

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/953/NSE&BSE/2026-27

Date: 29.05.2026

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: Outcome of Board Meeting under 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 28th May 2026 approved the Audited Financial Results for the Quarter and Year Ended 31st March 2026

Please find herewith following documents:

1. Audited Consolidated Financial Results for the Quarter and Year Ended 31st March 2026;
2. Consolidated Cash Flow Statement for the Year Ended 31st March 2026;
3. Statutory Auditor's Report on Consolidated Financial Results for the Quarter and Year Ended on 31st March 2026;
4. Impact of Audit Qualification (Consolidated)
5. Audited Standalone Financial Results for the Quarter and Year Ended 31st March 2026;
6. Standalone Cash Flow Statement for the Year Ended 31st March 2026;
7. Statutory Auditor's Report on Standalone Financial Results for the Quarter and Year Ended on 31st March 2026;
8. Impact of Audit Qualification (Standalone)

The Board Meeting commenced on 28th May 2026 at 1.54 P.M. and concluded on 29th May 2026 at 7.45 A.M.

This is for your kind information and records please.

Thanking you

Yours faithfully
For ITI Limited

Y Sathyan
Company Secretary & Compliance Officer



ITI LIMITED
 Reg. & Corporate Office,
 ITI Bhavan, Doorvaninagar, Bengaluru-560016
 Website: www.itilttd.in
 Email Address: "cosecy_crp@itilttd.co.in"
 CIN No: L32202KA1950GOI000640

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31st March 2026

₹ in Lakhs except per share data

SL No	Particulars	Quarter Ended			Year ended	
		31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	Revenue from Operations	62,765	51,465	1,04,570	2,18,372	3,61,642
	Other Income	1,324	1,231	3,533	5,340	8,520
	Total Income	64,089	52,696	1,08,103	2,23,712	3,70,162
2	Expenses					
	(a) Cost of Materials Consumed & Services	5,143	(60,541)	29,416	10,855	1,06,919
	(b) Purchase of stock-in-trade	1,29,293	1,03,313	74,463	1,72,878	2,34,634
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	(85,803)	(42)	(2,196)	172	(2,505)
	(d) Employee benefits expense	13,612	3,879	6,157	14,601	19,185
	(e) Finance costs	8,082	4,764	4,549	19,693	22,430
	(f) Depreciation and amortisation expense	(9,504)	1,101	2,892	5,645	6,920
	(g) Other expenses	11,634	2,322	(452)	15,504	9,398
	Total Expenses	72,457	54,796	1,14,829	2,39,348	3,96,981
3	Profit / (Loss) before exceptional, Prior period and extraordinary items and tax (1 - 2)	(8,368)	(2,101)	(6,726)	(15,636)	(26,819)
4	Prior period Items	-	-	-	-	-
5						
	Profit / (Loss) before exceptional,extraordinary items and tax (3 + 4)	(8,368)	(2,101)	(6,726)	(15,636)	(26,819)
7	Share of Profit of Associate under Equity Method	(22)	26	47	4	1,826
6	Exceptional Items	45,904	(458)	6,241	44,915	3,504
	Profit / (Loss) before extraordinary items and tax (5 + 6)	37,536	(2,559)	(485)	29,279	(23,315)
	Profit / (Loss) before tax (5 + 6 + 7)	37,514	(2,533)	(438)	29,283	(21,489)
8	Extraordinary items	-	-	-	-	-
9	Tax Expense:					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
10	Profit / (Loss) for the period (8 - 9)	37,514	(2,533)	(438)	29,283	(21,489)
11	Other comprehensive Income/(Loss)					
	Items not to be reclassified to Profit or Loss in subsequent period	-	-	-	(849)	(392)
	Other comprehensive Income/(Loss) for the period	-	-	-	(849)	(392)
12	Total comprehensive Income for the period (comprising profit/Loss) and other comprehensive Income for the period (10 + 11)	37,514	(2,533)	(438)	28,434	(21,881)
13	Paid up equity share capital (Face value of ₹10/- each)	96,285	96,285	96,089	96,285	96,089
14	i) Earnings Per Share (before extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	3.90	(0.26)	(0.05)	3.04	(2.24)
	(b) Diluted	3.90	(0.26)	(0.05)	3.04	(2.24)
	ii) Earnings Per Share (after extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	3.90	(0.26)	(0.05)	3.04	(2.24)
	(b) Diluted	3.90	(0.26)	(0.05)	3.04	(2.24)
	See accompanying note to the Financial Results					



NOTES:

1	The above financial results for the year ended March 31, 2026 were reviewed by the Audit Committee on May 28, 2026 and upon its recommendations, were approved by the Board of Directors at their meeting held on 28.05.2026.				
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. Company is in the process of reconciling the land (Freehold/leasehold) record held with the records held by the civil engineering department ('Civil'). An appropriate coding/cross-referencing system is in the process of development to enable proper correlation between records. b. Land Measuring 77 Acres at Palakkad valuing ₹ 6090.31 Lakhs (Carrying Value) have been resumed by the Govt of Kerala and under adjudication of the Apex Court. The value of Land as shown in the Balance Sheet includes the value of Land resumed by the Govt of Kerala pending decision by the Apex court.				
4	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.3,08,435 lakhs.				
5	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 dated February 23, 2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting.				
6	SEBI's requirement of 25% public shareholding requirements are currently under consideration by the Company where in current promoter shareholding in the Company is 90.02% (including holding of Government of Karnataka of 0.03%) and public shareholding at 90.98% (including holding of Special Investment Fund of 7.90%). Ministry of Finance vide notification date July 19,2024 granted extension to comply with the said requirement till August 2026. Company requested DoT regarding manner of achieving the minimum public shareholding of 25% and is currently under consideration.				
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	Finance Cost includes interest on outstanding statutory dues of provident fund and other taxes.				
9	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.				
10	Corresponding Quarter/ year figures have been regrouped/restated wherever necessary to conform with the current year's classification.				
11	The Company has signed a contract on October,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. For Proof of Concept [PoC] activities, test bed has been setup for at Army Headquarter 5 signal premises of Indian Army. ITI and OEM teams are assisting Army team in PoC process. The PoC is in process and is expected to be completed by December, 31 2026.				
12	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.				
13	During the year, the Company sold a portion of its land and building measuring 21 acres for an aggregate consideration of Rs. 91,431 lakhs. Pursuant to the sale agreement entered into with the Central Tax Department and the requisite approvals received from the Ministry of Finance and the Department of Public Enterprises dated March.18,2025, the Company requested handed over possession of the said property to the Central Tax Department.the Company has recognised a profit on sale of assets amounting to Rs.83,219.21 lakhs, disclosed under "Exceptional Items" in the Statement of Consolidated Financial Results. As at March 31, 2026, the Company had received Rs.88,419.98 lakhs against the sale consideration.The Company believes that the transfer of control of the said portion of land and building has been effected in accordance with IND AS 115 ,Revenue from Contracts with Customers.				
14	The Company, pursuant to the approval of the Board of Directors at its meeting held on May 28,2026, identified certain long-outstanding debtors for write-off amounting to Rs. 30.167.57 lakhs. The same has been disclosed under "Exceptional Items" in the Statement of Profit and Loss.				
15	Following are the list of Exceptional Items				
	Exceptional Items				
	Particulars	Amount in lakhs			
	Bad debts written off	-30,167.57			
	Provision for bad & doubtful debts	-1,440.55			
	Provision for Stock	-2,656.59			
	Profit on sales of Assets	83,219.21			
	Liquidity Damages	-3,883.50			
	Creditors Write off	442.54			
	Interest on Gratuity & PL	-856.34			
	Grant in aid capital- Neft Building	329.10			
	Interest on GST TDS	-40.08			
	Interest on IT TDS	-30.75			
	Total	44,915.48			

16	The asset monetisation department of the Company has approved disposal of identified portion of surplus land pertaining to Land parcel D and E covering 10.275 acres and 44.032 acres respectively the same as been approved by the board on 28.05.2026 and are confirmed the disposal of such land by March 31, 2027. Accordingly the Company has classified the said portion of land as non current asset held for sale in accordance INDAS 105 Non Current asset held for sale.																																										
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18	<table border="1"> <thead> <tr> <th></th> <th>₹ in Lakhs</th> <th>₹ in Lakhs</th> </tr> <tr> <th></th> <th>Quarter end</th> <th>Year ended</th> </tr> <tr> <th></th> <th>31-03-2026</th> <th>31-03-2026</th> </tr> </thead> <tbody> <tr> <td>EPS calculation:</td> <td></td> <td></td> </tr> <tr> <td>Profit After Tax</td> <td>37,514</td> <td>29,283</td> </tr> <tr> <td>Less:</td> <td></td> <td></td> </tr> <tr> <td> Preference Dividend</td> <td>-</td> <td>-</td> </tr> <tr> <td> Dividend tax</td> <td>-</td> <td>-</td> </tr> <tr> <td>Profit available to equity shareholders</td> <td>37,514</td> <td>29,283</td> </tr> <tr> <td>No. of Shares at beginning of the period</td> <td>962851967</td> <td>960886938</td> </tr> <tr> <td>No. of Shares issued during the period.</td> <td>0</td> <td>1965029</td> </tr> <tr> <td>No. of Shares at the end of the period.</td> <td>962851967</td> <td>962851967</td> </tr> <tr> <td>Weighted average no of shares during the period</td> <td>962851967</td> <td>962851967</td> </tr> <tr> <td>Earning per equity share (for continuing operation): Basic & Diluted(in ₹)</td> <td>3.90</td> <td>3.04</td> </tr> </tbody> </table>		₹ in Lakhs	₹ in Lakhs		Quarter end	Year ended		31-03-2026	31-03-2026	EPS calculation:			Profit After Tax	37,514	29,283	Less:			Preference Dividend	-	-	Dividend tax	-	-	Profit available to equity shareholders	37,514	29,283	No. of Shares at beginning of the period	962851967	960886938	No. of Shares issued during the period.	0	1965029	No. of Shares at the end of the period.	962851967	962851967	Weighted average no of shares during the period	962851967	962851967	Earning per equity share (for continuing operation): Basic & Diluted(in ₹)	3.90	3.04
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19	The above results are available at www.itilttd.in and website of stock exchanges at www.bseindia.com and www.nseindia.com .																																										

Particulars	Quarter ended 31-03-2026
INVESTOR COMPLAINTS:	
Pending at the beginning of the quarter	Nil
Received during the quarter	-
Disposed of during the quarter	-
Remaining unresolved at the end of the quarter	Nil

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 : 29.05.2026

C V Ramana Babu
Director Finance & CFO
DIN: 10478320

Rajesh Rai
Chairman & Managing Director
DIN: 10052045



Statement of Consolidated Assets and Liabilities

₹ in Lakhs

Particulars	As at	As at
	31/03/2026	31/03/2025
	Audited	Audited
I. ASSETS		
(1) Non-current assets		
(a) Property, Plant & Equipment	2,11,889	2,45,648
(b) Capital work-in-progress	1,561	1,852
(c) Investment Property	25,104	25,333
(d) Goodwill		
(e) Other Intangible assets		
(f) Intangible assets under development		
(g) Biological Assets other than bearer plants		
(h) Financial Assets		
(i) Investments	5,359	5,355
(ii) Trade receivables	8,486	11,040
(iii) Loans	-	-
(iv) Others	3,185	3,058
(i) Deferred Tax Assets (net)		
(j) Other non current assets	3,041	4,681
(2) Current assets		
(a) Inventories	20,571	23,097
(b) Financial Assets		
(i) Investments		
(ii) Trade receivables	2,90,568	3,99,537
(iii) Cash and cash equivalents	2,440	14,877
(iv) Bank Balances other than (iii) above	32,636	27,344
(v) Loans	41,997	45,809
(vii) Others	2,30,680	1,93,116
(c) Current Tax Assets (Net)	9,280	1,480
(d) Other current assets	27,006	40,002
(e) Non current asset classified as held for sale	20,849	-
TOTAL	9,34,653	10,42,230
II. EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	96,285	96,089
(b) Other Equity	94,278	66,369
LIABILITIES		
(1) Non-Current Liabilities		
(a) Government Grants Unutilised	4,496	4,496
(b) Financial Liabilities		
(i) Borrowings	5	6,005
(i)a) Lease Liabilities		14
(ii) Trade Payables		
(A) Total outstanding dues of Micro Enterprises & Small Enterprises, and		927
(B) Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	5,959	7,054
(iii) Others	4,559	6,547
(c) Provisions	2,918	4,035
(d) Deferred Tax Liabilities		
(e) Other Non current Liabilities		

Particulars	As at	As at
	31/03/2025	31/03/2024
	Audited	Audited
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	76,494	1,42,072
(ii) Trade Payables		
(A) Total outstanding dues of Micro Enterprises & Small Enterprises, and	3,472	1,866
(B) Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	2,85,602	3,41,361
(iii) Others	1,34,222	1,29,768
(b) Other current liabilities	2,14,648	2,20,716
(c) Provisions	11,715	14,911
(d) Current Tax Liabilities		
TOTAL	9,34,653	10,42,230

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 : 29.05.2026

C V Ramana Babu

Director Finance & CFO

DIN: 10478320

Rajesh Rai

Chairman & Managing Director

DIN: 10052045

ITI LIMITED
CIN : L32202KA1950GOI000640
Consolidated Cash Flow Statement for the year ended March 31, 2026

