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ITI LIMITED

(A Government of India Undertaking)



Partner In Nation Building Since 1948



74TH ANNUAL REPORT 2023 - 24

CHAIRMAN'S MESSAGE

Dear Shareholders,

I am pleased to present the 74th Annual Report for ITI Limited for the financial year 2023-24. I am delighted to inform you that the Company has complied with the guidelines on Corporate Governance for CPSEs. On behalf of ITI Limited and the Board of Directors, it is indeed an honour and a privilege to share my thoughts with you through the Annual Report 2023-24.

This year has been a pivotal one for ITI as we continue to strengthen our position as a key player in India's telecommunications and technology landscape. Our commitment to support the nation's digital transformation and enhancing connectivity across the country has guided our efforts throughout the year.

Dear Shareholders, the telecommunications and technology sectors are experiencing rapid evolution, driven by advancements in digital infrastructure, the rollout of 5G, and the increasing emphasis on secure communications. As a Public Sector Undertaking under the Ministry of Communication, ITI Limited has played a critical role in these developments, contributing to the government's vision of a 'Digital India' and 'Make in India'. The growing need for indigenous manufacturing and complete solutions for telecom sector has further highlighted our strategic importance.

Let me now talk about the Financial Year 2023-24. For the Company, the year has been a year of several challenges and unexpected issues. Some of the major projects did not mature during the year due to issues beyond our control. The Proof of Concept (PoC) of the ASCON Phase IV project could not be concluded due to certain technical issues thereby delaying the project rollout and to attain the desired level of performance (billing). Further, there was some procedural delay in award of Work Order for execution of BSNL 4G project which resulted in the rollout of the project at the end of Q4 only. These two unwarranted events adversely impacted our performance during the year and the Company's turnover as well as profits suffered a setback in this year. The Company has achieved a turnover of Rs. 1,628.05 Crores with a loss of Rs. 569.06 Crores. The major contribution to the Company's performance came from Projects like ASCON Phase IV, BSNL 4G Rollout, Mahanet, TanfiNet, NFS Project, Gujnet, and IAF project for Upgradation of 3G network to 4G/5G. This year's contribution from Manufacturing was mainly from supply of various products viz HDPE, OFC, Encryption Products, Solar Panels, FDMS, Mini PCs, Laptops, Telephones, ONT-23, 4G eNode-B, Smart cards/DL-RC Cards, and Solar Street Lights. Services like AMC for equipment supplied for GSM-SZ, MLLN/ SSTP, GPoN, Defence Encryptors, Wi-Fi Hotspots, NGN, C-DoT ANRAX, Data Centre, Aadhar Business/ SaaS, VSSC Business, Third Party Audit Services (TPA). Businesses generated by MSPs have also contributed significantly for this achievement.

Dear Shareholders, as mentioned above, the Company is going in a big way addressing the latest technology opportunities for 4G which is expected to pave way for the next generation that is 5G. We have collaborated with TCS for rolling out the 4G BSNL project as well as for manufacturing the 4G Remote Radio Units (RRUs)/Base Band Units (BBUs). Other than Radios, ITI Limited is also manufacturing Outdoor cabinets (ODC) and the CPRI cable required for the roll out.

Contract manufacturing of RRU/BBU required for BSNL 4G Rollout project is carried out at 03 of our manufacturing Units: Bangalore, Mankapur and Palakkad. CPRI cable manufacturing is being planned at Raebareilly Unit.

Manufacturing and supplies of ODC required for BSNL 4G Rollout project are in progress at Bangalore and Mankapur. Northern regions requirements are being handled by Mankapur Unit.

ITI Limited has also manufactured indigenous 4G Radios with C-DOT Technology (Bands-1,3,8,28,41) which are deployed at various BSNL sites for Proof of Concept (PoC) and the same is under progress. This will also enable ITI Limited for manufacturing of 4G & later 5G Radios which is expected to be a path-breaking change for the Company. We are also conducting PoC in Railway, for 4G RAN and the PoC is under progress. This is expected to give the Company more openings on the technology front for addressing emerging technology businesses coming from Railways, BSNL and other customers. We are also in the process of stepping into export of 4G RAN.

We have made significant strides in expanding our product portfolio, with a focus on emerging technologies such as 5G, IoT, and cybersecurity. ITI Limited has formalized a strategic collaboration with Lekha Wireless, Niral Networks, and InstalCT Solution aimed at driving the adoption of 5G technology in India. The Memorandums of Understanding (MoUs) recently signed, signifies the beginning of a significant partnership between ITI Limited and these niche entities in the telecommunications sector. This collaboration underscores the commitment of the organization to leverage advanced technology for the enhancement of telecommunications infrastructure in India.

ITI Limited has signed a Memorandum of Understanding (MoU) with JandK Operations Private Limited for manufacturing and providing of BharOS-enabled digital devices and services. This collaboration aims to manufacture and provide BharOS-enabled digital devices, including mobiles, routers, tablets, and more, to enhance the digital security infrastructure of Digital India.

