tax (3 + 4)	(2,101)	(5,253)	(6,712)	(13,323)	(20,093)	(26,818)
6	Exceptional Items	(458)	(171)	-	(989)	(2,738)	3,504
7	Share of Profit of Associate under Equity Method	26	(12)	1,824	(15)	1,779	1,826
8	Profit / (Loss) before extraordinary items and tax (5+6+7)	(2,533)	(5,436)	(4,888)	(14,327)	(21,052)	(21,488)
9	Extraordinary items	-	-	-	-	-	-
10	Profit / (Loss) before tax (8+9)	(2,533)	(5,436)	(4,888)	(14,327)	(21,052)	(21,488)
11	Tax Expense:						
	(1) Current Tax	-	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-	-
12	Profit / (Loss) for the period (10-11)	(2,533)	(5,436)	(4,888)	(14,327)	(21,052)	(21,488)
13	Other comprehensive Income/(Loss)						
	Items not to be reclassified to Profit or Loss in subsequent period	-	-	-	-	-	(392)
	Other comprehensive Income/(Loss) for the period	-	-	-	-	-	(392)
14	Total comprehensive Income for the period (comprising profit/Loss) and other comprehensive Income for the period (12+13)	(2,533)	(5,436)	(4,888)	(14,327)	(21,052)	(21,880)
15	Paid up equity share capital (Face value of ₹10/- each)	96,285	96,285	96,089	96,285	96,089	96,089
16	i) Earnings Per Share (before extraordinary items and prior period Items) (of ₹10/- each)*						
	(a) Basic	(0.26)	(0.57)	(0.51)	(1.49)	(2.19)	(2.24)
	(b) Diluted**	(0.26)	(0.57)	(0.51)	(1.49)	(2.19)	(2.24)
	ii) Earnings Per Share (after extraordinary items and prior period Items) (of ₹10/- each)*:						
	(a) Basic	(0.26)	(0.57)	(0.51)	(1.49)	(2.19)	(2.24)
	(b) Diluted**	(0.26)	(0.57)	(0.51)	(1.49)	(2.19)	(2.24)
	See accompanying note to the Financial Results						
	*Figure for the quarter and nine months ended are not annualized						
	**Diluted EPS is equal to Basic EPS since company is in loss and diluted EPS is anti -dilutive.						



Prasad Barre
GM-Corporate Finance & CFO
ITI Limited
Regd. & Corporate Office
ITI Bhavan, Doorvaninagar
Bengaluru - 560016



**NOTES:**

- 1 The above financial results for the 3 months and 9 months ended 31.12.2025 were reviewed by the Audit Committee on 13.02.2026 and upon its recommendations, were approved by the Board of Directors at their meeting held on 13.02.2026.
- 2 These financial results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 3 A Limited Review of the above Unaudited Financial Results for the 3 months and 9 months ended 31.12.2025 has been carried out by the Statutory Auditors of the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
- 4 By virtue of being engaged in Defence Production, the Company is exempt from the necessity of segment reporting, according to the MCA's Notification dated February 23, 2018.
- 5 The Company is currently under a revival plan after it was referred to the BIFR and declared a sick company. The Cabinet Committee on Economic Affairs (CCEA) approved the revival plan based on the recommendations of the Board for Reconstruction of Public Sector Enterprise (BRPSE) which involves financial assistance of Rs. 4,15,679 lakhs, of which the Company as of date has received Rs.3,02,535 lakhs.
- 6 The Company is primarily engaged in business of manufacturing, trading and servicing of telecommunication equipments and rendering other associated /ancillary services and there are no other reportable segments. The Company is primarily operating in India, which is considered as a single geographical segment. The company is also engaged in Defence projects. The MCA vide its notification dt.23.02.2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting.
- 7 Balances in the accounts of creditors, advances from customers, debtors, claims recoverable, loans & advances, materials with fabricators, subcontractors/others, material in transit, deposits, loans, and other payables/receivables such as Sales Tax, VAT, Excise Duty, Cenvat, Service Tax, GST, TDS etc., are under confirmation/reconciliation. Adjustments, if any will be made on completion of such review / reconciliation / receipt of confirmation. However, in the opinion of the management, the Trade receivables, Current assets and Loans & Advances are realisable in the ordinary course of business. MSME vendors are identified to major extent and the process of further identification is in progress.
- 8 On November 21, 2025, the Government of India has notified four new labour codes which subsumed 29 existing labour laws. The Ministry of labour and employment published FAQ's to enable assessment of the financial impact due to the change in the regulation. The company is in the process of assessing the impact of the same on the financial information and no adjustments are made during the quarter and 9 months ended 31.12.2025
- 9 Exceptional items consist of interest on Privilege leave and Gratuity and electricity arrears expenditure which are based on settlement of disputes incurred in current period ended 31.12.2025.
- | Exceptional Items | |
|---------------------------|--------------------|
| Particulars | Amount |
| Interest on Gratuity & PL | 7,14,35,860 |
| Transfer From GIA Capital | 2,74,25,247 |
| Total | 9,88,61,107 |
- 10 Finance Cost includes interest on outstanding statutory dues of provident fund.
- 11 ITI Limited, being a Public Sector Undertaking, the Directors on the Board of the company are appointed by the order of Government of India. The composition of Board of Directors is not as per provisions of SEBI Listing Regulations due to insufficient number of Independent Directors. However, the proposal for the appointment of requisite number of Independent Directors on the Board of the company is under process with the Administrative Ministry.
- 12 Corresponding Quarter figures have been regrouped/restated wherever necessary to confirm with the current period's classification.
- 13 The Company has signed a contract dated 01.10.2020 with the Ministry of Defence for the execution of Army Static Switched Communication Network (ASCON) Phase IV project worth Rs. 8,280.36 Crore. It includes Installation, commissioning, and maintenance of telecom equipment, NMS, mobile nodes, and civil works for providing the complete infrastructure at various sites and roll-out of the optical fiber network. The implementation of the project is to be completed in three years and thereafter it must be maintained for ten years including a two-year warranty. The project timeline has been revised upto Dec 2026.
- 14 The management is of the opinion that going concern basis of accounting is appropriate in view of the high value of existing Order Book of Rs. 1854644 lakhs under execution with adequate margin expected conversion of unbilled revenue of Rs. 214000 lakhs into billed revenue / realization by completing the contact milestones within next 12 months, step-up the recovery processes to collect the billed dues, adequate sanction of working capital borrowing from consortium banks along with continued support of the Government of India.
- 15 ITI has invested 49.06 % of Equity share capital of its Joint Venture ISL and hence ITI's share of Net Loss is shown in Statement of Profit and Loss as Share of net profit/Loss of associates and Joint Venture.