₹ in Lakhs

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Net profit before taxation, and extraordinary item		29,284		-21,489
Adjustments for :				
Interest income	-1,372		-2,724	
Withdrawal from grant in aid	-329			
Profit on sale of assets	-83,219		-12,129	
Provision	-4,312		-2,637	
Depreciation	5,645		6,920	
IndAS adjustment	-849		-392	
Interest expense	19,693		22,430	
Write back of Creditors	-443			
Bad debts written off	39,075		-81	
		-26,111		11,387
Operating profit before working capital changes		3,173		-10,102
(Increase)/ decrease in sundry debtors	72,448		-1,52,955	
(Increase)/decrease in inventories	2,527		-919	
(Increase)/ decrease in other current assets	-24,535		19,333	
Increase/(decrease) in sundry creditors	-55,732		1,65,180	
Increase/ (decrease) in other current liabilities	-3,616		-34,068	
Cash generated from operations		-8,908		-3,429
Taxes paid/(Refund)		7,801	-	
Net cash from operating activities after income tax		-13,536		-13,531
Cash flows from investing activities				
Purchase of fixed assets	-428		-1,587	
Proceeds from sale of fixed assets	91,431		21,387	
Interest received	1,372		2,724	
Investment made	-4		42,579	
Net cash from investing activities		92,371		65,103
Cash flows from financing activities				
Proceeds from issuance of share capital			5,900	
Proceeds from long-term borrowings			-31,992	
Repayment of short-term borrowings (net)	-71,579			
Interest paid	-19,693		-22,430	
Net cash from financing activities		-91,272		-48,522
Net increase in cash and cash equivalents		-12,436		3,050
Cash and cash equivalents at beginning of period		14,876		11,827
Cash and cash equivalents at end of period		2,440		14,877

Note: The accounting policies & accompanying notes form part of the financial statements

As per our report of even date

For: B.K.Ramadhyan & Co.LLP

Chartered Accountants

Firm Reg No.:002878S/S200021

For & on Behalf of Board of Directors

Vasuki H S

Partner

M.No.212013

C V Ramana Babu
Director Finance & CFO
DIN:10478320

Rajesh Rai
Chairman & Managing Director
DIN:10052045

Place: Bengaluru

Date : May 29, 2026

To,

Independent Auditor's Report to the Board of Directors of ITI Limited

Report on the audit of the Consolidated Financial Results of ITI Limited

Disclaimer of Opinion

We have audited the accompanying annual summarized consolidated financial results of ITI Limited (hereinafter referred to as the "Company") for the year ended March 31, 2026, ('Consolidated Financial Results') attached herewith, being submitted by it pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

The aforesaid Consolidated Financial Results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations and
- b. We do not express an opinion on the accompanying Consolidated Financial Results of the Company. Because of the significance of the matters described in the 'Basis for Disclaimer of Opinion' section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Results.

Basis for Disclaimer of Opinion

1. The Consolidated Financial Statements (CFS) of the Company for the year ended March 31, 2025, as approved by the Board of Directors on May 27, 2025, was reported upon by us vide our audit report issued on June 13, 2025. Vide this report, we had issued a Disclaimer of Opinion on the said CFS due to the significance of the matters described in the 'Basis for disclaimer of opinion' section of the said report and our inability to quantify/ascertain the impact of matters covered therein on the CFS for the said financial year. Those comments and observations may continue to impact the Consolidated Financial Results for the current year ended March 31, 2026 and Consolidated Financial statements as at March 31, 2026.
2. The Company did not have adequate internal financial controls with reference to its financial statements as required by section 134 of the Companies Act, 2013 (the 'Act'), which may in turn result in errors and misstatements therein which may remain undetected and have a material impact thereof. This includes non-establishment of a sound information systems security policy and general controls inter alia with adequate controls, safeguards and oversight over access, use of passwords, change management, modifications/edits made to data through the application or to the database/backend changes, with adequate audit trails and periodical reviews of the same.

B.K. Ramadhyan & Co LLP

3. The Company has recognized the sale of a portion of its land and its old buildings at Krishnaraja Puram Bangalore to Central Taxes, department (GST), Government of India (GoI) at an agreed consideration of Rs. 91,431 lakhs and the consequent profit on sale thereof amounting to Rs. 83,219.21 lakhs, pursuant to an agreement to sell dated March 26, 2026, and approvals from Department of Telecommunications, Government of India for the sale. Pending receipt of balance consideration of Rs. 3,014 lakhs, pending execution of sale deed in favor of the buyer, pending (possession from the Central Tax department pending as at March 31, 2026) and bank release mortgage deed not received by the Company as at the year end, consequent transfer of control over the said property to the latter was not satisfied and accordingly the derecognition criteria laid down in IndAS-16 'Property, Plant and Equipment' ('PPE') was not satisfied. Had the Company not recognized the said sale, 'Non - Current Assets held for sale' would have reflected a balance of Rs. 28,861.08 lakhs, 'Other current assets' would have been lower Rs. 3,011.02 lakhs, 'Loss for the year' and 'Total comprehensive income (loss)' would have been more by Rs. 83,219.21 lakhs, Current Liabilities would have been more by Rs. 88,419.98 lakhs, debit balance in Profit and Loss account would have been more by Rs. 88,419.98 lakhs, 'Earnings per share' would be lower at Rs. (8.65) as against the reported amount of Rs. 3.04.
4. We had in paragraph 4 under the head 'Basis for Disclaimer of Opinion' vide our report dated June 13, 2025, on the Consolidated Financial Statements for the financial year ended March 31, 2025, reported certain assets though put to use in prior years and not capitalized as Property Plant and Equipments (PPE)/Investment Property('IP').

Further Company did not comprehensively identify all adjustments relating to prior years/periods during the financial years ended March 31, 2026 and March 31, 2025. During the year Company has made certain write off adjustments of identified old receivables/inventories amounting to Rs. 44,915.48 lakhs which is disclosed as exceptional items in the Statement of Profit and Loss. Consequently, we are unable to ascertain the impact of all the adjustments to be made in terms of 'Prior period errors' within the meaning of Ind AS 8 - Accounting Policies, Changes in Accounting estimates and Errors'.

The Company ought to have restated its prior years figures effecting its assets & liabilities as at March 31, 2025 and income & expenses for the year ended March 31, 2025 and opening balance sheet including equity as at April 1, 2024. Pending such comprehensive identification and want of full information, we are unable to quantify the impact/consequent disclosures on the above said periods and its impact on earnings per share for March 31, 2026 and March 31, 2025.
5. The Company is in the process of reconciling the value of land as per the asset register with the respective title deeds/ documents across various locations of the Company. Company has an independent list of land owned at various locations, wherein the respective title deeds are being correlated to the records maintained by civil engineering department. We have relied on the documents furnished for verification of title deeds and do not express any independent opinion on the same. Further, the auditors of Naini (M/s Vinay Kumar & Co), Palakkad (M/s Balaram & Nandakumar) and the auditors of Rae Bareli (M/s Chandnani Singh & Associates) units have commented on the limitations in respect of title deeds of the units. Land measuring 77 Acres at Palakkad valuing Rs. 6,090.31 lakhs (carrying value) have been resumed by the

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Govt of Kerala and is under adjudication of the Apex Court. The value of Land as shown in the Financial Statements includes such land resumed by the Govt of Kerala pending decision by the Apex court.

6. Fixed asset records (FAR) maintained in excel sheets are with inadequate description and location of assets, which in turn may impact the rate of depreciation to be applied and the consequent written down value of assets. The FAR is not updated for land held by the Company including revaluation amounts. Management has not assessed assets which are unserviceable/ not in working condition and has not recognized any provision for diminution in value with respect to such assets. The Company has not made available records in support of physical verification of PPE/IP carried. In the absence of such comprehensive data in FAR, documentation in support of physical verification carried out and adjustment of discrepancies, if any arising from reconciliation of the same with book records and non-identification of assets which are unserviceable/ not in working condition, we are unable to comment on compliance with IndAS-16 'Property, Plant and Equipment' and Ind AS 40 – Investment Property.
7. Requisite details of certain land and buildings owned by the Company/taken on lease (sale/lease deed, location, purpose for which property is put to use, categorization between PPE and IP, whether any amortization of the same is required, income derived therefrom, etc.) were not furnished to us. The written down value of such assets as at March 31, 2026, aggregated to Rs. 18,438.55 lakhs. The Company has recognized income during the year and prior years for which either there were no rental agreements or agreements had expired pending renewal. The Company has not furnished required disclosures as per IndAS 40- Investment Property including the fair values (FV) of its IPs, the basis of determining its FV, rental income derived from such properties and direct operating expenses (including repairs and maintenance) arising from IP that generated rental income during the year etc. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Consolidated Financial Results.
8. In terms of the 'Material Accounting Policies', the Company has not provided any documentation in support of the evaluation carried out to test for impairment of assets in compliance with IndAS 36 'Impairment of Assets'. Accordingly, we are unable to satisfy ourselves whether any provision for impairment of assets is required to be recognized in these Consolidated Financial Results.
9. Unrealized gains/losses on laptops produced by the Palakkad unit of the Company and transferred to other units for captive use have not been assessed and eliminated. In the absence of sufficient appropriate audit evidence, effect on Consolidated Financial Results could not be ascertained.
10. Internally developed software by a unit of the Company for captive use has not been evaluated for recognition in terms of Ind AS 38- Intangible Assets' and measured, if required. In the absence of sufficient appropriate audit evidence, effect on Consolidated Financial Results could not be ascertained.

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11. The Company has not identified lease contracts entered into by it as a lessee/lessor within the meaning of IndAS 116 – Leases and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein, contrary to accounting policy but has expensed off/recognized as income in the Statement of Profit and Loss as per contractual terms. Security deposits paid/received thereon have not been recognized in the Statement of Profit and Loss in accordance with Ind AS 109 – Financial Instruments. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Consolidated Financial Results.
12. The Company did not have a system of appropriating payments received against specific bills raised and only maintains a running account of bills raised and payments received. Consequently, the Company has furnished, based on excel workings, age-wise data in respect of trade receivables as mandated by schedule III, part II to the Act. We could not independently validate the ageing data so furnished with the books of account. The Company did not furnish bill wise breakup for certain trade receivables. Further, the Company did not obtain confirmation of balances / statements of account for its trade receivables. The Company has not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 - Financial Instruments' and has not furnished the requisite disclosures required in respect thereof. The Company did not furnish us requisite analysis/breakup of unbilled revenue of Rs 2,24,111.29 lakhs identifying the milestones to be achieved before the same can be billed, the further costs yet to be incurred to achieve such milestones and the estimate of likely costs of rework/modifications that are to be incurred in the process of achieving certification from its customers. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Consolidated Financial Results.
13. The Company has several old balances in various receivable accounts in the nature of deposits, claims recoverable and other receivables(both current/non-current) including certain receivables which are disputed amounting to Rs. 3589.05 lakhs (after write off of Rs. 3426.06 lakhs during the year), which are long outstanding and with no adequate supporting. The Company has also not obtained confirmation of balances/ statements of account/ reconciliation with books of accounts/ not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 - 'Financial Instruments'. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Consolidated Financial Results.
14. The Company had received soft loan from the Government of India in the financial year 2014-15 of Rs. 30,000 lakhs carrying interest at the rate of 1%. This loan was not recognized at fair value after considering the market borrowing rate. The Company has not identified financial assets and financial liabilities within the meaning of IndAS 109 and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Consolidated Financial Results.
15. The Company did not carry out physical verification of inventory at all locations, in the absence of which excess/shortages as compared to book records were not assessed. Inventories with book value of Rs. 20,570.75 lakhs (after certain adjustments-write down of inventories amounting to Rs. 2,656.59 lakhs during the current year), lying in the various sites/outside

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locations/stores for which assessment of net realizable value as at March 31, 2026, was not made available. The Company's inventories include old and non-moving items and has not carried out any ageing, usefulness and serviceability assessment to ascertain obsolete inventories, if any. List of inventories was not furnished to confirm its bifurcation into raw materials, components, stores, work in process, manufactured components, finished goods, material in transit and goods pending inspection along with requisite quantitative stock reconciliation statements. We could not independently validate the stock records with valuation made by the Company with supporting documents. We have not been able to independently verify and ensure compliance with IndAS 2- Inventories.