Dear Shareholders, I am happy to inform that our R&D developed Electronic Voting Machine (EVM) has been approved by Technical Evaluation Committee. ITI Limited has already initiated the process for readiness of infra for mass manufacturing of EVMs and its commercial deployment. The Company is also pursuing with State Election Commissions (SECs) for marketing the EVMs. Another product developed by R&D is the Digital Mobile Radio (DMR) and prototypes have been demonstrated to Indian Railways. In addition to Railways, huge market demand is expected from agencies like MHA, State Police, Defence Forces and so on.

We are also making all out efforts to market the services offered from our Data Centre. Data Centre has been equipped to offer wide range of services including Cloud services, Managed Security Services, On-demand Services, Professional Services, Security (SoC), and Managed IT Services. From this Data Centre, we intend to set up a SoC platform to offer services to customers and MSMEs to monitor, prevent, detect, investigate, and respond to cyber threats round the clock. Telecom Test Labs offer wide range of test services across customers ranging from commercial, communication, medical, automotive, railways, industrial, IT, and domestic sectors. EMI/EMC Lab is upgraded for Military standards, and the lab is accredited by NABL and TEC Conformity Assessment Body (CAB), TEC





Delhi. The Start-up Hub is making good progress in attracting start-up firms and there is a need to identify start-ups in telecom domain to be part of this Hub so that we could encourage the innovative products in the Telecom, IoT and other areas by way of manufacturing & marketing of successful products. Our R&D has been a pioneer for last 5 decades in the design & supply of encryption devices to Defence sector.

With regard to the contribution of Units, Mankapur Unit, HDPE Duct Plant has been utilized to manufacture Water Pipes and around 10000 KMs of water pipe has been manufactured till date to address varied opportunities. Unit has also manufactured 30000 Nos of ONTs for RailTel and 1500 Nos of 4-Port OLT to BSNL. Also, Mankapur Unit is manufacturing 4G RAN & Outdoor cabinet for BSNL-4G project. Unit had signed ToT agreement with M/S Wishtel for manufacturing of Tablet PC (Certification BIS, EPR & RoHS) on CKD basis. Mankapur Unit has manufactured 1000 Nos Tablets. Naini Unit has manufactured and supplied 10,000 Nos Solar Modules of 120 Watt out of 20,000 order quantity from M/s. Patanjali required to set up solar street light at Bihar State (BREDA). I'm happy to say that, Naini Unit bagged repeat order worth around Rs.90 Cr from BREDA for the supply, Installation and commissioning of Solar Street Light Systems in the state of Bihar. Further, requirements for Renewable Energy projects in other states are being explored. We have a plan to set up Mono Crystalline Solar Panel manufacturing line of 500 Mega Watt capacity.

Palakkad Unit in collaboration with Intel has been manufacturing and marketing Laptops. The Laptops developed by Palakkad Unit have acquired certifications from BIS, FCC, RoHS, CE, BEE etc. The Desktop Micro PCs have been supplied to various educational organisations and annually around 2000 to 3000 Micro PCs are being shipped from Palakkad Unit. ITI, Palakkad Unit is one of the major industry partner which Vikram Sarabhai Space Center (VSSC) is depending for the realization of Avionics packages. I feel proud to inform that we have received an Appreciation Letter for commendable contribution made by Palakkad Team by way of fabricating avionics packages flown on the launch of Chandrayaan-3 (LVM3-M4) Mission, meeting all the quality norms of ISRO and supplying in a time bound manner.

Our Production Units have manufactured around 26,300 KMs of HDPE Duct for ASCON PH-IV, MahaNet, TanfiNet, GujNet, A&N Projects, Railways, Vodafone and also Indian Air Force (IAF) Projects. Further, Raebareli Unit has manufactured around 25,700 KMs of OFC and supplied for ASCON, TanfiNet, Indian Air Force (IAF) projects, MTNL and Railways requirements. Marketing Team has been exploring opportunities with private operators like Vodafone, Airtel etc so that the facility runs at the maximum capacity.

Bangalore Unit is continuing to be a strategic partner for Defence, Paramilitary Forces and MHA for supply of Encryptors, Multi-Channel Encryption Units [MCEUs] and Terminal End Secrecy Devices [TESD]. Unit has received its first ever HDPE order from M/s Aksent Technology Services for manufacturing and supplying of 500 Km HDPE along with accessories. Also, Unit is manufacturing 4G RAN at CKD level with C-DoT Technology and SKD level of Tejas Technology & Outdoor cabinet (ODC) for BSNL-4G project.

Srinagar Unit is playing a pivotal role in ensuring the smooth implementation and maintenance of critical communication network in the remote locations of the J&K region for ASCON Ph IV and other defence, Bharat Net Projects. This Centre also plays a significant role in upskilling the youth of Kashmir in various fields such as Optical Fibre Cable Laying and Optical Splicing, Data Entry Operator etc.