16 EPS calculation:	Quarter ended	Nine months ended	September 30, 2025 (3months)
	31-12-2025	31-12-2025	30-09-2025
Losses	(2,533)	(14,327)	(5,436)
Less:			
Preference Dividend	-	-	-
Dividend tax	-	-	-
Losses	(2,533)	(14,327)	(5,436)
No. of Shares at beginning of the period	96,08,86,938	96,08,86,938	96,08,86,938
No. of Shares issued during the period.	5,02,174	8,40,596	3,38,422
No. of Shares at the end of the period.	96,13,89,112	96,17,27,534	96,12,25,361
Weighted average no of shares during the period	96,13,89,112	96,17,27,534	96,12,25,361
Earning per equity share (for continuing operation): Basic & Diluted(in ₹)	(0.26)	(1.49)	(0.57)

- 17 Investor Complaints are Nil for the quarter and nine months ended December 31, 2025
- 18 The above results are available at www.itiltltd.in and website of stock exchanges at www.bseindia.com and nseindia.com.

As per our report of even date
For: B.K.Ramadhyan & Co. LLP
Chartered Accountants
Firm Reg No.: 002878S/S200021

For ITI LIMITED

Vasuki H S
Partner
M. No.. 212013
Place: Bengaluru
Date : February 13, 2026



Prasad Barre
GM Finance & CFO

Rajesh Rai

Chairman & Managing Director

Prasad Barre
GM-Corporate Finance & CFO
ITI Limited
Regd. & Corporate Office
ITI Bhavan, Dooravaninagar
Bengaluru - 560016

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitr...

Independent Auditor's Review Report on Review of Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
ITI Limited
Bengaluru

1. Introduction:

We were engaged to review the accompanying statement of Consolidated unaudited financial results ("the Statement") of **ITI Limited** ("the Company") for the quarter and nine months ended December 31, 2025, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. Management Responsibility

This Statement, which is the responsibility of the Company's management and approved by Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3. Auditors Responsibility

Our responsibility is to express a conclusion on the Statement based on our review. However, because of the matters described in "Basis for Disclaimer of conclusion", we were not able to obtain sufficient appropriate evidence to provide a basis of our conclusion on the Statement.

We are independent of the Company in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements as prescribed under the laws and regulations applicable to the Company.



4. Scope of Review

We conducted our review of Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by ICAI and deemed to be prescribed under section 143(10) of the Act. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit and accordingly, we do not express audit opinion.

5. Basis of Disclaimer of Conclusion

- a. Reference is drawn to the Consolidated independent audit report dated June 13, 2025, issued by us, matters described therein in the paragraph 'Basis for Disclaimer of Opinion' section and its continuing effect on the results for the quarter and nine months ended December 31, 2025, are not quantified and effect on the said financial information as furnished by the management are not ascertained.
- b. Based on secretarial audit report for the FY 2024-25 dated August 12, 2025 where in certain observation are made in that report and noted by us, effect on financial results for the period ended June 30, 2025, September 30, 2025 and December 31, 2025 as well as Financial Statements for the year ended March 31, 2025, read with our Audit Report dated June 13, 2025, could not be ascertained.
- c. The Company entered into multiple composite contracts with certain customers for planning, engineering, construction, upgradation, supply, installation, commissioning, testing and annual maintenance, involving substantial amounts. In these cases, the Company has recognized revenue (including unbilled portions) for the supply of goods to customers based on dispatches and for services rendered, wherever completed by it, as at the period end and unbilled portions of revenue recognised based on assessment of work completed and corresponding costs incurred. The Company has not furnished us with the requisite documentation substantiating compliance with the preconditions for recognizing revenue including unbilled portion in terms of Ind AS 115- Revenue from Contracts with Customers and passing of controls to the latter over the goods and services. The Company has also not assessed probable losses which it might incur on account of cost overruns, liquidated damages, warranty expenses and additional cost to be incurred in the completion of services, requiring recognition. Effect on the Statement not ascertained.
- d. The Company is in the process of assessing certain changes in various terms of certain select contracts involving procurement of goods and services. Pending such exercise, and finalisation of



- the said matters/ entering into revised contracts/ issuing amendments of purchase orders, effects on costs, incurred or to be incurred in respect of each such contracts/ amendments/ revised purchase orders are not assessed at this stage. Further, the Company has not furnished clear details/ breakups of unbilled payables recorded in the books of accounts. Due to such matters, effect on the statement, if any, could not be ascertained.
- e. The Company has reported various bank balances as at the reporting date; however, direct balance confirmations from the banks were not received in respect of certain banks. We have relied on bank statements and books of accounts furnished to us.
- f. The Company is in the process of updating its books of accounts upto the date of issue of this report. Accordingly, we could not perform subsequent events review and relied on certain management representations.
- g. The Company follows the process of recording interunit transactions which are identified manually, and we have relied on the entries passed in the books of accounts. There are inherent limitations in identifying and tracing such entries in the books of accounts with actual transactions happened during the period. Accordingly, we are unable to independently assess the correctness and completeness of such transactions.
- h. Reference is drawn to note 8 of the Statement where the Company is in the process of assessing the impact of the Code on Wages, 2019 and accordingly no adjustment made in this respect. In absence of the above assessment, we are unable to comment on the effect on Statement for the period ended December 31, 2025.
- i. Reference is drawn to the branch auditors review report issued for the Palakkad unit, Naini unit Raebareli Plant, Mankapur unit and Srinagar unit dated February 11, 2025, February 11, 2025, February 09, 2025, February 11, 2025 and February 09, 2026, respectively, issued by M/s. Balaram and Nandakumar, Chartered Accountants, Vinay Kumar & Co, Chartered Accountants, M/s Chandnani Singh & Associates, Chartered Accountants, M/s PNG & Co. and M/s USA & Company, Chartered Accountants whose matters described as below and its effect on the results for the quarter and nine months ended December 31, 2025 are not quantified for some of the matters described and effect on the said financial information as furnished by the management not ascertained.