16. In the absence of complete details/nature and ageing of each amounts payable, reasons for their pendency, reasons for non-claim by parties where applicable, confirmations/statements of account/reconciliations prepared of certain liabilities (both current/non-current) and advances received from customers of Rs. 1,71,363.65 lakhs, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy. The data regarding ageing of trade payables and other liabilities is as furnished by the management and in absence of bill-wise breakup, we are unable to independently validate the same.
17. Disclosure of information pertaining to dues to micro and small enterprises in terms of the Micro, Small and Medium Enterprises Development Act, 2006 and pending identification of such vendors and its account balances, seeking confirmation of balances/reconciliation of transactions entered along with and consequential non-provision for interest, if any, in terms of section 23 of the said act, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy.
18. The Company has not carried-out any fair valuation assessment in terms of the IndAS 109 'Financial Instruments' in respect of its financial assets and liabilities which are receivable/payable beyond a period of 12 months from the date of initial recognition (examples: certain employee receivables, retention money payable, security deposits accepted/paid, etc.) for the purposes of determination of amortized costs and amortization/recognition of expenses/income of the differential between amortized cost and contractual amounts payable/receivable.
19. The Company's contribution to ITI Employees Provident Fund Trust ('PF Trust') as detailed in its Material Accounting Policies has been considered as a defined contribution plan and not as a defined benefit plan, both for the current and prior years. Accordingly, the liability to the trust ought to have been evaluated actuarially and recognized rather than at 12% of the eligible salaries to be made over during the year. The Company is in the process of reconciling with the PF Trust books including the contributions made by it, shortfall between the income received by the PF Trust and interest expense recognized based on the rate of interest declared by the Provident Fund Commissioner, Government of India for the year or prior years and closing balances as at the year end. Consequent disclosures required in terms of IndAS 19 – Employee Benefits have not been furnished.
20. The Company has not reconciled its books of accounts with its GST returns (GSTR-1/3B/2A/2B/6/7/7A/9&9C) and various forms as applicable filed/to be filed across all its registrations (includes turnover, exempt turnover, taxes payable, input tax credit

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available/availed and tax deducted at source). Several cross charges between the units of the Company with different registrations taken by the Company also could not be validated in terms of the GST law. The Company has not segregated the goods and service portions of the advances received based on respective contracts and remitted GST liability on the service portion of the same. Pending such bifurcation, we are unable to ascertain the quantum of GST liability on advances payable and required provision along for interest payable. The company has not ascertained comprehensively the reversal of GST input and interest thereon on account of non-payment of vendors before 180 days and on adjustments made for obsolescence of inventories. Reconciliation for the current year between its books of account and returns for each registration has also not been furnished to us. Company has also not assessed any interest / penalty payable, if any, for all the non-compliances identified by it or by the GST authorities during the year as well as prior years.

21. The Company has not reconciled the entries in forms 26AS, TIS and AIS in the Income Tax portal website with its books of account for the current and prior years. The Company has not disclosed the TDS/ TCS receivables appropriately in terms of Schedule III of the Act.
22. The Company has reported to the extent ascertained its contingent liabilities/legal/arbitration/other cases against the Company and capital commitments. In the absence of full and comprehensive list across all divisions/units/ROs/Corporate office of the Company with testing of the probability of the liability devolving supported with appropriate legal advice wherever required, we are unable to ascertain the completeness/accuracy of the values reported in the said note and any provisions that may be required to be recognized in this respect.
23. The Company has not identified warranty obligations as a distinct performance obligation within the meaning of IndAS 115 – ‘Revenue from contracts with customers’ but recognizes the same as and when obligations arise on the plea that it generally has a back-to-back claims against its vendors. The company has not provided us with the requisite documentation indicating such rights in each contract entered into by it.
24. 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.
25. a. 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 year 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

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be incurred in the completion of services, requiring recognition.

- b. 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 finalization 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 Consolidated Financial Results, if any, could not be ascertained.
 - c. Attention is invited to foot note of Note 11 of the Consolidated Financial Results where in the Company has enumerated the status of a contract with Ministry of Defense, Government of India, for supply and establishment of Army Static Switched Communication Network (ASCON) at an agreed consideration. In terms of the said contract, the Company was to mandatorily demonstrate its complete solution to bring out its capabilities vis-à-vis the requirements of the customer, which would be evaluated by the latter and form an essential part of the test bed evaluation process. We were informed for the reasons stated in the said note that the test best approval was awaited as at March 31, 2026, which is expected upon completion of certain activities as detailed therein. The Company has proceeded with part execution of the contract pending test bed final approval and in the opinion of the management of the Company is not impacting the revenue already recognized up to March 31, 2026, to an aggregate extent of Rs. 1,92,094.93 lakhs.
26. 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.
 27. 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 year. Further the Company is also in process of reconciling the inter unit transactions pending reconciliation, an amount of Rs. 1,748.64 lakhs has been adjusted in Statement of Audited Financial Results under the head 'Cost of material consumed' of the Consolidated Financial Results. Accordingly, we are unable to independently assess the correctness and completeness of such transactions.
 28. The Company has reported certain non-compliances with various provisions of the SEBI Listing Regulations/the Act inter alia in respect of quorum for board meetings, non-compliance with the constitution of audit and risk management committees, specified proportion/ number of independent directors. Consequential non compliance of such provisions and its effect on Consolidated Financial Results is not known including non-provision for penalty and interest liability there on.
 29. Reference is drawn to observation '29' of our audit report issued on June 13, 2025 in respect of CFS as of March 31, 2025, regarding certain old balances carried forward in various assets

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and liabilities, where in management has not furnished us the composition of such balances and requisite records in support thereof.

30. Reference is drawn to Note 16 of Consolidated Financial results where in the Company has classified certain items as Exceptional Items which are not in accordance with the IndAS 1 Presentation of Financial Statements. In the absence of adequate information and documentation we are unable to comment on the correctness of the amounts reported therein.
31. Company has not furnished adequate details/reconciliation regarding the classification of current and non current portions of employee benefits which includes gratuity, LTC and earned leave liabilities across all units, regional offices and corporate office as per actuary and the books of accounts. Accordingly we are unable to comment on the correctness of the provisions reported there under including the charge to the Consolidated Results for the year ended March 31, 2026 (including those reported under 'Other Comprehensive Income').

As per the Audit report issued by Balaram and Nandakumar, Chartered Accountants dated May 26, 2026 for Palakkad Unit of the Company.

The Company has included an amount of ₹2.54 lakhs as unreconciled Bank Reconciliation Statement receipts under current liabilities. In the absence of adequate reconciliation and supporting documentation, we were unable to determine the correctness and consequential impact of the same on the financial statements.

Common to all matters dealt with above:

We are unable to obtain sufficient appropriate audit evidence to form an opinion on the CFS due to the potential interaction of the multiple/undetected misstatements, if any, contained therein and assessment of their possible individual and cumulative effect thereof, which may be material and pervasive, and accordingly forms the basis for the disclaimer of opinion.

Material Uncertainty for continuing as a Going Concern.

The Company reported net profit after tax of Rs. 29,283 lakhs during the year ended March 31, 2026 and its current liabilities as at year end being more than its current assets as reflected in the Consolidated Financial Results and such gap likely to increase in the wake of our qualifications outlined in the foregoing paragraphs under the heading 'Basis for Disclaimer of Opinion' may cast a doubt on the ability of the Company to continue as a going concern. Reference is drawn to note 12 of the Consolidated Financial Results where in the management is of the opinion that going concern basis of accounting is appropriate in view of the factors outlined in the said note. The appropriateness of the going concern is subject to successful attainment of the plans of the Company as detailed in the said note. Our opinion is not modified in respect of this matter.

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Management's and Board of Directors' Responsibilities for the Consolidated Financial Results

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the net profit/ loss and other financial information, the Statement of Assets and Liabilities and the Statement of Cash Flow in accordance with the recognition and measurement principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021, issued there under and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for 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 Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Results, management and 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Consolidated Financial Results in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis of Disclaimer of the opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion of Consolidated Financial Results.

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.

Other Matters

- a. We did not audit the financial statements of the Mankapur, Raebareli, Srinagar, Naini & Palakkad Units included in the consolidated financial results of the Company, whose financial statements reflect total assets of Rs. 2,56,946.33 lakhs, total income of Rs. 33,792.97 lakhs and total loss of Rs. 50,567.08 lakhs for the year ended March 31, 2026, (excluding inter-unit balances and transactions). The financial statements of these units have been audited by units' auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these units is solely on the reports of such units auditors. Our opinion is not modified in respect of these matters.

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- b. The Consolidated financial results include the results for the quarter ended March 31, 2026, being the derived figures between the audited figures in respect of the entire financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were reviewed by us.
- c. We did not audit the financial statements of the associate (India Satcom Private Limited) considered in preparation of this statement, which constitute share of profit for the year ended March 31, 2026 Rs. 4 lakhs. The audited financial results and other financial information in respect of an associate is based on management certification and our opinion on the result, to the extent they have been derived from such financial result is solely on the basis of the said Management certification.

Our opinion is not modified in respect of these matters.

For B.K.RAMADHYANI & CO LLP

Chartered Accountants

Firm Registration No. 002878S/S200021

(CA Vasuki H S)

Partner

Membership No. 212013

UDIN: 26212013VGEFWC6805

Place: Bengaluru

Date: May 29, 2026

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 03.2026 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs in lakhs	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	2,23,712.19	Not ascertainable (*)
	2.	Total Expenditure	2,39,348.12	Not ascertainable (*)
	3.	Net Profit/(Loss)	29,283	Not ascertainable (*)
	4.	Earnings Per Share	3.044	Not ascertainable (*)
	5.	Total Assets	19,20,183.81	Not ascertainable (*)
	6.	Total Liabilities	17,29,662.06	Not ascertainable (*)
	7.	Net Worth	1,85,203.66	Not ascertainable (*)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	Not ascertainable (*)
<i>Refer our audit report in terms of regulation 33 on the Consolidated Financial Results – Disclaimer of Opinion Paragraph</i>				
1	<u>Audit Qualification (each audit qualification separately):</u>			
	<p>a. Details of Audit Qualification: The Consolidated Financial Statements of the Company for the year ended March 31, 2026, as approved by the Board of Directors on May 28, 2026, was reported upon by us vide our audit report issued on May 28, 2026. Vide this report, we had issued a Disclaimer of Opinion on the said Financial Statements due to the significance of the matters described in the 'Basis for disclaimer of opinion' section of the said report and our inability to quantify/ascertain the impact of matters covered therein on the Financial Statements for the said financial year. Those comments and observations may continue to impact on the Standalone Financial Results and Financial statements for the current year.</p>			
	b. Type of Audit Qualification : Disclaimer of Opinion			
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			

	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2	<u>Audit Qualification (each audit qualification separately):</u>
	<p>b. Details of Audit Qualification:</p> <p>The Company did not have adequate internal financial controls with reference to its financial statements as required by section 134 of the Companies Act, 2013, which may in turn result in errors and misstatements therein which may remain undetected and have a material impact thereof. This includes non-establishment of a sound information systems security policy and general controls interalia with adequate controls, safeguards and oversight over access, use of passwords, change management, modifications/edits made to data through the application or to the database/backend changes, with adequate audit trails and periodical reviews of the same.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(iii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
3	<u>Audit Qualification (each audit qualification separately):</u>
	<p>c. Details of Audit Qualification:</p> <p>The Company has recognized the sale of a portion of its land and its old buildings at Krishnaraja Puram Bangalore to Central Taxes, department (GST), Government of India (GoI) at an agreed consideration of Rs. 91,431 lakhs and the consequent profit on sale thereof amounting to Rs. 83,219.21 lakhs, pursuant to an agreement to sell dated March 26, 2026, and approvals from Department of Telecommunications, Government of India for the sale. Pending receipt of balance consideration of Rs. 3,014 lakhs, pending execution of sale deed in favor of the buyer, pending (possession from the Central Tax department pending as at March 31, 2026) and bank release mortgage deed not received by the Company as at the year end, consequent transfer of control over the said property to the</p>

	latter was not satisfied and accordingly the derecognition criteria laid down in IndAS-16 'Property, Plant and Equipment' ('PPE') was not satisfied. Had the Company not recognized the said sale, 'Non - Current Assets held for sale' would have reflected a balance of Rs. 8,011.79 lakhs, 'Other current assets' would have been lower Rs. 3,011.02 lakhs, 'Loss for the year' and 'Total comprehensive income (loss)' would have been more by Rs. 83219.21 lakhs, Current Liabilities would have been more by Rs. 88419.98 lakhs, debit balance in Profit and Loss account would have been more by Rs. 88419.98 lakhs, 'Earnings per share' would be lower at Rs. (8.65) as against the reported amount of Rs. 3.04.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Do not agree with Management

4	<u>Audit Qualification (each audit qualification separately):</u>
	<p>d. Details of Audit Qualification:</p> <p>We had in paragraph 4 under the head 'Basis for Disclaimer of Opinion' vide our report dated June 13, 2025, on the standalone financial statements for the financial year ended March 31, 2025, reported certain assets though put to use in prior years and not capitalized as Property Plant and Equipment (PPE)/Investment Property('IP').</p> <p>Further Company did not comprehensively identify all adjustments relating to prior years/periods during the financial years ended March 31, 2026 and March 31, 2025. During the year Company has made certain write off adjustments of identified old receivables/inventories amounting to Rs. 44,915.48 lakhs which is disclosed as exceptional items in the Statement of Profit and Loss. Consequently we are unable to ascertain the impact of all the adjustments to be made in terms of 'Prior period errors' within the meaning of Ind AS 8 - Accounting Policies, Changes in Accounting estimates and Errors'.</p> <p>The Company ought to have restated its prior years figures effecting its assets & liabilities as at March 31, 2025 and income & expenses for the year ended March 31, 2025 and opening balance sheet including equity as at April 1, 2024. Pending such comprehensive identification and want of full information, we are unable to quantify the impact/consequent disclosures on the above said periods and its impact on earnings per share for March 31, 2026 and March 31, 2025.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing First Time

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
5	<u>Audit Qualification (each audit qualification separately):</u>
	e. Details of Audit Qualification: The Company is in the process of reconciling the value of land as per the asset register with the respective title deeds/ documents across various locations of the Company. Company has an independent list of land owned at various locations, wherein the respective title deeds are being corelated to the records maintained by civil engineering department. We have relied on the documents furnished for verification of title deeds and do not express an independent opinion on the same. Further, the auditors of Naini and Palakkad units have commented on the limitations in respect of title deeds of the units(Vinay Kumar & Co and Balaram & Nandakumar).
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
6	<u>Audit Qualification (each audit qualification separately):</u>
	f. Details of Audit Qualification: Fixed asset records (FAR) maintained in excel sheets have inadequate description and location of assets, which in turn may impact the rate of depreciation to be applied and the consequent written down value of assets. The FAR is not updated for land held by the Company in Bangalore Plant Unit including revaluation amounts. Management has not assessed assets which are unserviceable / not in working condition and has not recognized any provision for diminution in value with respect to such assets. The