As per the review report issued by M/s Balaram & Nandakumar, Chartered Accountants dated February 11, 2026

- i. Accounts receivable comprise of amounts receivable from various customers, including the Government of India/ Public Sector Undertakings amounting to Rs. 27,167.33 lakhs which is overdue for more than 3 years as of the reporting date. As against these overdue debts, the management has provided for only Rs. 573.07 lakhs as provision for expected credit losses. The Management of the Unit has explained to us that they are in the process of putting up a collection plan for speedy collection of these overdue debts. We are however not in a position to comment as of December 31, 2025 if any further adjustments may be required to the carrying value of these amounts totalling to Rs. 26,594.26 lakhs which predominantly represents overdue debts from the Government of India/ Public Sector Undertakings.
- ii. The Company's inventories include old inventory, and it is in the process of an assessment of the ageing, usefulness, and serviceability of the inventories held at various units to ascertain the quantum of obsolete inventory. Consequently, we are unable to comment on whether the valuation of the inventories is at the lower of cost and net realisable value, which constitutes a departure from the requirements of Ind AS 2. We are also not in a position to determine if any adjustments may be required to the carrying value of inventory as of December 31, 2025.
- iii. The Company's process for identifying suppliers covered by the Micro, Small and Medium Enterprises Development Act of 2006 and the payment of interest in cases of delays in payment appears to be inadequate and unverifiable. As a result, we are unable to verify whether the provision for interest on delayed payments is complete and comment on MSMED Act 2006 compliance.
- iv. We are not in a position to verify the accuracy of the account balances pertaining to "Bank Guarantee, Letter of Credit, Provision for Gratuity, Provision for leave salary, Finance Charges (Corporate Allocation), Other expenses (Corporate Allocation), Retained earnings and inter unit balances as the necessary information / documentation are not with the unit. We understand from the unit accounts team that the requisite details are available only at the head office level and may thus be verified by the Central Audit Team at the Head Office.
- v. Other current assets include an amount of Rs 1,809.29 lakhs representing unbilled revenue with regards to certain revenues recognized by the Company upto December 31, 2025. These have not been subsequently billed by the Company to the customers until the date of this report and thus we are not in a position to comment about the possibilities of realizing these amounts from the customers. If such amounts are not received from the customers, the losses of the unit as of December 31, 2025 will increase by Rs 1,809.29 lakhs.



- vi. The unit has entered into certain contracts with customers for planning, engineering, supply, installation, testing, commissioning, and annual maintenance, of optical fibre net. With respect to these contracts the company has recognised revenue at a point of time when the goods are despatched to the customer. For the quarter ended December 31, 2025 and for the nine months period ended December 31, 2025 the total amount of such revenue recognized in the books of account amounts to Rs. 1,940.36 Lakhs and Rs. 3,125.79 Lakhs respectively. Furthermore, the unit has incurred direct cost with respect to some of these contracts and accounted for these costs as Work-in-progress inventory. For the quarter ended December 31, 2025, the total amount of Work in progress inventory so accounted amounts to Rs. 651 Lakhs. Since these contracts are long term in nature with specific milestone documented in the customer contract, revenue recognition as per Ind As 115 mandates identifying performance obligation and recognising revenue over the period of the contract. As the unit is not in possession of data regarding accounting for the revenue over a period of time as mandated by Ind As 115, we are not in a position to quantify impact of this, on the revenue recognized on the financial results of the unit for the quarter ended December 31, 2025.
- vii. The unit is in process of obtaining confirmation of balances for certain banks for a cumulative amount of Rs 13.21 Lakhs and certain cash credit accounts amounting to Rs. 992.06 Lakhs. We have relied on the books of account furnished to us in respect of those bank accounts.
- viii. For the quarter and nine-month period ended December 31, 2025, the Installation and Maintenance Expense include an amount of Rs. 308 Lakhs being the direct cost provision made by the management with respect to the Andaman and Nicobar Project. The management has however not produced to us the basis of provision made with respect to these costs. We are thus unable to determine the accuracy of these numbers accounted for in the financial information for the quarter and nine months period ended December 31, 2025.

As per the review report issued by M/s Vinay Kumar & Co, Chartered Accountants dated February 11, 2025, on Naini Unit.

- i. The Inventory includes Raw Materials; Production and Non-Production Work in Process; Manufactured Components; Finished Goods and Stock Reconciliation Balance relating to old and discontinued business activities valued at cost, but net of provision, at Rs. 1,541.37 lakhs. The said valuation is not in conformity with the accounting policy of the company according to which the valuation to be done at lower of the cost or net realizable value. Provision for the loss in value has been done on estimated basis in many earlier years and is continuing to be the same. The adequacy of the existing provision, in absence of proper assessment of realizable value and possible loss, is not determinable at unit level. The effect of the said loss on the results of the unit under review cannot be determined.
- ii. Finance Cost of Rs. 1,307.94 lakhs include Interest Expense on Cash Credit amounting to Rs. 911.37 lakhs which has been accounted for as per the allocation made by corporate office.



- iii. Provision for proportionate liability for Gratuity, Paid Leave, Sick Leave and Leave Travel Concession have not been made in Unit Accounts under review.

As per the review report issued by M/s PNG & Co, Chartered Accountants, dated February 11, 2026, on Mankapur Unit.

- i. The expenditure debited to the profit and loss account of the units include interest on loans amounting to Rs. 1,350.49 lakhs allocated by the corporate office irrespective of the amount of cash credit actually availed by the unit.
- ii. Inventories with a book value of Rs. 5,210.27 lakhs include several old items stored at various sites and warehouses. However, the Net Realizable Value (NRV) as of December 31, 2025, was not provided. The unit's inventory contains aged items, but no assessment has been conducted to determine their ageing, usefulness, or serviceability, raising concerns about potential obsolescence. Additionally, the unit did not provide physical verification reports, which were reportedly conducted. In the absence of a readily available excess/shortage list, we were unable to verify whether any adjustments were required in the books of account.
- iii. During the review of records at ITI Mankapur, it was observed that the entity defaulted on the payment of employer and employee contributions to the PF Trust, resulting in a total outstanding liability of Rs. 2,652.34 lakhs. Consequently, a late payment interest charge of Rs. 124.43 lakhs was incurred.
- iv. During the review of records at ITI Mankapur, it was observed that the entity defaulted on the payment of PL & Gratuity, resulting in a total outstanding liability of Rs. 3,526.72. Consequently, a late interest on the delayed payment of gratuity and privilege leave (PL) amounted to Rs. 205.93 lakhs recorded under exceptional items.

As per the review report issued by M/s Chandnani Singh & Associates, Chartered Accountants, dated February 09, 2026, on RaeBareli Unit.

- i. Finance cost includes corporate allocated expenses amounting to Rs. 854.29 lakhs for nine-month period ending on December 31, 2025, on basis of corporate office advice.
- ii. Unbilled revenue balance is Rs. 147.27 crores as on December 31, 2025, pertains to last years, still unbilled in current year.
- iii. Lease agreement with NIFT has expired in the month of November 2018, and renewal lease agreement has not been entered. Due to non-realization of rent from NIFT huge burden of GST bear by ITI -Rae Bareli Unit on accrual Rent. The Company has intimated that the matter has been referred to the administrative mechanism for resolving the same on priority.

- iv. Inventory is not maintaining on Tally ERP and it is maintaining on Oracle software. Hence process of valuation may not be verified. We cannot comment whether inventories have been valued as per principles laid down in Ind AS 2 on Valuation of inventories and whether provisions thereon are made in accordance with principles laid in Ind AS 37 on Provisions, contingent liabilities and contingent assets.
- v. Goods under inspection amounting to Rs. 57.99 lakhs as on December 31, 2025, are still pending for inspection related to previous years.
- vi. Rent Recoverable RS. 28.60 crore is still pending from tenants. Out of these Rs. 16.07 crore pertaining to NIFT Building rent, which is under discussion & consideration with Ministry of Textiles and has been communicated to DOT to resolve this issue.
- vii. Under Revenue Purchase Advance -Inland Rs. 13.11 crore pertains to more than 3 years before and advance Purchase Revenue-Foreign Rs. 3.71 Crore pertains to more than 3 years. Further no provisions made in the books against these advances.
- viii. Raw Material & Production Stores Rs. 11.66 crore obsolete and non-usable inventory, out of which provision made for Rs. 1.26 crore.
- ix. Claim inland in assets side RS. 6.65 Crore balance exists more than 3 years, further no provisions made in the books against these claims.
- x. Short provisions under other deposit Assets Rs. 1.21 Crore.
- xi. Under capital WIP amounting to Rs. 0.11 crore pertaining to separate feeder pending from approx 15 years
- xii. Long balances pending in some ledgers ;
Mobile show room stocks balances
Mobile show room cash balances
NIFT Bank balances
Escrow account balances in Bank of Baroda account number 24, 26 and 75.
- xiii. No details provided for shop rent.



6. Disclaimer of Conclusion:

Based on the review conducted and procedures performed and because of the substantive nature and significance of the matters described in “Basis for Disclaimer of conclusion” and based on the consideration of the review reports of other auditors referred to in “Other matters”, we have not been able to obtain sufficient appropriate evidence to provide our basis of our conclusion, as to whether the Statement prepared in accordance with applicable Accounting Standards i.e., Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) 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.

7. Material Uncertainty on Going Concern

Reference is drawn to note 14 to the Statement and Company had incurred a net loss of Rs. 21,489 lakhs during the year ended March 31, 2025, and Rs. 14,327 lakhs for the nine months ended December 31, 2025, under review. In spite of events or conditions which may cast a doubt on the ability of the Company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued support of the Government of India, high value of order book under execution with adequate margins, adequate working capital borrowing from banks already sanctioned, conversion of unbilled revenue into billed revenue by completing the contract milestones within next 12 months, step-up the recovery processes to collect the billed dues as mentioned in the said note. Our conclusion is not modified in respect of this matter. Also, reference is drawn to comments under Consolidated Independent Auditor’s report issued vide dated June 13, 2025.

8. Emphasis of Matter:

Reference is drawn to the consolidated independent auditor’s report dated June 13, 2025, issued by us, in respect of matters described in the “Emphasis of Matter” paragraph, audit conclusion is not modified in the said matters.

9. Other Matters:

- a) We did not review the interim financial results of the Palakkad, Raebareli, Naini, Mankapur and Srinagar units included in the Statement, whose results reflect the total net loss of Rs. 16,900 lakhs and total comprehensive loss of Rs. 16,900 lakhs for the nine months ended December 31, 2025 (excluding inter-unit transactions) respectively, as considered in the standalone unaudited interim financial information of the Company. The interim financial information of these units have been reviewed by the unit auditors whose reports have been furnished to us and our conclusion in so far it relates to the amounts and disclosures included in respect of these units,

is based solely on the report of such unit auditors and the procedures performed by us as stated in Paragraph 4 above.

- b) We did not review the unaudited financial results of the associate considered in the preparation of this Statement, which constitute share of loss for the nine months ended December 31, 2025, of Rs. 14.92 lakhs. The unaudited financial results and other financial information in respect of an associate is based on limited review conducted by the auditors of the associate K. V. Narasimhan & Co. and our opinion on the statement, to the extent they have been derived from such financial result is solely on the basis of the said unaudited financial results. Our review report is not modified in respect of this matter.

Our conclusion on the Statement is not modified in respect of the above matters.

- 10 A copy of the unaudited quarter and nine months ended financial results of the Company, which formed the basis of our limited review, duly initialled by us for the purpose of identification is enclosed to this report.

For B K Ramadhyani & Co. LLP
Chartered Accountants
FRN: 002878S/ S200021



Vasuki H S.

Vasuki H S
Partner

Membership No: 212013

UDIN: 26212013NYLCZS8652

Place: Bengaluru

Date: February 13, 2026

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleshwaram,
BANGALORE - 560 055.