	Company has not made available records in support of physical verification of PPE carried. In the absence of such comprehensive data in FAR, documentation in support of physical verification carried out and adjustment of discrepancies, if any arising from reconciliation of the same with book records and non-identification of assets which are unserviceable / not in working condition, we are unable to comment on compliance with IndAS-16 'Property, Plant and Equipment' and IndAS 40 - Investment Property.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

7	<u>Audit Qualification (each audit qualification separately):</u>
	g. Details of Audit Qualification: Requisite details of certain land and buildings owned by the Company/taken on lease (sale/lease deed, location, purpose for which property is put to use, categorization between PPE and IP, whether any amortization of the same is required, income derived therefrom, etc.) were not furnished to us. The written down value of such assets as at March 31, 2026, aggregated to Rs. 18,438.55 lakhs. The Company has recognized income during the year and prior years for which either there were no rental agreements or agreements had expired pending renewal. The Company has not furnished required disclosures as per IndAS 40- Investment Property including the fair values (FV) of its IPs, the basis of determining its FV, rental income derived from such properties and direct operating expenses (including repairs and maintenance) arising from IP that generated rental income during the year etc. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Consolidated Financial Results.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:

	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

8	<u>Audit Qualification (each audit qualification separately):</u>
	<p>h. Details of Audit Qualification: In terms of the 'Material Accounting Policies', the Company has not provided any documentation in support of the evaluation carried out to test for impairment of assets in compliance with IndAS 36 'Impairment of Assets'. Accordingly, we are unable to satisfy ourselves whether any provision for impairment of assets is required to be recognized in these Consolidated Financial Results.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
9	<u>Audit Qualification (each audit qualification separately):</u>
	<p>i. Details of Audit Qualification: Unrealized gains/losses on laptops produced by the Palakkad unit of the Company and transferred to other units for captive use have not been assessed and eliminated. In the absence of sufficient appropriate audit evidence, effect on Consolidated Financial Results could not be ascertained.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor,

	Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

10	<u>Audit Qualification (each audit qualification separately):</u>
	j. Details of Audit Qualification: Internally developed software by a unit of the Company for captive use has not been evaluated for recognition in terms of IndAS 38 - 'Intangible Assets' and measured, if required. In the absence of sufficient appropriate audit evidence, effect on Consolidated Financial Results could not be ascertained.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
11	<u>Audit Qualification (each audit qualification separately):</u>
	k. Details of Audit Qualification: The Company has not identified lease contracts entered into by it as a lessee/lessor within the meaning of IndAS 116 – Leases and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein, contrary to accounting policy but has expensed off/recognized as income in the Statement of Profit and Loss as per contractual terms. Security deposits paid/received thereon have not been recognized in the Statement of Profit and Loss in accordance with Ind AS 109 – Financial Instruments. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Consolidated Financial Results.

	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same : Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above : Impact not ascertainable
1 2	<u>Audit Qualification (each audit qualification separately)</u> :
	l. Details of Audit Qualification : The Company did not have a system of appropriating payments received against specific bills raised and only maintains a running account of bills raised and payments received. Consequently, the Company has furnished, based on excel workings, age-wise data in respect of trade receivables as mandated by schedule III, part II to the Companies Act, 2013. We could not independently validate the ageing data so furnished with the books of account. The Company did not furnish bill-wise breakup for certain trade receivables. Further, the Company did not obtain confirmation of balances / statements of account for its trade receivables. The Company has not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 – 'Financial Instruments' and has not furnished the requisite disclosures required in respect thereof. The Company did not furnish us requisite analysis/breakup of unbilled revenue of Rs. 2,24,111.29 lakhs identifying the milestones to be achieved before the same can be billed, the further costs yet to be incurred to achieve such milestones and the estimate of likely costs of rework/modifications that is to be incurred in the process of achieving certification from its customers. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Consolidated Financial Results.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same : Company has initiated action plan for necessary compliance. However, impact is not ascertainable

	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 3	<u>Audit Qualification (each audit qualification separately):</u>
	<p>m. Details of Audit Qualification:</p> <p>The Company has several old balances in various receivable accounts in the nature of deposits, claims recoverable and other receivables (both current/non current) including certain receivables which are disputed amounting to Rs. 3589.05 lakhs (after write off Rs. 3426.06 lakhs during the year), which are long outstanding and with no adequate supporting. The Company has also not obtained confirmation of balances/ statements of account / reconciliation with books of accounts/ not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 - 'Financial Instruments'. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Consolidated Financial Results.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 4	<u>Audit Qualification (each audit qualification separately):</u>
	<p>n. Details of Audit Qualification:</p> <p>The Company had received soft loan from the Government of India in the financial year 2014-15 of Rs. 30,000 lakhs carrying interest at the rate of 1%. This loan was not recognized at fair value after considering the market borrowing rate. The Company has not identified financial assets and financial liabilities within the meaning of IndAS 109 and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Consolidated Financial Results.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1	<u>Audit Qualification (each audit qualification separately):</u>
5	o. Details of Audit Qualification: The Company did not carry out physical verification of inventory at all locations, in the absence of which excess/shortages as compared to book records were not assessed. Inventories with book value of Rs. 20,570.75 lakhs (after certain adjustments-write down of inventories amounting to Rs. 2,656.59 lakhs during the current year), lying in the various sites/outside locations/stores for which assessment of net realizable value as at March 31, 2026, was not made available. The Company's inventories include old and non-moving items and has not carried out any ageing, usefulness and serviceability assessment to ascertain obsolete inventories, if any. List of inventories was not furnished to confirm its bifurcation into raw materials, components, stores, work in process, manufactured components, finished goods, material in transit and goods pending inspection along with requisite quantitative stock reconciliation statements. We could not independently validate the stock records with valuation made by the Company with supporting documents. We have not been able to independently verify and ensure compliance with IndAS 2- Inventories.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

1	<u>Audit Qualification (each audit qualification separately):</u>
6	

	<p>p. Details of Audit Qualification:</p> <p>In the absence of complete details/nature and ageing of each amounts payable, reasons for their pendency, reasons for non-claim by parties where applicable, confirmations/statements of account/reconciliations prepared of certain liabilities (both current/non-current) and advances received from customers of Rs. 1,71,366.66 lakhs, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy. The data regarding ageing of trade payables and other liabilities is as furnished by the management and in absence of bill-wise breakup, we are unable to independently validate the same.</p>
	<p>b. Type of Audit Qualification : Disclaimer of Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: Impact not ascertainable</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable</p>
1 7	<p><u>Audit Qualification (each audit qualification separately):</u></p>
	<p>q. Details of Audit Qualification:</p> <p>Disclosure of information pertaining to dues to micro and small enterprises in terms of the Micro, Small and Medium Enterprises Development Act, 2006 and pending identification of such vendors and its account balances, seeking confirmation of balances/reconciliation of transactions entered along with and consequential non-provision for interest, if any, in terms of section 23 of the said act, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy.</p>
	<p>b. Type of Audit Qualification : Disclaimer of Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: Impact not ascertainable</p>

	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

1 8	<u>Audit Qualification (each audit qualification separately):</u>
	<p>r. Details of Audit Qualification:</p> <p>The Company has not carried-out any fair valuation assessment in terms of the IndAS 109 'Financial Instruments' in respect of its financial assets and liabilities which are receivable/payable beyond a period of 12 months from the date of initial recognition (examples: certain employee receivables, retention money payable, security deposits accepted/paid, etc.) for the purposes of determination of amortized costs and amortization/recognition of expenses/income of the differential between amortized cost and contractual amounts payable/receivable.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 9	<u>Audit Qualification (each audit qualification separately):</u>
	<p>s. Details of Audit Qualification:</p> <p>The Company's contribution to ITI Employees Provident Fund Trust ('PF Trust') as detailed in its Material Accounting Policies has been considered as a defined contribution plan and not as a defined benefit plan, both for the current and prior years. Accordingly, the liability to the trust ought to have been evaluated actuarially and recognized rather than at 12% of the eligible salaries to be made over during the year. Consequent disclosures required in terms of IndAS 19 – Employee Benefits have not been furnished.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing

	repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

20	<u>Audit Qualification (each audit qualification separately):</u>
	<p>t. Details of Audit Qualification:</p> <p>The Company has not reconciled its books of accounts with its GST returns (GSTR-1/3B/2A/2B/6/7/7A/9&9C) and various forms as applicable filed/to be filed across all its registrations (includes turnover, exempt turnover, taxes payable, input tax credit available/availed and tax deducted at source). Several cross charges between the units of the Company with different registrations taken by the Company also could not be validated in terms of the GST law. The Company has not segregated the goods and service portions of the advances received based on respective contracts and remitted GST liability on the service portion of the same. Pending such bifurcation, we are unable to ascertain the quantum of GST liability on advances payable and required provision along for interest payable. The company has not ascertained comprehensively the reversal of GST input and interest thereon on account of non-payment of vendors before 180 days and on adjustments made for obsolescence of inventories. Reconciliation for the current year between its books of account and returns for each registration has also not been furnished to us. Company has also not assessed any interest / penalty payable, if any, for all the non-compliances identified by it or by the GST authorities during the year as well as prior years.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable

	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 1	<u>Audit Qualification (each audit qualification separately):</u>
	<p>u. Details of Audit Qualification:</p> <p>The Company has not reconciled the entries in forms 26AS, TIS and AIS in the Income Tax portal website with its books of account for the current and prior years. The company has not disclosed the TDS/TCS receivables appropriately in terms of Schedule III of the Act.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 2	<u>Audit Qualification (each audit qualification separately):</u>
	<p>v. Details of Audit Qualification:</p> <p>The Company has reported to the extent ascertained of its contingent liabilities/ legal/ arbitration cases and capital commitments as detailed in Consolidated Financial Results. In the absence of full and comprehensive list across all divisions/units/ROs/Corporate office of the Company with testing of the probability of the liability devolving supported with appropriate legal advice wherever required, we are unable to ascertain the completeness/accuracy of the values reported in the said note and any provisions that may be required to be recognized in this respect.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2	<u>Audit Qualification (each audit qualification separately):</u>
3	<p>w. Details of Audit Qualification:</p> <p>The Company has not identified warranty obligations as a distinct performance obligation within the meaning of IndAS 115 – ‘Revenue from contracts with customers’ but recognizes the same as and when obligations arise on the plea that it generally has a back-to-back claims against its vendors. The Company has not provided us with the requisite documentation indicating such rights in each contract entered into by it.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2	<u>Audit Qualification (each audit qualification separately):</u>
4	<p>x. Details of Audit Qualification:</p> <p>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.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 5	<u>Audit Qualification (each audit qualification separately):</u>
	<p>y. Details of Audit Qualification:</p> <p>a. 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 year 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.</p> <p>b. 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 finalization 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.</p> <p>c. Attention is invited to foot note of Note 11 of the Standalone Financial Results where in the Company has enumerated the status of a contract with Ministry of Defense, Government of India, for supply and establishment of Army Static Switched Communication Network (ASCON) at an agreed consideration. In terms of the said contract, the Company was to mandatorily demonstrate its complete solution to bring out its capabilities vis-à-vis the requirements of the customer, which would be evaluated by the latter and form an essential part of the test bed evaluation process. We were informed for the reasons stated in the said note that the test best approval was awaited as at March 31, 2026, which is expected upon completion of certain activities as detailed therein. The Company has proceeded with part execution of the contract pending test bed final approval and in the opinion of the management of the Company is not impacting the revenue already recognized up to March 31, 2026, to an aggregate extent of Rs. 1,92,094.93 lakhs.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion

	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 6	Audit Qualification (each audit qualification separately):
	z. Details of Audit Qualification: 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.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 7	Audit Qualification (each audit qualification separately):
	a. Details of Audit Qualification: 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 year. Further the Company is also in process of reconciling the inter unit transactions pending reconciliation, an amount of Rs. 1,748.64 lakhs has been adjusted in Statement of Audited Financial Results under the head 'Cost of material consumed' of the Consolidated Financial Results. Accordingly, we are unable to independently assess the correctness and completeness of such transactions.
	b. Type of Audit Qualification : Disclaimer of Opinion

	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable.
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
28	Audit Qualification (each audit qualification separately):
	b. Details of Audit Qualification: The Company has reported certain non-compliances with various provisions of the SEBI Listing Regulations/the Act inter alia in respect of quorum for board meetings, non-compliance with the constitution of audit and risk management committees, specified proportion/ number of independent directors. Consequential non compliance of such provisions and its effect on Consolidated Financial Results is not known including non-provision for penalty and interest liability there on.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iv) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
29	Audit Qualification (each audit qualification separately):
	c. Details of Audit Qualification: Reference is drawn to observation 29 of our audit report issued on June 13, 2025 in respect of Financial Statements as of March 31, 2025, regarding certain old balances carried forward in various assets and liabilities, where in management has not furnished us the composition of such balances and requisite records in support thereof.
	b. Type of Audit Qualification : Disclaimer of Opinion

	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(v) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
30	Audit Qualification (each audit qualification separately):
	d. Details of Audit Qualification: Reference is drawn to note 16 of Standalone Financial results where in the Company has classified certain items as Exceptional Items which are not in accordance with the IndAS 1 Presentation of Financial Statements. In the absence of adequate information and documentation we are unable to comment on the correctness of the amounts reported therein.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(vi) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
31	Audit Qualification (each audit qualification separately):
	e. Details of Audit Qualification: Company has not furnished adequate details/reconciliation regarding the classification of current and non current portions of employee benefits which includes gratuity, LTC and earned leave liabilities across all units, regional offices and corporate office as per actuary and the books of accounts. Accordingly we are unable to comment on the correctness of the provisions reported there under including the charge to the Consolidated Results for the year ended March 31, 2026 (including those reported under 'Other Comprehensive Income'.

	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(vii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
3 2	Audit Qualification (each audit qualification separately):
	f. Details of Audit Qualification: We did not audit the financial statements of the associate (India Satcom Private Limited) considered in preparation of this statement, which constitute share of profit for the year ended March 31, 2026 Rs. 3.96 lakhs. The audited financial results and other financial information in respect of an associate is based on management certification and our opinion on the result, to the extent they have been derived from such financial result is solely on the basis of the said Management certification. Our report is not modified in respect of this matter.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(viii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

<u>Signatories:</u>	
• CEO/Managing Director	
• CFO	
• Audit Committee Chairman	
• Statutory Auditor	
Place: Bangalore	
Date: May 28, 2026	



I T I LIMITED

Reg. & Corporate Office,
ITI Bhavan, Doorvaninagar, Bengaluru-560016
Website: www.italtd.in
Email Address: "cosecy_crp@italtd.co.in"
CIN No: L32202KA1950GOI000640

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31st March 2026

₹ in Lakhs except per share data

SL No	Particulars	Quarter Ended			Year Ended	
		31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	Revenue from Operations	62,765	51,465	1,04,570	2,18,372	3,61,642
	Other Income	1,324	1,231	3,533	5,340	8,520
	Total Income	64,089	52,696	1,08,103	2,23,712	3,70,162
2	Expenses					
	(a) Cost of Materials Consumed & Services	5,143	(60,541)	29,416	10,855	1,06,919
	(b) Purchase of stock-in-trade	1,29,293	1,03,313	74,463	1,72,878	2,34,634
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	(85,803)	(42)	(2,196)	172	(2,505)
	(d) Employee benefits expense	13,612	3,879	6,157	14,601	19,185
	(e) Finance costs	8,082	4,764	4,549	19,693	22,430
	(f) Depreciation and amortisation expense	(9,504)	1,101	2,892	5,645	6,920
	(g) Other expenses	11,634	2,322	(452)	15,504	9,398
	Total Expenses	72,457	54,796	1,14,829	2,39,348	3,96,981
3	Profit / (Loss) before exceptional, Prior period and extraordinary items and tax (1 - 2)	(8,368)	(2,100)	(6,726)	(15,636)	(26,818)
4	Prior period Items	-	-	-	-	-
5	Profit / (Loss) before exceptional,extraordinary items and tax (3 + 4)	(8,368)	(2,100)	(6,726)	(15,636)	(26,818)
6	Exceptional Items	45,904	(458)	6,241	44,915	3,504
7	Profit / (Loss) before extraordinary items and tax (5 + 6)	37,536	(2,558)	(484)	29,279	(23,314)
8	Extraordinary items	-	-	-	-	-
7	Profit / (Loss) before tax (5 + 6)	37,536	(2,558)	(484)	29,279	(23,314)
8	Tax Expense:					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
9	Profit / (Loss) for the period (7 - 8)	37,536	(2,558)	(484)	29,279	(23,314)
10	Other comprehensive Income/(Loss)					
	Items not to be reclassified to Profit or Loss in subsequent period	-	-	-	(849)	(392)
	Other comprehensive Income/(Loss) for the period	-	-	-	(849)	(392)
11	Total comprehensive Income for the period (comprising profit/Loss) and other comprehensive Income for the period (09+10)	37,536	(2,558)	(484)	28,430	(23,706)
12	Paid up equity share capital (Face value of ₹10/- each)	96,285	96,285	96,089	96,285	96,089
13	i) Earnings Per Share (before extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	3.90	(0.27)	(0.05)	3.04	(2.43)
	(b) Diluted	3.90	(0.27)	(0.05)	3.04	(2.43)
	ii) Earnings Per Share (after extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	3.90	(0.27)	(0.05)	3.04	(2.43)
	(b) Diluted	3.90	(0.27)	(0.05)	3.04	(2.43)
	See accompanying note to the Financial Results					



NOTES:

1	The above financial results for the year ended March 31, 2026 were reviewed by the Audit Committee on May 28, 2026 and upon its recommendations, were approved by the Board of Directors at their meeting held on 28.05.2026.
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. Company is in the process of reconciling the land (Freehold/leasehold) record held with the records held by the civil engineering department ('Civil'). An appropriate coding/cross-referencing system is in the process of development to enable proper correlation between records. b. Land Measuring 77 Acres at Palakkad valuing ₹ 6090.31 Lakhs (Carrying Value) have been resumed by the Govt of Kerala and under adjudication of the Apex Court. The value of Land as shown in the Balance Sheet includes the value of Land resumed by the Govt of Kerala pending decision by the Apex court.
4	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.3,08,435 lakhs.
5	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 dated February 23, 2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting.
6	SEBI's requirement of 25% public shareholding requirements are currently under consideration by the Company where in current promoter shareholding in the Company is 90.02% (including holding of Government of Karnataka of 0.03%) and public shareholding at 90.98% (including holding of Special Investment Fund of 7.90%). Ministry of Finance vide notification date July 19,2024 granted extension to comply with the said requirement till August 2026. Company requested DoT regarding manner of achieving the minimum public shareholding of 25% and is currently under consideration.
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	Finance Cost includes interest on outstanding statutory dues of provident fund and other taxes.
9	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.
10	Corresponding Quarter/ year figures have been regrouped/restated wherever necessary to conform with the current year's classification.
11	The Company has signed a contract on October,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. For Proof of Concept [PoC] activities, test bed has been setup for at Army Headquarter 5 signal premises of Indian Army. ITI and OEM teams are assisting Army team in PoC process. The PoC is in process and is expected to be completed by December, 31 2026.
12	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. 18,63,699 lakhs, expected conversion of unbilled revenue of Rs. 2,24,111 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 and the company's plans of land monetization.
13	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.
14	During the year, the Company sold a portion of its land and building measuring 21 acres for an aggregate consideration of Rs. 91,431 lakhs. Pursuant to the sale agreement entered into with the Central Tax Department and the requisite approvals received from the Ministry of Finance and the Department of Public Enterprises dated March.18,2025, the Company requested handed over possession of the said property to the Central Tax Department.the Company has recognised a profit on sale of assets amounting to Rs.83,219.21 lakhs, disclosed under "Exceptional Items" in the Statement of Consolidated Financial Results. As at March 31, 2026, the Company had received Rs.88,419.98 lakhs against the sale consideration.The Company believes that the transfer of control of the said portion of land and building has been effected in accordance with IND AS 115 ,Revenue from Contracts with Customers.
15	The Company, pursuant to the approval of the Board of Directors at its meeting held on May 28,2026, identified certain long-outstanding debtors for write-off amounting to Rs. 30.167.57 lakhs. The same has been disclosed under "Exceptional Items" in the Statement of Profit and Loss.
16	Following are the list of Exceptional Items

Exceptional Items	
Particulars	Amount in lakhs
Bad debts written off	-30,167.57
Provision for bad & doubtful debts	-1,440.55
Provision for Stock	-2,656.59
Profit on sales of Assets	83,219.21
Liquidity Damages	-3,883.50
Creditors Write off	442.54
Interest on Gratuity & PL	-856.34
Grant in aid capital- Neft Building	329.10
Interest on GST TDS	-40.08
Interest on IT TDS	-30.75
Total	44,915.48

17	The asset monetisation department of the Company has approved disposal of identified portion of surplus land pertaining to Land parcel D and E covering 10.275 acres and 44.032 acres respectively the same as been approved by the board on 28.05.2026 and are confirmed the disposal of such land by March 31, 2027. Accordingly the Company has classified the said portion of land as non current asset held for sale in accordance INDAS 105 Non Current asset held for sale.				
18	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.				
				₹ in Lakhs	₹ in Lakhs
19	EPS calculation:			Quarter end	Year ended
				31-03-2026	31-03-2026
	Profit After Tax			37,536	29,279
	Less:				
	Preference Dividend			-	-
	Dividend tax			-	-
	Profit available to equity shareholders			37,536	29,279
	No. of Shares at beginning of the period			962851967	960886938
	No. of Shares issued during the period.				1965029
	No. of Shares at the end of the period.			962851967	962851967
	Weighted average no of shares during the period			962851967	962851967
	Earning per equity share (for continuing operation): (in ₹)				
	(a) Basic			3.90	3.04
	(b) Diluted			3.90	3.04
20	The above results are available at www.itiltd.in and website of stock exchanges at www.bseindia.com and www.nseindia.com .				

Particulars	Quarter ended 31-03-2026
INVESTOR COMPLAINTS:	
Pending at the beginning of the quarter	Nil
Received during the quarter	-
Disposed of during the quarter	-
Remaining unresolved at the end of the quarter	Nil

As per our report of even date

For: B.K.Ramadhyani & Co. LLP

Chartered Accountants

Firm Reg No.: 002878S/S200021

For ITI LIMITED

Vasuki H S
Partner
M. No., 212013
Place: Bengaluru
Date : 29.05.2026

C V Ramana Babu
Director Finance & CFO
DIN: 10478320

Rajesh Rai
Chairman & Managing Director
DIN: 10052045

Particulars	As at	As at
	31/03/2026	31/03/2025
	Audited	Audited
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings		
(ia) Lease Liabilities	76,494	1,42,072
(ii) Trade Payables		
(A) Total outstanding dues of Micro Enterprises & Small Enterprises, and	3,472	1,866
(B) Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	2,85,602	3,41,361
(iii) Others	1,34,222	1,29,768
(b) Other current liabilities	2,14,647	2,20,716
(c) Provisions	11,714	14,911
(d) Current Tax Liabilities		
TOTAL	9,29,292	10,36,916

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 : 29.05.2026

C V Ramana Babu
Director Finance & CFO
DIN: 10478320

Rajesh Rai
Chairman & Managing Director
DIN: 10052045

ITI LIMITED
CIN : L32202KA1950GOI000640
Standalone Cash Flow Statement for the year ended March 31, 2026

₹ in Lakhs

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities				
Net profit before taxation, and extraordinary item		29,280		-23,315
Adjustments for :				
Interest income	-1,372		-2,724	
Withdrawal from grant in aid	-329			
Profit on sale of assets	-83,219		-12,129	
Provision	-4,312		-2,637	
Depreciation	5,645		6,920	
IndAS adjustment	-849		-392	
Interest expense	19,693		22,430	
Write back of Creditors	-443			
Bad debts written off	39,075		-81	
		-26,111		11,387
Operating profit before working capital changes		3,169		-11,928
(Increase)/ decrease in sundry debtors	72,448		-1,52,955	
(Increase)/decrease in inventories	2,527		-919	
(Increase)/ decrease in other current assets	-24,535		19,333	
Increase/(decrease) in sundry creditors	-55,732		1,65,180	
Increase/ (decrease) in other current liabilities	-3,616		-34,068	
Cash generated from operations		-8,908		-3,429
Taxes paid/(Refund)		7,801	-	
Net cash from operating activities after income tax		-13,540		-15,357
Cash flows from investing activities				
Purchase of fixed assets	-428		-1,587	
Proceeds from sale of fixed assets	91,431		21,387	
Interest received	1,372		2,724	
Investment made	-		44,405	
Net cash from investing activities		92,375		66,929
Cash flows from financing activities				
Proceeds from issuance of share capital			5,900	
Proceeds from long-term borrowings			-31,992	
Repayment of short-term borrowings (net)	-71,579			
Interest paid	-19,693		-22,430	
Net cash from financing activities		-91,272		-48,522
Net increase in cash and cash equivalents		-12,436		3,050
Cash and cash equivalents at beginning of period		14,876		11,827
Cash and cash equivalents at end of period		2,440		14,877

Note: The accounting policies & accompanying notes form part of the financial statements

As per our report of even date

For: B.K.Ramadhyan & Co.LLP

Chartered Accountants

Firm Reg No.:002878S/S200021

For & on Behalf of Board of Directors

Vasuki H S
Partner
M.No.212013

C V Ramana Babu
Director Finance & CFO
DIN:10478320

Rajesh Rai
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date : May 29, 2026

Independent Auditor’s Report to the Board of Directors of ITI Limited

Report on the audit of the Standalone Financial Results of ITI Limited - Disclaimer of Opinion

We have audited the accompanying annual summarized financial results of ITI Limited (hereinafter referred to as the “Company”) for the year ended March 31, 2026, (‘Standalone Financial Results’) attached herewith, being submitted by it pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”).

The aforesaid Standalone Financial Results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations and
- b. We do not express an opinion on the accompanying Standalone Financial Results of the Company. Because of the significance of the matters described in the ‘Basis for Disclaimer of Opinion’ section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Standalone Financial Results.