ITI LIMITED

CIN No: L32202KA1950GOI000640

Registered & Corporate Office: ITI Bhavan, Doorvaninagar, Bengaluru-560016

Website: www.itiltd.in; Email: cosecy_crp@itiltd.co.in

Tel: +91 (80) 2561 7486; Fax: +91 (80) 2561 7525

Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months Ended 31st December 2025

₹ in Lakhs except per share data

SL No	Particulars	Quarter Ended			Nine months ended		Year Ended
		31-12-2025	30-09-2025	31-12-2024	31-12-2025	31-12-2024	31-03-2025
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from Operations	51,465	54,340	1,03,454	1,55,607	2,57,072	3,61,642
	Other Income	1,231	1,482	2,016	4,016	4,987	8,520
	Total Revenue	52,696	55,822	1,05,470	1,59,623	2,62,059	3,70,162
2	Expenses						
	(a) Cost of Materials Consumed & Services	(60,541)	65,560	35,424	5,712	77,503	1,06,919
	(b) Purchase of stock-in-trade	1,03,313	(18,090)	56,597	1,29,560	1,60,171	2,34,634
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	(42)	1,145	3,785	989	(309)	(2,505)
	(d) Employee benefits expense	3,879	3,831	4,240	11,610	13,028	19,185
	(e) Finance costs	4,764	5,299	6,410	15,150	17,881	22,430
	(f) Depreciation and amortisation expense	1,101	1,315	1,267	3,870	4,028	6,920
	(g) Other expenses	2,322	2,015	4,459	6,055	9,850	9,397
	Total Expenses	54,796	61,075	1,12,182	1,72,946	2,82,152	3,96,980
3	Profit / (Loss) before exceptional, Prior period and extraordinary items and tax (1 - 2)	(2,100)	(5,253)	(6,712)	(13,323)	(20,093)	(26,818)
4	Prior period Items	-	-	-	-	-	-
5	Profit / (Loss) before exceptional, extraordinary items and tax (3 + 4)	(2,100)	(5,253)	(6,712)	(13,323)	(20,093)	(26,818)
6	Exceptional Items	(458)	(171)	-	(989)	(2,738)	3,504
7	Profit / (Loss) before extraordinary items and tax (5 + 6)	(2,558)	(5,424)	(6,712)	(14,312)	(22,831)	(23,314)
8	Extraordinary items	-	-	-	-	-	-
9	Profit / (Loss) before tax (7 + 8)	(2,558)	(5,424)	(6,712)	(14,312)	(22,831)	(23,314)
10	Tax Expense:						
	(1) Current Tax	-	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-	-
11	Profit / (Loss) for the period (9 - 10)	(2,558)	(5,424)	(6,712)	(14,312)	(22,831)	(23,314)
12	Other comprehensive Income/(Loss)						
	Items not to be reclassified to Profit or Loss in subsequent period	-	-	-	-	-	(392)
	Other comprehensive Income/(Loss) for the period	-	-	-	-	-	(392)
13	Total comprehensive Income for the period (comprising profit/Loss) and other comprehensive Income for the period (11+12)	(2,558)	(5,424)	(6,712)	(14,312)	(22,831)	(23,706)
14	Paid up equity share capital (Face value of ₹10/- each)	96,285	96,285	96,089	96,285	96,089	96,089
15	i) Earnings Per Share (before extraordinary items and prior period Items) (of ₹10/- each)*						
	(a) Basic	(0.27)	(0.56)	(0.70)	(1.49)	(2.38)	(2.43)
	(b) Diluted**	(0.27)	(0.56)	(0.70)	(1.49)	(2.38)	(2.43)
	ii) Earnings Per Share (after extraordinary items and prior period Items) (of ₹10/- each)*:						
	(a) Basic	(0.27)	(0.56)	(0.70)	(1.49)	(2.38)	(2.43)
	(b) Diluted**	(0.27)	(0.56)	(0.70)	(1.49)	(2.38)	(2.43)
	See accompanying note to the Financial Results						

*Figure for the quarter and nine months ended are not annualized

**Diluted EPS is equal to Basic EPS since company is in loss and diluted EPS is anti -dilutive.



Prasad Barre
GM-Corporate Finance & CFO
ITI Limited
Regd. & Corporate Office
ITI Bhavan, Dooravaninagar
Bengaluru - 560016





CIN L32202KA1950GOI000640

NOTES:

- 1 The above financial results for the 3 months and 9 months ended 31.12.2025 were reviewed by the Audit Committee on 13.02.2026 and upon its recommendations, were approved by the Board of Directors at their meeting held on 13.02.2026.
- 2 These financial results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 3 A Limited Review of the above Unaudited Financial Results for the 3 months and 9 months ended 31.12.2025 has been carried out by the Statutory Auditors of the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
- 4 By virtue of being engaged in Defence Production, the Company is exempt from the necessity of segment reporting, according to the MCA's Notification dated February 23, 2018.
- 5 The Company is currently under a revival plan after it was referred to the BIFR and declared a sick company. The Cabinet Committee on Economic Affairs (CCEA) approved the revival plan based on the recommendations of the Board for Reconstruction of Public Sector Enterprise (BRPSE) which involves financial assistance of Rs. 4,15,679 lakhs, of which the Company as of date has received Rs. 3,02,535 lakhs.
- 6 The Company is primarily engaged in business of manufacturing, trading and servicing of telecommunication equipments and rendering other associated /ancillary services and there are no other reportable segments. The Company is primarily operating in India, which is considered as a single geographical segment. The company is also engaged in Defence projects. The MCA vide its notification dt.23.02.2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting.
- 7 Balances in the accounts of creditors, advances from customers, debtors, claims recoverable, loans & advances, materials with fabricators, subcontractors/others, material in transit, deposits, loans, and other payables/receivables such as Sales Tax, VAT, Excise Duty, Cenvat, Service Tax, GST, TDS etc., are under confirmation/reconciliation. Adjustments, if any will be made on completion of such review / reconciliation / receipt of confirmation. However, in the opinion of the management, the Trade receivables, Current assets and Loans & Advances are realisable in the ordinary course of business. MSME vendors are identified to major extent and the process of further identification is in progress.
- 8 On November 21, 2025, the Government of India has notified four new labour codes which subsumed 29 existing labour laws. The Ministry of labour and employment published FAQ's to enable assessment of the financial impact due to the change in the regulation. The company is in the process of assessing the impact of the same on the financial information and no adjustments are made during the quarter and 9 months ended 31.12.2025
- 9 Exceptional items consist of interest on Privilege leave and Gratuity and electricity arrears expenditure which are based on settlement of disputes incurred in current period ended 31.12.2025.
- | Exceptional Items | |
|---------------------------|--------------------|
| Particulars | Amount |
| Interest on Gratuity & PL | 7,14,35,860 |
| Transfer From GIA Capital | 2,74,25,247 |
| Total | 9,88,61,107 |
- 10 Finance Cost includes interest on outstanding statutory dues of provident fund.
- 11 ITI Limited, being a Public Sector Undertaking, the Directors on the Board of the company are appointed by the order of Government of India. The composition of Board of Directors is not as per provisions of SEBI Listing Regulations due to insufficient number of Independent Directors. However, the proposal for the appointment of requisite number of Independent Directors on the Board of the company is under process with the Administrative Ministry.
- 12 Corresponding Quarter figures have been regrouped/restated wherever necessary to confirm with the current period's classification.
- 13 The Company has signed a contract dated 01.10.2020 with the Ministry of Defence for the execution of Army Static Switched Communication Network (ASCON) Phase IV project worth Rs. 8,280.36 Crore. It includes Installation, commissioning, and maintenance of telecom equipment, NMS, mobile nodes, and civil works for providing the complete infrastructure at various sites and roll-out of the optical fiber network. The implementation of the project is to be completed in three years and thereafter it must be maintained for ten years including a two-year warranty. The project timeline has been revised upto Dec 2026.
- 14 The management is of the opinion that going concern basis of accounting is appropriate in view of the high value of existing Order Book of Rs. 1854644 lakhs under execution with adequate margin expected conversion of unbilled revenue of Rs. 214000 lakhs into billed revenue / realization by completing the contact milestones within next 12 months, step-up the recovery processes to collect the billed dues, adequate sanction of working capital borrowing from consortium banks along with continued support of the Government of India.
- 15 **EPS calculation:**
- | | Quarter ended | Nine months ended | September 30, 2025 (3months) |
|--|---------------------|---------------------|------------------------------|
| | 31-12-2025 | 31-12-2025 | 30-09-2025 |
| Losses | (2,558) | (14,312) | (5,424) |
| Less: | | | |
| Dividend tax | - | - | - |
| Losses | (2,558) | (14,312) | (5,424) |
| No. of Shares at beginning of the period | 96,28,51,967 | 96,28,51,967 | 96,08,86,939 |
| No. of Shares issued during the period. | 5,02,174 | 8,40,596 | 3,38,422 |
| No. of Shares at the end of the period. | 96,33,54,141 | 96,36,92,563 | 96,12,25,361 |
| Weighted average no of shares during the period | 96,33,54,141 | 96,36,92,563 | 96,12,25,361 |
| Earning per equity share (for continuing operation): Basic & Diluted (in ₹) | (0.27) | (1.49) | (0.56) |
- 16 Investor Complaints are Nil for the quarter and nine months ended December 31, 2025
- 17 The above results are available at www.itiltd.in and website of stock exchanges at www.bseindia.com and nseindia.com.