Basis for Disclaimer of Opinion

1. The Standalone Financial Statements (SFS) of the Company for the year ended March 31, 2025, as approved by the Board of Directors on May 27, 2025, was reported upon by us vide our audit report issued on June 13, 2025. Vide this report, we had issued a Disclaimer of Opinion on the said SFS due to the significance of the matters described in the ‘Basis for disclaimer of opinion’ section of the said report and our inability to quantify/ascertain the impact of matters covered therein on the SFS for the said financial year. Those comments and observations may continue to impact the Standalone Financial Results for the current year ended March 31, 2026 and Financial Statements as at March 31, 2026.
2. The Company did not have adequate internal financial controls with reference to its financial statements as required by section 134 of the Companies Act, 2013 (the ‘Act’), which may in turn result in errors and misstatements therein which may remain undetected and have a material impact thereof. This includes non-establishment of a sound information systems security policy and general controls inter alia with adequate controls, safeguards and oversight over access, use of passwords, change management, modifications/edits made to data through the application or to the database/backend changes, with adequate audit trails and periodical reviews of the same.
3. The Company has recognized the sale of a portion of its land and its old buildings at Krishnaraja Puram Bangalore to Central Taxes, department (GST), Government of India (GoI) at an agreed consideration of Rs. 91,431 lakhs and the consequent profit on sale

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thereof amounting to Rs. 83,219.21 lakhs, pursuant to an agreement to sell dated March 26, 2026, and approvals from Department of Telecommunications, Government of India for the sale. Pending receipt of balance consideration of Rs. 3,014 lakhs, pending execution of sale deed in favor of the buyer, pending (possession from the Central Tax department pending as at March 31, 2026) and bank release mortgage deed not received by the Company as at the year end, consequent transfer of control over the said property to the latter was not satisfied and accordingly the derecognition criteria laid down in IndAS-16 'Property, Plant and Equipment' ('PPE') was not satisfied. Had the Company not recognized the said sale, 'Non - Current Assets held for sale' would have reflected a balance of Rs. 28,861.08 lakhs, 'Other current assets' would have been lower Rs. 3,011.02 lakhs, 'Loss for the year' and 'Total comprehensive income (loss)' would have been more by Rs. 83,219.21 lakhs, Current Liabilities would have been more by Rs. 88,419.98 lakhs, debit balance in Profit and Loss account would have been more by Rs. 88,419.98 lakhs, 'Earnings per share' would be lower at Rs. (8.65) as against the reported amount of Rs. 3.04

4. We had in paragraph 4 under the head 'Basis for Disclaimer of Opinion' vide our report dated June 13, 2025, on the standalone financial statements for the financial year ended March 31, 2025, reported certain assets though put to use in prior years and not capitalized as Property Plant and Equipments (PPE)/Investment Property('IP').

Further Company did not comprehensively identify all adjustments relating to prior years/periods during the financial years ended March 31, 2026 and March 31, 2025. During the year Company has made certain write off adjustments of identified old receivables/inventories amounting to Rs. 44915.48 lakhs which is disclosed as exceptional items in the Statement of Profit and Loss. Consequently, we are unable to ascertain the impact of all the adjustments to be made in terms of 'Prior period errors' within the meaning of Ind AS 8 - Accounting Policies, Changes in Accounting estimates and Errors'.

The Company ought to have restated its prior years figures effecting its assets & liabilities as at March 31, 2025 and income & expenses for the year ended March 31, 2025 and opening balance sheet including equity as at April 1, 2024. Pending such comprehensive identification and want of full information, we are unable to quantify the impact/consequent disclosures on the above said periods and its impact on earnings per share for March 31, 2026 and March 31, 2025.

5. The Company is in the process of reconciling the value of land as per the asset register with the respective title deeds/ documents across various locations of the Company. Company has an independent list of land owned at various locations, wherein the respective title deeds are being correlated to the records maintained by civil engineering department. We have relied on the documents furnished for verification of title deeds and do not express any independent opinion on the same. Further, the auditors of Naini (M/s Vinay Kumar & Co), Palakkad (M/s Balaram & Nandakumar) and the auditors of Rae Bareli (M/s Chandnani Singh & Associates) units have commented on the limitations in respect of title deeds of the units. Land measuring 77 Acres at Palakkad valuing Rs. 6,090.31 lakhs (carrying value) have been resumed by the Govt of Kerala and is under adjudication of the Apex Court. The value of Land as shown in the Financial Statements includes such land

B.K. Ramadhyan & Co LLP

resumed by the Govt of Kerala pending decision by the Apex court.

6. Fixed asset records (FAR) maintained in excel sheets are with inadequate description and location of assets, which in turn may impact the rate of depreciation to be applied and the consequent written down value of assets. The FAR is not updated for land held by the Company including revaluation amounts. Management has not assessed assets which are unserviceable/ not in working condition and has not recognized any provision for diminution in value with respect to such assets. The Company has not made available records in support of physical verification of PPE/IP carried. In the absence of such comprehensive data in FAR, documentation in support of physical verification carried out and adjustment of discrepancies, if any arising from reconciliation of the same with book records and non-identification of assets which are unserviceable/ not in working condition, we are unable to comment on compliance with IndAS-16 'Property, Plant and Equipment' and Ind AS 40 – Investment Property.
7. Requisite details of certain land and buildings owned by the Company/taken on lease (sale/lease deed, location, purpose for which property is put to use, categorization between PPE and IP, whether any amortization of the same is required, income derived therefrom, etc.) were not furnished to us. The written down value of such assets as at March 31, 2026, aggregated to Rs. 18,438.55 lakhs. The Company has recognized income during the year and prior years for which either there were no rental agreements or agreements had expired pending renewal. The Company has not furnished required disclosures as per IndAS 40- Investment Property including the fair values (FV) of its IPs, the basis of determining its FV, rental income derived from such properties and direct operating expenses (including repairs and maintenance) arising from IP that generated rental income during the year etc. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Standalone Financial Results.
8. In terms of the 'Material Accounting Policies', the Company has not provided any documentation in support of the evaluation carried out to test for impairment of assets in compliance with IndAS 36 'Impairment of Assets'. Accordingly, we are unable to satisfy ourselves whether any provision for impairment of assets is required to be recognized in these Standalone Financial Results.
9. Unrealized gains/losses on laptops produced by the Palakkad unit of the Company and transferred to other units for captive use have not been assessed and eliminated. In the absence of sufficient appropriate audit evidence, effect on Standalone Financial Results could not be ascertained.
10. Internally developed software by a unit of the Company for captive use has not been evaluated for recognition in terms of IndAS 38 - 'Intangible Assets' and measured, if required. In the absence of sufficient appropriate audit evidence, effect on Standalone Financial Results could not be ascertained.
11. The Company has not identified lease contracts entered into by it as a lessee/lessor within the meaning of IndAS 116 – Leases and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein, contrary to accounting

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policy but has expensed off/recognized as income in the Statement of Profit and Loss as per contractual terms. Security deposits paid/received thereon have not been recognized in the Statement of Profit and Loss in accordance with Ind AS 109 – Financial Instruments. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Standalone Financial Results.

12. The Company did not have a system of appropriating payments received against specific bills raised and only maintains a running account of bills raised and payments received. Consequently, the Company has furnished, based on excel workings, age-wise data in respect of trade receivables as mandated by schedule III, part II to the Act. We could not independently validate the ageing data so furnished with the books of account. The Company did not furnish bill wise breakup for certain trade receivables. Further, the Company did not obtain confirmation of balances / statements of account for its trade receivables. The Company has not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 - Financial Instruments' and has not furnished the requisite disclosures required in respect thereof. The Company did not furnish us requisite analysis/breakup of unbilled revenue of Rs 2,24,111.29 lakhs identifying the milestones to be achieved before the same can be billed, the further costs yet to be incurred to achieve such milestones and the estimate of likely costs of rework/modifications that are to be incurred in the process of achieving certification from its customers. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Standalone Financial Results.
13. The Company has several old balances in various receivable accounts in the nature of deposits, claims recoverable and other receivables (both current/non-current) including certain receivables which are disputed amounting to Rs. 3,589.05 lakhs (after write off of Rs. 3,426.06 lakhs during the year), which are long outstanding and with no adequate supporting. The Company has also not obtained confirmation of balances/ statements of account/ reconciliation with books of accounts/ not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 - 'Financial Instruments'. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Standalone Financial Results.
14. The Company had received soft loan from the Government of India in the financial year 2014-15 of Rs. 30,000 lakhs carrying interest at the rate of 1%. This loan was not recognized at fair value after considering the market borrowing rate. The Company has not identified financial assets and financial liabilities within the meaning of IndAS 109 and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Standalone Financial Results.
15. The Company did not carry out physical verification of inventory at all locations, in the absence of which excess/shortages as compared to book records were not assessed. Inventories with book value of Rs. 20,570.75 lakhs (after certain adjustments-write down of inventories amounting to Rs. 2,656.59 lakhs during the current year), lying in the various sites/outside locations/stores for which assessment of net realizable value as at March 31, 2026, was not made available. The Company's inventories include old and non-moving

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- items and has not carried out any ageing, usefulness and serviceability assessment to ascertain obsolete inventories, if any. List of inventories was not furnished to confirm its bifurcation into raw materials, components, stores, work in process, manufactured components, finished goods, material in transit and goods pending inspection along with requisite quantitative stock reconciliation statements. We could not independently validate the stock records with valuation made by the Company with supporting documents. We have not been able to independently verify and ensure compliance with IndAS 2- Inventories.
16. In the absence of complete details/nature and ageing of each amounts payable, reasons for their pendency, reasons for non-claim by parties where applicable, confirmations/statements of account/reconciliations prepared of certain liabilities (both current/non-current) and advances received from customers of Rs. 1,71,363.65 lakhs, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy. The data regarding ageing of trade payables and other liabilities is as furnished by the management and in absence of bill-wise breakup, we are unable to independently validate the same.
 17. Disclosure of information pertaining to dues to micro and small enterprises in terms of the Micro, Small and Medium Enterprises Development Act, 2006 and pending identification of such vendors and its account balances, seeking confirmation of balances/reconciliation of transactions entered along with and consequential non-provision for interest, if any, in terms of section 23 of the said act, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy.
 18. The Company has not carried-out any fair valuation assessment in terms of the IndAS 109 'Financial Instruments' in respect of its financial assets and liabilities which are receivable/payable beyond a period of 12 months from the date of initial recognition (examples: certain employee receivables, retention money payable, security deposits accepted/paid, etc.) for the purposes of determination of amortized costs and amortization/recognition of expenses/income of the differential between amortized cost and contractual amounts payable/receivable.
 19. The Company's contribution to ITI Employees Provident Fund Trust ('PF Trust') as detailed in its Material Accounting Policies has been considered as a defined contribution plan and not as a defined benefit plan, both for the current and prior years. Accordingly, the liability to the trust ought to have been evaluated actuarially and recognized rather than at 12% of the eligible salaries to be made over during the year. The Company is in the process of reconciling with the PF Trust books including the contributions made by it, shortfall between the income received by the PF Trust and interest expense recognized based on the rate of interest declared by the Provident Fund Commissioner, Government of India for the year or prior years and closing balances as at the year end. Consequent disclosures required in terms of IndAS 19 – Employee Benefits have not been furnished.
 20. The Company has not reconciled its books of accounts with its GST returns (GSTR-1/3B/2A/2B/6/7/7A/9&9C) and various forms as applicable filed/to be filed across all its registrations (includes turnover, exempt turnover, taxes payable, input tax credit

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available/availed and tax deducted at source). Several cross charges between the units of the Company with different registrations taken by the Company also could not be validated in terms of the GST law. The Company has not segregated the goods and service portions of the advances received based on respective contracts and remitted GST liability on the service portion of the same. Pending such bifurcation, we are unable to ascertain the quantum of GST liability on advances payable and required provision along for interest payable. The company has not ascertained comprehensively the reversal of GST input and interest thereon on account of non-payment of vendors before 180 days and on adjustments made for obsolescence of inventories. Reconciliation for the current year between its books of account and returns for each registration has also not been furnished to us. Company has also not assessed any interest / penalty payable, if any, for all the non-compliances identified by it or by the GST authorities during the year as well as prior years.

21. The Company has not reconciled the entries in forms 26AS, TIS and AIS in the Income Tax portal website with its books of account for the current and prior years. The Company has not disclosed the TDS/ TCS receivables appropriately in terms of Schedule III of the Act.
22. The Company has reported to the extent ascertained its contingent liabilities/legal/arbitration/other cases against the Company and capital commitments. In the absence of full and comprehensive list across all divisions/units/ROs/Corporate office of the Company with testing of the probability of the liability devolving supported with appropriate legal advice wherever required, we are unable to ascertain the completeness/accuracy of the values reported in the said note and any provisions that may be required to be recognized in this respect.
23. The Company has not identified warranty obligations as a distinct performance obligation within the meaning of IndAS 115 – ‘Revenue from contracts with customers’ but recognizes the same as and when obligations arise on the plea that it generally has a back-to-back claims against its vendors. The Company has not provided us with the requisite documentation indicating such rights in each contract entered into by it.
24. 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.
25. a. 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 year 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,

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liquidated damages, warranty expenses and additional cost to be incurred in the completion of services, requiring recognition.