As per our report of even date
For: B.K.Ramadhyan & Co. LLP
Chartered Accountants
Firm Reg No.: 002878S/S200021

Vasuki H S
Vasuki H S
Partner
M. No.. 212013
Place: Bengaluru
Date : February 13, 2026



For ITI LIMITED

Prasad Barre
GM Finance & CFO

Rajesh Rai
Chairman & Managing
Director

Prasad Barre
GM Corporate Finance & CFO
ITI Limited
Regd. & Corporate Office
ITI Bhavan, Dooravaninagar
Bengaluru - 560016

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitrapur Bhavan,
Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

Independent Auditor's Review Report on Review of Standalone Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
ITI Limited
Bengaluru

1. Introduction:

We were engaged to review the accompanying statement of Standalone unaudited financial results ("the Statement") of **ITI Limited** ("the Company") for the quarter and nine months ended December 31, 2025, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. Management Responsibility

This Statement, which is the responsibility of the Company's management and approved by Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3. Auditors Responsibility

Our responsibility is to express a conclusion on the Statement based on our review. However, because of the matters described in "Basis for Disclaimer of conclusion", we were not able to obtain sufficient appropriate evidence to provide a basis of our conclusion on the Statement.

We are independent of the Company in accordance with the ethical requirements in accordance with the requirements of the Code of Ethics issued by ICAI and the ethical requirements as prescribed under the laws and regulations applicable to the Company.



4. Scope of Review

We conducted our review of Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under section 143(10) of the Act. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than audit conducted in accordance with Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit and accordingly, we do not express audit opinion.

5. Basis of Disclaimer of Conclusion

- a. Reference is drawn to the Standalone independent audit report dated June 13, 2025 issued by us, matters described therein in the paragraph 'Basis for Disclaimer of Opinion' section and its continuing effect on the results for the quarter and nine months ended December 31, 2025, are not quantified and effect on the said financial information as furnished by the management are not ascertained.
- b. Based on secretarial audit report for the FY 2024-25 dated August 12, 2025 where in certain observation are made in that report and noted by us, effect on financial results for the period ended June 30, 2025, September 30, 2025 and December 31, 2025 as well as Financial Statements for the year ended March 31, 2025, read with our Audit Report dated June 13, 2025, could not be ascertained.
- c. The Company entered into multiple composite contracts with certain customers for planning, engineering, construction, upgradation, supply, installation, commissioning, testing and annual maintenance, involving substantial amounts. In these cases, the Company has recognized revenue (including unbilled portions) for the supply of goods to customers based on dispatches and for services rendered, wherever completed by it, as at the period end and unbilled portions of revenue recognised based on assessment of work completed and corresponding costs incurred. The Company has not furnished us with the requisite documentation substantiating compliance with the preconditions for recognizing revenue including unbilled portion in terms of Ind AS 115-Revenue from Contracts with Customers and passing of controls to the latter over the goods and services. The Company has also not assessed probable losses which it might incur on account of cost overruns,



liquidated damages, warranty expenses and additional cost to be incurred in the completion of services, requiring recognition. Effect on the Statement not ascertained.

- d. The Company is in the process of assessing certain changes in various terms of certain select contracts involving procurement of goods and services. Pending such exercise, and finalisation of the said matters/ entering into revised contracts/ issuing amendments of purchase orders, effects on costs, incurred or to be incurred in respect of each such contracts/ amendments/ revised purchase orders are not assessed at this stage. Further, the Company has not furnished clear details/ breakups of unbilled payables recorded in the books of accounts. Due to such matters, effect on the statement, if any, could not be ascertained.
- e. The Company has reported various bank balances as at the reporting date; however, direct balance confirmations from the banks were not received in respect of certain banks. We have relied on bank statements and books of accounts furnished to us.
- f. The Company is in the process of updating its books of accounts upto the date of issue of this report. Accordingly, we could not perform subsequent events review and relied on certain management representations.
- g. The Company follows the process of recording interunit transactions which are identified manually, and we have relied on the entries passed in the books of accounts. There are inherent limitations in identifying and tracing such entries in the books of accounts with actual transactions happened during the period. Accordingly, we are unable to independently assess the correctness and completeness of such transactions.
- h. Reference is drawn to note 8 of the Statement where the Company is in the process of assessing the impact of the Code on Wages, 2019 and accordingly no adjustment made in this respect. In absence of the above assessment, we are unable to comment on the effect on Statement for the period ended December 31, 2025.
- i. Reference is drawn to the branch auditors review report issued for the Palakkad unit, Naini unit Raebareli Plant, Mankapur unit and Srinagar unit dated February 11, 2025, February 11, 2025, February 09, 2025, February 11, 2025 and February 09, 2026, respectively, issued by M/s. Balaram and



Nandakumar, Chartered Accountants, Vinay Kumar & Co, Chartered Accountants, M/s Chandnani Singh & Associates, Chartered Accountants, M/s PNG & Co. and M/s USA & Company, Chartered Accountants whose matters described as below and its effect on the results for the quarter and nine months ended December 31, 2025 are not quantified for some of the matters described and effect on the said financial information as furnished by the management not ascertained.

As per the review report issued by M/s Balaram & Nandakumar, Chartered Accountants dated February 11, 2026

- i. Accounts receivable comprise of amounts receivable from various customers, including the Government of India/ Public Sector Undertakings amounting to Rs. 27,167.33 lakhs which is overdue for more than 3 years as of the reporting date. As against these overdue debts, the management has provided for only Rs. 573.07 lakhs as provision for expected credit losses. The Management of the Unit has explained to us that they are in the process of putting up a collection plan for speedy collection of these overdue debts. We are however not in a position to comment as of December 31, 2025 if any further adjustments may be required to the carrying value of these amounts totalling to Rs. 26,594.26 lakhs which predominantly represents overdue debts from the Government of India/ Public Sector Undertakings.
- ii. The Company's inventories include old inventory, and it is in the process of an assessment of the ageing, usefulness, and serviceability of the inventories held at various units to ascertain the quantum of obsolete inventory. Consequently, we are unable to comment on whether the valuation of the inventories is at the lower of cost and net realisable value, which constitutes a departure from the requirements of Ind AS 2. We are also not in a position to determine if any adjustments may be required to the carrying value of inventory as of December 31, 2025.
- iii. The Company's process for identifying suppliers covered by the Micro, Small and Medium Enterprises Development Act of 2006 and the payment of interest in cases of delays in payment appears to be inadequate and unverifiable. As a result, we are unable to verify whether the provision for interest on delayed payments is complete and comment on MSMED Act 2006 compliance.
- iv. We are not in a position to verify the accuracy of the account balances pertaining to "Bank Guarantee, Letter of Credit, Provision for Gratuity, Provision for leave salary, Finance Charges (Corporate Allocation), Other expenses (Corporate Allocation), Retained earnings and inter unit balances as the necessary information / documentation are not with the unit. We understand from the unit accounts team that



the requisite details are available only at the head office level and may thus be verified by the Central Audit Team at the Head Office.

- v. Other current assets include an amount of Rs. 1,809.29 lakhs representing unbilled revenue with regards to certain revenues recognized by the Company upto December 31, 2025. These have not been subsequently billed by the Company to the customers until the date of this report and thus we are not in a position to comment about the possibilities of realizing these amounts from the customers. If such amounts are not received from the customers, the losses of the unit as of December 31, 2025 will increase by Rs 1,809.29 lakhs.
- vi. The unit has entered into certain contracts with customers for planning, engineering, supply, installation, testing, commissioning, and annual maintenance, of optical fibre net. With respect to these contracts the company has recognised revenue at a point of time when the goods are despatched to the customer. For the quarter ended December 31, 2025 and for the nine months period ended December 31, 2025 the total amount of such revenue recognized in the books of account amounts to Rs. 1,940.36 Lakhs and Rs. 3,125.79 Lakhs respectively. Furthermore, the unit has incurred direct cost with respect to some of these contracts and accounted for these costs as Work in-progress inventory. For the quarter ended December 31, 2025, the total amount of Work in progress inventory so accounted amounts to Rs 651 Lakhs. Since these contracts are long term in nature with specific milestone documented in the customer contract, revenue recognition as per Ind As 115 mandates identifying performance obligation and recognising revenue over the period of the contract. As the unit is not in possession of data regarding accounting for the revenue over a period of time as mandated by Ind As 115, we are not in a position to quantify impact of this, on the revenue recognized on the financial results of the unit for the quarter ended December 31, 2025.
- vii. The unit is in process of obtaining confirmation of balances for certain banks for a cumulative amount of Rs. 13.21 Lakhs and certain cash credit accounts amounting to Rs. 992.06 Lakhs. We have relied on the books of account furnished to us in respect of those bank accounts.
- viii. For the quarter and nine-month period ended December 31, 2025, the Installation and Maintenance Expense include an amount of Rs. 308 Lakhs being the direct cost provision made by the management with respect to the Andaman and Nicobar Project. The management has however not produced to us the basis of provision made with respect to these costs. We are thus unable to determine the accuracy of these numbers



accounted for in the financial information for the quarter and nine months period ended December 31, 2025.

As per the review report issued by M/s Vinay Kumar & Co, Chartered Accountants dated February 11, 2025, on Naini Unit.

- i. The Inventory includes Raw Materials; Production and Non-Production Work in Process; Manufactured Components; Finished Goods and Stock Reconciliation Balance relating to old and discontinued business activities valued at cost, but net of provision, at Rs. 1,541.37 lakhs. The said valuation is not in conformity with the accounting policy of the company according to which the valuation to be done at lower of the cost or net realizable value. Provision for the loss in value has been done on estimated basis in many earlier years and is continuing to be the same. The adequacy of the existing provision, in absence of proper assessment of realizable value and possible loss, is not determinable at unit level. The effect of the said loss on the results of the unit under review cannot be determined.
- ii. Finance Cost of Rs. 1,307.94 lakhs include Interest Expense on Cash Credit amounting to Rs. 911.37 lakhs which has been accounted for as per the allocation made by corporate office.
- iii. Provision for proportionate liability for Gratuity, Paid Leave, Sick Leave and Leave Travel Concession have not been made in Unit Accounts under review.