- b. 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 finalization 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 Standalone Financial Results, if any, could not be ascertained.
 - c. Attention is invited to foot note of Note 11 of the Standalone Financial Results where in the Company has enumerated the status of a contract with Ministry of Defense, Government of India, for supply and establishment of Army Static Switched Communication Network (ASCON) at an agreed consideration. In terms of the said contract, the Company was to mandatorily demonstrate its complete solution to bring out its capabilities vis-à-vis the requirements of the customer, which would be evaluated by the latter and form an essential part of the test bed evaluation process. We were informed for the reasons stated in the said note that the test bed approval was awaited as at March 31, 2026, which is expected upon completion of certain activities as detailed therein. The Company has proceeded with part execution of the contract pending test bed final approval and in the opinion of the management of the Company is not impacting the revenue already recognized up to March 31, 2026, to an aggregate extent of Rs. 1,92,094.93 lakhs.
26. 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.
27. 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 year. Further the Company is also in process of reconciling the inter unit transactions pending reconciliation, an amount of Rs. 1,748.64 lakhs has been adjusted in Statement of Audited Financial Results under the head 'Cost of material consumed' of the Standalone Financial Results. Accordingly, we are unable to independently assess the correctness and completeness of such transactions.
28. The Company has reported certain non-compliances with various provisions of the SEBI Listing Regulations/the Act inter alia in respect of quorum for board meetings, non-compliance with the constitution of audit and risk management committees, specified proportion/ number of independent directors. Consequential non compliance of such provisions and its effect on Standalone Financial Results is not known including non-provision for penalty and interest liability there on.
29. Reference is drawn to observation '29' of our audit report issued on June 13, 2025 in

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respect of Financial Statements as of March 31, 2025, regarding certain old balances carried forward in various assets and liabilities, where in management has not furnished us the composition of such balances and requisite records in support thereof.

30. Reference is drawn to Note 16 of Standalone Financial results where in the Company has classified certain items as Exceptional Items which are not in accordance with the IndAS 1 Presentation of Financial Statements. In the absence of adequate information and documentation we are unable to comment on the correctness of the amounts reported therein.
31. Company has not furnished adequate details/reconciliation regarding the classification of current and non current portions of employee benefits which includes gratuity, LTC and earned leave liabilities across all units, regional offices and corporate office as per actuary and the books of accounts. Accordingly we are unable to comment on the correctness of the provisions reported there under including the charge to the Consolidated Results for the year ended March 31, 2026 (including those reported under 'Other Comprehensive Income').

As per the Audit report issued by Balaram and Nandakumar, Chartered Accountants dated May 26, 2026 for Palakkad Unit of the Company.

The Company has included an amount of ₹2.54 lakhs as unreconciled Bank Reconciliation Statement receipts under current liabilities. In the absence of adequate reconciliation and supporting documentation, we were unable to determine the correctness and consequential impact of the same on the financial statements.

Common to all matters dealt with above:

We are unable to obtain sufficient appropriate audit evidence to form an opinion on the SFS due to the potential interaction of the multiple/undetected misstatements, if any, contained therein and assessment of their possible individual and cumulative effect thereof, which may be material and pervasive, and accordingly forms the basis for the disclaimer of opinion.

Material Uncertainty for continuing as a Going Concern.

The Company reported net profit after tax of Rs. 29,279.55 lakhs during the year ended March 31, 2026 and its current liabilities as at year end being more than its current assets as reflected in the Standalone Financial Results and such gap likely to increase in the wake of our qualifications outlined in the foregoing paragraphs under the heading 'Basis for Disclaimer of Opinion' may cast a doubt on the ability of the Company to continue as a going concern. Reference is drawn to note 12 of the Standalone Financial Results where in the management is of the opinion that going concern basis of accounting is appropriate in view of the factors outlined in the said note. The appropriateness of the going concern is subject to successful attainment of the plans of the Company as detailed in the said note. Our opinion is not modified in respect of this matter.

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Management's and Board of Directors' Responsibilities for the Standalone Financial Results

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Results that give a true and fair view of the net profit/ loss and other financial information, the Statement of Assets and Liabilities and the Statement of Cash Flow in accordance with the recognition and measurement principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2021, issued there under and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for 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 Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, management and 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our responsibility is to conduct an audit of the Standalone Financial Results in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis of Disclaimer of the opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion of Standalone Financial Results.

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.

Other Matters

- a. We did not audit the financial statements of the Mankapur, Raebareli, Srinagar, Naini & Palakkad Units included in the standalone financial results of the Company, whose financial statements reflect total assets of Rs. 2,56,946.33 lakhs, total income of Rs. 33,792.97 lakhs and total loss of Rs. 50,567.08 lakhs for the year ended March 31, 2026, (excluding inter-unit balances and transactions). The financial statements of these units have been audited by units' auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these units is solely on the reports of such units auditors. Our opinion is not modified in respect of these matters.
- b. The standalone financial results include the results for the quarter ended March 31, 2026, being the derived figures between the audited figures in respect of the entire financial year and the published unaudited year-to-date figures up to the third quarter of the current

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financial year, which were reviewed by us.

Our opinion is not modified in respect of these matters.

For B.K.RAMADHYANI & CO LLP

Chartered Accountants

Firm Registration No. 002878S/S200021

(CA Vasuki H S)

Partner

Membership No. 212013

UDIN: 26212013LWADYJ4131

Place: Bengaluru

Date: May 29, 2026

ANNEXURE I
Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 03.2026 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl.No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs in lakhs	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	2,23,712.19	Not ascertainable (*)
	2.	Total Expenditure	2,39,348.12	Not ascertainable (*)
	3.	Net Profit/(Loss)	29,279.55	Not ascertainable (*)
	4.	Earnings Per Share	3.04	Not ascertainable (*)
	5.	Total Assets	19,14,865.69	Not ascertainable (*)
	6.	Total Liabilities	17,29,662.06	Not ascertainable (*)
	7.	Net Worth	1,85,203.66	Not ascertainable (*)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	Not ascertainable (*)
<i>Refer our audit report in terms of regulation 33 on the Standalone Financial Results – Disclaimer of Opinion Paragraph</i>				
1	<u>Audit Qualification (each audit qualification separately):</u>			
	<p>a. Details of Audit Qualification: The Standalone Financial Statements of the Company for the year ended March 31, 2026, as approved by the Board of Directors on May 28, 2026, was reported upon by us vide our audit report issued on May 28, 2026. Vide this report, we had issued a Disclaimer of Opinion on the said Financial Statements due to the significance of the matters described in the 'Basis for disclaimer of opinion' section of the said report and our inability to quantify/ascertain the impact of matters covered therein on the Financial Statements for the said financial year. Those comments and observations may continue to impact on the Consolidated Financial Results and Financial statements for the current year.</p>			
	b. Type of Audit Qualification : Disclaimer of Opinion			
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			

	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary compliance. However, impact is not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2	<u>Audit Qualification (each audit qualification separately):</u>
	<p>b. Details of Audit Qualification:</p> <p>The Company did not have adequate internal financial controls with reference to its financial statements as required by section 134 of the Companies Act, 2013, which may in turn result in errors and misstatements therein which may remain undetected and have a material impact thereof. This includes non-establishment of a sound information systems security policy and general controls interalia with adequate controls, safeguards and oversight over access, use of passwords, change management, modifications/edits made to data through the application or to the database/backend changes, with adequate audit trails and periodical reviews of the same.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable at the moment
	(ii) If management is unable to estimate the impact, reasons for the same: Impact not ascertainable at the moment
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
	<u>Audit Qualification (each audit qualification separately):</u>
	<p>c. Details of Audit Qualification:</p> <p>The Company has recognized the sale of a portion of its land and its old buildings at Krishnaraja Puram Bangalore to Central Taxes, department (GST), Government of India (Gol) at an agreed consideration of Rs. 91,431 lakhs and the consequent profit on sale thereof amounting to Rs. 83,219.21 lakhs, pursuant to an agreement to sell dated March 26, 2026, and approvals from Department of Telecommunications, Government of India for the sale. Pending receipt of balance consideration of Rs. 3,014 lakhs, pending execution of sale deed in favor of the buyer, pending (possession from the Central Tax department pending as at March 31, 2026) and bank release mortgage deed not received by the Company as at the year end, consequent transfer of control over the said property to the</p>

	latter was not satisfied and accordingly the derecognition criteria laid down in IndAS-16 'Property, Plant and Equipment' ('PPE') was not satisfied. Had the Company not recognized the said sale, 'Non - Current Assets held for sale' would have reflected a balance of Rs. 8,011.79 lakhs, 'Other current assets' would have been lower Rs. 3,011.02 lakhs, 'Loss for the year' and 'Total comprehensive income (loss)' would have been more by Rs. 83219.21 lakhs, Current Liabilities would have been more by Rs. 88419.98 lakhs, debit balance in Profit and Loss account would have been more by Rs. 88419.98 lakhs, 'Earnings per share' would be lower at Rs. (8.65) as against the reported amount of Rs. 3.04
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : Management does not accept the view of auditors
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification : No impact
	(ii) If management is unable to estimate the impact, reasons for the same:
	(iii) Auditors' Comments on (i) or (ii) above : Do not agree with Management

<p>† † 4</p>	<u>Audit Qualification (each audit qualification separately):</u>
	<p>d. Details of Audit Qualification: We had in paragraph 4 under the head 'Basis for Disclaimer of Opinion' vide our report dated June 13, 2025, on the standalone financial statements for the financial year ended March 31, 2025, reported certain assets though put to use in prior years and not capitalized as Property Plant and Equipment (PPE)/Investment Property('IP'). Further Company did not comprehensively identify all adjustments relating to prior years/periods during the financial years ended March 31, 2026 and March 31, 2025. During the year Company has made certain write off adjustments of identified old receivables/inventories amounting to Rs. 44,915.48 lakhs which is disclosed as exceptional items in the Statement of Profit and Loss. Consequently we are unable to ascertain the impact of all the adjustments to be made in terms of 'Prior period errors' within the meaning of Ind AS 8 - Accounting Policies, Changes in Accounting estimates and Errors'. The Company ought to have restated its prior years figures effecting its assets & liabilities as at March 31, 2025 and income & expenses for the year ended March 31, 2025 and opening balance sheet including equity as at April 1, 2024. Pending such comprehensive identification and want of full information, we are unable to quantify the impact/consequent disclosures on the above said periods and its impact on earnings per share for March 31, 2026 and March 31, 2025.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing First Time

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(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: Not ascertainable
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
5	<u>Audit Qualification (each audit qualification separately):</u>
	e. Details of Audit Qualification: The Company is in the process of reconciling the value of land as per the asset register with the respective title deeds/ documents across various locations of the Company. Company has an independent list of land owned at various locations, wherein the respective title deeds are being correlated to the records maintained by civil engineering department. We have relied on the documents furnished for verification of title deeds and do not express an independent opinion on the same. Further, the auditors of Naini and Palakkad units have commented on the limitations in respect of title deeds of the units(Vinay Kumar & Co and Balaram & Nandakumar).
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: An appropriate coding/cross-referencing system is in the process of development to enable proper correlation between the records. However, impact not ascertainable at this stage.
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
6	<u>Audit Qualification (each audit qualification separately):</u>
	f. Details of Audit Qualification: Fixed asset records (FAR) maintained in excel sheets have inadequate description and location of assets, which in turn may impact the rate of depreciation to be applied and the consequent written down value of assets. The FAR is not updated for land held by the Company in Bangalore Plant Unit including revaluation amounts. Management has not assessed assets which are unserviceable / not in working condition and has not recognized any provision for diminution in value with respect to such assets. The

	Company has not made available records in support of physical verification of PPE carried. In the absence of such comprehensive data in FAR, documentation in support of physical verification carried out and adjustment of discrepancies, if any arising from reconciliation of the same with book records and non-identification of assets which are unserviceable / not in working condition, we are unable to comment on compliance with IndAS-16 'Property, Plant and Equipment' and IndAS 40 - Investment Property.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not ascertainable
	(i) Management's estimation on the impact of audit qualification: Not ascertainable at this stage
	(ii) If management is unable to estimate the impact, reasons for the same:
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

7	<u>Audit Qualification (each audit qualification separately):</u>
	g. Details of Audit Qualification: Requisite details of certain land and buildings owned by the Company/taken on lease (sale/lease deed, location, purpose for which property is put to use, categorization between PPE and IP, whether any amortization of the same is required, income derived therefrom, etc.) were not furnished to us. The written down value of such assets as at March 31, 2026, aggregated to Rs. 18,438.55 lakhs. The Company has recognized income during the year and prior years for which either there were no rental agreements or agreements had expired pending renewal. The Company has not furnished required disclosures as per IndAS 40- Investment Property including the fair values (FV) of its IPs, the basis of determining its FV, rental income derived from such properties and direct operating expenses (including repairs and maintenance) arising from IP that generated rental income during the year etc. In the absence of sufficient appropriate audit evidence, we are unable to ascertain impact, if any, on the Standalone Financial Results.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:

	(i) Management's estimation on the impact of audit qualification: Not ascertainable at this stage
	(ii) If management is unable to estimate the impact, reasons for the same: Process is noted for compliance and the details are being ascertained in this regard in comprehensive manner for detailed review and assessment. However impact not ascertainable.
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

8	<u>Audit Qualification (each audit qualification separately):</u>
	<p>h. Details of Audit Qualification: In terms of the 'Material Accounting Policies', the Company has not provided any documentation in support of the evaluation carried out to test for impairment of assets in compliance with IndAS 36 'Impairment of Assets'. Accordingly, we are unable to satisfy ourselves whether any provision for impairment of assets is required to be recognized in these Standalone Financial Results.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
9	<u>Audit Qualification (each audit qualification separately):</u>
	<p>i. Details of Audit Qualification: Unrealized gains/losses on laptops produced by the Palakkad unit of the Company and transferred to other units for captive use have not been assessed and eliminated. In the absence of sufficient appropriate audit evidence, effect on Standalone Financial Results could not be ascertained.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

10	<u>Audit Qualification (each audit qualification separately):</u>
	j. Details of Audit Qualification: Internally developed software by a unit of the Company for captive use has not been evaluated for recognition in terms of IndAS 38 - 'Intangible Assets' and measured, if required. In the absence of sufficient appropriate audit evidence, effect on Standalone Financial Results could not be ascertained.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1	<u>Audit Qualification (each audit qualification separately):</u>
1	k. Details of Audit Qualification: The Company has not identified lease contracts entered into by it as a lessee/lessor within the meaning of IndAS 116 – Leases and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein, contrary to accounting policy but has expensed off/recognized as income in the Statement of Profit and Loss as per contractual terms. Security deposits paid/received thereon have not been recognized in the Statement of Profit and Loss in accordance with Ind AS 109 – Financial Instruments. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Standalone Financial Results

	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same : Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above : Impact not ascertainable
1 2	<u>Audit Qualification (each audit qualification separately)</u> :
	l. Details of Audit Qualification : The Company did not have a system of appropriating payments received against specific bills raised and only maintains a running account of bills raised and payments received. Consequently, the Company has furnished, based on excel workings, age-wise data in respect of trade receivables as mandated by schedule III, part II to the Companies Act, 2013. We could not independently validate the ageing data so furnished with the books of account. The Company did not furnish bill-wise breakup for certain trade receivables. Further, the Company did not obtain confirmation of balances / statements of account for its trade receivables. The Company has not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 – 'Financial Instruments' and has not furnished the requisite disclosures required in respect thereof. The Company did not furnish us requisite analysis/breakup of unbilled revenue of Rs. 2,24,111.29 lakhs identifying the milestones to be achieved before the same can be billed, the further costs yet to be incurred to achieve such milestones and the estimate of likely costs of rework/modifications that is to be incurred in the process of achieving certification from its customers. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Standalone Financial Results
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same : Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point

	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 3	<u>Audit Qualification (each audit qualification separately):</u>
	<p>m. Details of Audit Qualification:</p> <p>The Company has several old balances in various receivable accounts in the nature of deposits, claims recoverable and other receivables (both current/non current) including certain receivables which are disputed amounting to Rs. 3589.05 lakhs (after write off Rs. 3426.06 lakhs during the year), which are long outstanding and with no adequate supporting. The Company has also not obtained confirmation of balances/ statements of account / reconciliation with books of accounts/ not assessed and recognized the quantum of expected credit loss in terms of IndAS 109 - 'Financial Instruments'. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Standalone Financial Results.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 4	<u>Audit Qualification (each audit qualification separately):</u>
	<p>n. Details of Audit Qualification:</p> <p>The Company had received soft loan from the Government of India in the financial year 2014-15 of Rs. 30,000 lakhs carrying interest at the rate of 1%. This loan was not recognized at fair value after considering the market borrowing rate. The Company has not identified financial assets and financial liabilities within the meaning of IndAS 109 and has consequently not adopted the principles of recognition, measurement and disclosure contemplated therein. In the absence of sufficient and appropriate evidence, we are unable to ascertain impact if any on the Standalone Financial Results.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing

	repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 5	<u>Audit Qualification (each audit qualification separately):</u>
	o. Details of Audit Qualification: The Company did not carry out physical verification of inventory at all locations, in the absence of which excess/shortages as compared to book records were not assessed. Inventories with book value of Rs. 20,570.75 lakhs (after certain adjustments-write down of inventories amounting to Rs. 2,656.59 lakhs during the current year), lying in the various sites/outside locations/stores for which assessment of net realizable value as at March 31, 2026, was not made available. The Company's inventories include old and non-moving items and has not carried out any ageing, usefulness and serviceability assessment to ascertain obsolete inventories, if any. List of inventories was not furnished to confirm its bifurcation into raw materials, components, stores, work in process, manufactured components, finished goods, material in transit and goods pending inspection along with requisite quantitative stock reconciliation statements. We could not independently validate the stock records with valuation made by the Company with supporting documents. We have not been able to independently verify and ensure compliance with IndAS 2- Inventories.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

1 6	<u>Audit Qualification (each audit qualification separately):</u>
	<p>p. Details of Audit Qualification:</p> <p>In the absence of complete details/nature and ageing of each amounts payable, reasons for their pendency, reasons for non-claim by parties where applicable, confirmations/statements of account/reconciliations prepared of certain liabilities (both current/non-current) and advances received from customers of Rs. 1,71,366.66 lakhs, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy. The data regarding ageing of trade payables and other liabilities is as furnished by the management and in absence of bill-wise breakup, we are unable to independently validate the same.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
1 7	<u>Audit Qualification (each audit qualification separately):</u>
	<p>q. Details of Audit Qualification:</p> <p>Disclosure of information pertaining to dues to micro and small enterprises in terms of the Micro, Small and Medium Enterprises Development Act, 2006 and pending identification of such vendors and its account balances, seeking confirmation of balances/reconciliation of transactions entered along with and consequential non-provision for interest, if any, in terms of section 23 of the said act, we have not obtained sufficient appropriate audit evidence and are unable to comment on its completeness/ accuracy.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:

	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable

18	<u>Audit Qualification (each audit qualification separately):</u>
	<p>r. Details of Audit Qualification:</p> <p>The Company has not carried-out any fair valuation assessment in terms of the IndAS 109 'Financial Instruments' in respect of its financial assets and liabilities which are receivable/payable beyond a period of 12 months from the date of initial recognition (examples: certain employee receivables, retention money payable, security deposits accepted/paid, etc.) for the purposes of determination of amortized costs and amortization/recognition of expenses/income of the differential between amortized cost and contractual amounts payable/receivable.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
19	<u>Audit Qualification (each audit qualification separately):</u>
	<p>s. Details of Audit Qualification:</p> <p>The Company's contribution to ITI Employees Provident Fund Trust ('PF Trust') as detailed in its Material Accounting Policies has been considered as a defined contribution plan and not as a defined benefit plan, both for the current and prior years. Accordingly, the liability to the trust ought to have been evaluated actuarially and recognized rather than at 12% of the eligible salaries to be made over during the year. Consequent disclosures required in terms of IndAS 19 – Employee Benefits have not been furnished.</p>

	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same : Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above : Impact not ascertainable

20	<u>Audit Qualification (each audit qualification separately):</u>
	<p>t. Details of Audit Qualification:</p> <p>The Company has not reconciled its books of accounts with its GST returns (GSTR-1/3B/2A/2B/6/7/7A/9&9C) and various forms as applicable filed/to be filed across all its registrations (includes turnover, exempt turnover, taxes payable, input tax credit available/availed and tax deducted at source). Several cross charges between the units of the Company with different registrations taken by the Company also could not be validated in terms of the GST law. The Company has not segregated the goods and service portions of the advances received based on respective contracts and remitted GST liability on the service portion of the same. Pending such bifurcation, we are unable to ascertain the quantum of GST liability on advances payable and required provision along for interest payable. The company has not ascertained comprehensively the reversal of GST input and interest thereon on account of non-payment of vendors before 180 days and on adjustments made for obsolescence of inventories. Reconciliation for the current year between its books of account and returns for each registration has also not been furnished to us. Company has also not assessed any interest / penalty payable, if any, for all the non-compliances identified by it or by the GST authorities during the year as well as prior years.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable

	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 1	<u>Audit Qualification (each audit qualification separately):</u>
	u. Details of Audit Qualification: The Company has not reconciled the entries in forms 26AS, TIS and AIS in the Income Tax portal website with its books of account for the current and prior years. The company has not disclosed the TDS/TCS receivables appropriately in terms of Schedule III of the Act.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 2	<u>Audit Qualification (each audit qualification separately):</u>
	v. Details of Audit Qualification: The Company has reported to the extent ascertained of its contingent liabilities/ legal/ arbitration cases and capital commitments as detailed in Consolidated Financial Results. In the absence of full and comprehensive list across all divisions/units/ROs/Corporate office of the Company with testing of the probability of the liability devolving supported with appropriate legal advice wherever required, we are unable to ascertain the completeness/accuracy of the values reported in the said note and any provisions that may be required to be recognized in this respect.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 3	<u>Audit Qualification (each audit qualification separately):</u>
	w. Details of Audit Qualification: The Company has not identified warranty obligations as a distinct performance obligation within the meaning of IndAS 115 – 'Revenue from contracts with customers' but recognizes the same as and when obligations arise on the plea that it generally has a back-to-back claims against its vendors. The Company has not provided us with the requisite documentation indicating such rights in each contract entered into by it.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 4	<u>Audit Qualification (each audit qualification separately):</u>
	x. Details of Audit Qualification: 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.

	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification : Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :
	e. For Audit Qualification(s) where the impact is not quantified by the auditor :
	(i) Management's estimation on the impact of audit qualification : Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same : Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above : Impact not ascertainable
2 5	<u>Audit Qualification (each audit qualification separately)</u> :
	<p>y. Details of Audit Qualification:</p> <p>a. 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 year 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.</p> <p>b. 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 finalization 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.</p> <p>c. Attention is invited to foot note of Note 11 of the Standalone Financial Results where in the Company has enumerated the status of a contract with Ministry of Defense, Government of India, for supply and establishment of Army Static Switched Communication Network (ASCON) at an agreed consideration. In terms of the said contract, the Company was to mandatorily demonstrate its complete solution to bring out its capabilities vis-à-vis the requirements of the customer, which would be evaluated by the latter and form an essential part of the test bed evaluation process. We were informed for the reasons stated in the said note that the test best approval was awaited as at March 31, 2026, which is expected upon completion of certain activities as detailed therein. The Company has proceeded with part execution of the</p>

	contract pending test bed final approval and in the opinion of the management of the Company is not impacting the revenue already recognized up to March 31, 2026, to an aggregate extent of Rs. 1,92,094.93 lakhs.
	b. Type of Audit Qualification : Disclaimer of Opinion
	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 6	Audit Qualification (each audit qualification separately):
	a. Details of Audit Qualification: 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.
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
2 7	Audit Qualification (each audit qualification separately):
	a. Details of Audit Qualification: The Company follows the process of recording interunit transactions which are identified

	<p>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 year. Further the Company is also in process of reconciling the inter unit transactions pending reconciliation, an amount of Rs. 1,748.64 lakhs has been adjusted in Statement of Audited Financial Results under the head 'Cost of material consumed' of the Standalone Financial Results. Accordingly, we are unable to independently assess the correctness and completeness of such transactions.</p>
	<p>b. Type of Audit Qualification : Disclaimer of Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: Impact not ascertainable</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: Impact not ascertainable</p>
28	<p>Audit Qualification (each audit qualification separately):</p>
	<p>b. Details of Audit Qualification: The Company has reported certain non-compliances with various provisions of the SEBI Listing Regulations/the Act inter alia in respect of quorum for board meetings, non-compliance with the constitution of audit and risk management committees, specified proportion/ number of independent directors. Consequential non compliance of such provisions and its effect on Standalone Financial Results is not known including non-provision for penalty and interest liability there on.</p>
	<p>b. Type of Audit Qualification : Disclaimer of Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: Impact not ascertainable</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point</p>
	<p>(iv) Auditors' Comments on (i) or (ii) above: Impact not ascertainable</p>

2 9	Audit Qualification (each audit qualification separately):
	<p>c. Details of Audit Qualification: Reference is drawn to observation 29 of our audit report issued on June 13, 2025 in respect of Financial Statements as of March 31, 2025, regarding certain old balances carried forward in various assets and liabilities, where in management has not furnished us the composition of such balances and requisite records in support thereof.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point
	(v) Auditors' Comments on (i) or (ii) above: Impact not ascertainable
3 0	Audit Qualification (each audit qualification separately):
	<p>d. Details of Audit Qualification: Reference is drawn to note 16 of Standalone Financial results where in the Company has classified certain items as Exceptional Items which are not in accordance with the IndAS 1 Presentation of Financial Statements. In the absence of adequate information and documentation we are unable to comment on the correctness of the amounts reported therein.</p>
	b. Type of Audit Qualification : Disclaimer of Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification: Impact not ascertainable
	(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point

(vi)	Auditors' Comments on (i) or (ii) above: Impact not ascertainable
31. Audit Qualification (each audit qualification separately):	
<p>e. Details of Audit Qualification: Company has not furnished adequate details/reconciliation regarding the classification of current and non current portions of employee benefits which includes gratuity, LTC and earned leave liabilities across all units, regional offices and corporate office as per actuary and the books of accounts. Accordingly we are unable to comment on the correctness of the provisions reported there under including the charge to the Consolidated Results for the year ended March 31, 2026 (including those reported under 'Other Comprehensive Income'.</p>	
b. Type of Audit Qualification : Disclaimer of Opinion	
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing First Time	
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i) Management's estimation on the impact of audit qualification: Impact not ascertainable	
(ii) If management is unable to estimate the impact, reasons for the same: Company has initiated action plan for necessary respective compliances. However, impact not ascertainable at this point	
(vii)	Auditors' Comments on (i) or (ii) above: Impact not ascertainable

<u>Signatories:</u>	
• CEO/Managing Director	
• CFO	
• Audit Committee Chairman	
• Statutory Auditor	
Place: Bangalore	
Date: May 28, 2026	