As per the review report issued by M/s PNG & Co, Chartered Accountants, dated February 11, 2026, on Mankapur Unit.

- i. The expenditure debited to the profit and loss account of the units include interest on loans amounting to Rs. 1,350.49 lakhs allocated by the corporate office irrespective of the amount of cash credit actually availed by the unit.
- ii. Inventories with a book value of Rs. 5,210.27 lakhs include several old items stored at various sites and warehouses. However, the Net Realizable Value (NRV) as of December 31, 2025, was not provided. The unit's inventory contains aged items, but no assessment has been conducted to determine their ageing, usefulness, or serviceability, raising concerns about potential obsolescence. Additionally, the unit did not provide physical verification reports, which were reportedly conducted. In the absence of a readily available excess/shortage list, we were unable to verify whether any adjustments were required in the books of account.



- iii. During the review of records at ITI Mankapur, it was observed that the entity defaulted on the payment of employer and employee contributions to the PF Trust, resulting in a total outstanding liability of Rs. 2,652.34 lakhs. Consequently, a late payment interest charge of Rs. 124.43 lakhs was incurred.
- iv. During the review of records at ITI Mankapur, it was observed that the entity defaulted on the payment of PL & Gratuity, resulting in a total outstanding liability of Rs.3,526.72. Consequently, a late interest on the delayed payment of gratuity and privilege leave (PL) amounted to Rs. 205.93 lakhs recorded under exceptional items.

As per the review report issued by M/s Chandnani Singh & Associates, Chartered Accountants, dated February 09, 2026, on RaeBareli Unit.

- i. Finance cost includes corporate allocated expenses amounting to Rs. 854.29 lakhs for nine-month period ending on December 31, 2025, on basis of corporate office advice.
- ii. Unbilled revenue balance is Rs. 147.27 crores as on December 31, 2025, pertains to last years, still unbilled in current year.
- iii. Lease agreement with NIFT has expired in the month of November 2018, and renewal lease agreement has not been entered. Due to non-realization of rent from NIFT huge burden of GST bear by ITI -Rae Bareli Unit on accrual Rent. The Company has intimated that the matter has been referred to the administrative mechanism for resolving the same on priority.
- iv. Inventory is not maintaining on Tally ERP and it is maintaining on Oracle software. Hence process of valuation may not be verified. We cannot comment whether inventories have been valued as per principles laid down in Ind AS 2 on Valuation of inventories and whether provisions thereon are made in accordance with principles laid in Ind AS 37 on Provisions, contingent liabilities and contingent assets
- v. Goods under inspection amounting to Rs. 57.99 lakhs as on December 31, 2025, are still pending for inspection related to previous years.
- vi. Rent Recoverable RS. 28.60 crore is still pending from tenants. Out of these Rs. 16.07 crore pertaining to NIFT Building rent, which is under discussion & consideration with Ministry of Textiles and has been communicated to DOT to resolve this issue.
- vii. Under Revenue Purchase Advance -Inland Rs. 13.11 crore pertains to more than 3 years before and advance Purchase Revenue-Foreign Rs. 3.71 Crore pertains to more than 3 years. Further no provisions made in the books against these advances.

- viii. Raw Material & Production Stores Rs. 11.66 crore obsolete and non-usable inventory, out of which provision made for Rs. 1.26 crore.
- ix. Claim inland in assets side RS. 6.65 Crore balance exists more than 3 years, further no provisions made in the books against these claims.
- x. Short provisions under other deposit Assets Rs. 1.21 Crore.
- xi. Under capital WIP amounting to Rs. 0.11 crore pertaining to separate feeder pending from approx 15 years.
- xii. Long balances pending in some ledgers ;
- Mobile show room stocks balances
- Mobile show room cash balances
- NIFT Bank balances
- Escrow account balances in Bank of Baroda account number 24, 26 and 75.
- xiii. No details provided for shop rent.

6. Disclaimer of Conclusion:

Based on the review conducted and procedures performed and because of the substantive nature and significance of the matters described in "Basis for Disclaimer of conclusion" and based on the consideration of the review reports of other auditors referred to in "Other matters", we have not been able to obtain sufficient appropriate evidence to provide our basis of our conclusion, as to whether the Statement prepared in accordance with applicable Accounting Standards i.e., Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) 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.

7. Material Uncertainty on Going Concern

Reference is drawn to note 14 to the Statement and Company had incurred a net loss of Rs. 23,315 lakhs during the year ended March 31, 2025, and Rs. 14,312 lakhs for the nine months ended December 31, 2025, under review. In spite of events or conditions which may cast a doubt on the ability of the Company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued support of the Government of India, high value of order book under execution with adequate margins, adequate working capital borrowing from banks already sanctioned, conversion of unbilled revenue into billed revenue by completing the contract milestones within next 12 months,

step-up the recovery processes to collect the billed dues as mentioned in the said note. Our conclusion is not modified in respect of this matter. Also, reference is drawn to comments under Standalone Independent Auditor's report issued vide dated June 13, 2025.

8. Emphasis of Matter:

Reference is drawn to the standalone independent auditor's report dated June 30, 2025 issued by us, in respect of matters described in the "Emphasis of Matter" paragraph, audit conclusion is not modified in the said matters.

9. Other Matters:

We did not review the interim financial results of the Palakkad, Raebareli, Naini, Mankapur and Srinagar units included in the Statement, whose results reflect the total net loss of Rs. 16,900 lakhs and total comprehensive loss of Rs. 16,900 lakhs for the nine months ended December 31, 2025, (excluding inter-unit transactions) respectively, as considered in the standalone unaudited interim financial information of the Company. The interim financial information of these units have been reviewed by the unit auditors whose reports have been furnished to us and our conclusion in so far it relates to the amounts and disclosures included in respect of these units, is based solely on the report of such unit auditors and the procedures performed by us as stated in Paragraph 4 above.

10 A copy of the unaudited quarter ended financial results of the Company, which formed the basis of our limited review, duly initialled by us for the purpose of identification is enclosed to this report.

For B K Ramadhyani & Co. LLP
Chartered Accountants
FRN: 002878S/ S200021



Vasuki H S

Vasuki H S
Partner

Membership No: 212013

UDIN: 26212013TVQIYO9083

Place: Bengaluru

Date: February 13, 2026

B K RAMADHYANI & CO. LLP
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