The Company's Order Book remains strong and the same needs to be augmented further so as to enable the Company to achieve sustainable growth. Corporate Marketing Team has been aggressively exploring private market for various products. In this regard, ITI Limited is empanelled with Vodafone for HDPE Duct. Many other initiatives of supplying Mini OLT and ONT, supply of Mini PCs to private institutions, contract manufacturing of Tablet PCs, Laptops, OFC, HDPE water pipes, mobile handsets, are under progress and we hope to get good revenue from these opportunities.

Network System Unit (NSU) has contributed maximum for the revenue of the last year. The performance achieved in the main projects executed by NSU is ASCON PH-IV - Rs.300.02 Cr, BSNL 4G Rollout – Rs. 193.25 Cr, Mahanet- Rs. 49.25 Cr, TANFINET- Rs. 74.47 Cr, Gujnet – Rs. 87.57 Cr, and NFS – Rs. 63.60 Cr. Rollout of OFC has been under progress across the Western, Northern & North-Eastern regions of India and 5,865 Kms of T&D, 1,681 Kms of Acceptance Testing (AT) has been completed. Civil construction work has also been making good progress. In the TANFINET project, 61 % of GP liting work has been completed and around 12000 Km of OFC laying work has been completed. We are planning to complete the project by September 2024.

Dear Shareholders, to be competitive in the business, Company has been trying to adapt to, and catch up & align with the rapid changes in technology. We believe products like 4G/5G Radios, EVM, DMR may be the game-changers for the Company. We have tough path ahead but our resolute focus is to surpass the obstacles and challenges to march towards complete revival. We have to channelize all our talents & ingenuity towards accomplishment of larger goal. Our utmost commitment is required to excel. Meticulous efforts and steadfast march towards our goal is the need of the hour and would enable the Company to scale up to newer heights. By aligning the Company with the various new initiatives of Government, new technology, new business segments, new projects & products, I am confident that, we can become a prominent player in making Indian Telecom sector self-reliant – Aatma Nirbhar, in the near future. Looking ahead, ITI Limited is poised to play an even more significant role in India's digital future. We are confident that our ongoing efforts to innovate, expand, and enhance our capabilities, will continue to deliver value to our shareholders and contribute to the nation's technological advancement. We remain committed to our mission of providing secure, reliable, and cost-effective solutions to our customers.

I would like to express my heartfelt gratitude to the Government of India, Ministry of Home Affairs, Ministry for Rural Development, Ministry of Defence, Department of Telecommunications, Telecom Commission, BSNL, MTNL, BBNL, Defence, TCIL, Indian Railways, all departments of Central and State Governments and other valued customers, depositors, banks, financial institutions, overseas collaborators, Auditors, Committee on Public Undertakings [COPU], Standing Committee on Information Technology and Standing Conference of Public Enterprises [SCOPE] for their continued co-operation and I also take this opportunity to extend my thanks to all the employees and shareholders for their support and understanding. Your trust and confidence inspires us to strive for excellence in everything we do. Together, we will continue to build on our legacy and drive ITI Limited towards new heights.

Thank You

Place: Bengaluru

RAJESH RAI
Chairman & Managing Director

Note : This does not purport to be record of the proceedings of 74th Annual General Meeting

VISION, MISSION and VALUES

VISION

“To Lead India’s transformation towards self-reliance in the domain of Telecommunications, Electronics, and ICT products, services and solutions that change lives for better”

MISSION

“To provide in-house developed convergence solutions, products and services to our clients in the area of Telecommunications, Electronics, Defence System, Space Technologies and Smart Connected Technology”

VALUES

We aspire to achieve our goal by focusing on innovation, continuous improvement and collaborating with strategic market players (partnerships/alliances) in transparent and responsible manner.

❖ **Innovation:**

There is a constant want for Innovation through facilitation, resource provisions, encouragement & recognitions that drive our growth.

❖ **Continuous Improvement:**

We focus on continuous improvements which lead to more sophisticated and overall more economically competitive offerings.

❖ **Collaboration with Strategic Partner:**

We just don’t do business but help our customers and other stakeholders to transform the lives we touch.

❖ **Transparency:**

We will be fair, honest and ethical in our conduct; everything we do, must stand the test of scrutiny.

❖ **Responsible Manner:**

We will integrate environmental and social principles in our businesses, ensuring that what we generate goes back to the stakeholders.



ANNUAL REPORT 2023 - 2024



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COMPANY INFORMATION

BOARD OF DIRECTORS*

Shri Rajesh Rai

Chairman and Managing Director

Shri Rajeev Srivastava

Director Finance & CFO

Smt S Jeyanthi

Director Production & Director HR (Addl. Charge)

Shri C V Ramana Babu

Director Marketing

Lt Gen K Vinod Kumar, Signal Officer in Chief

Government Director

Shri Mukesh Mangal DDG (AI&DIU)

Government Director

Smt Mamta Palariya

Independent Director

Dr Raja Nayak

Independent Director

Shri Billeswar Sinha

Independent Director

STATUTORY AUDITOR

M/s B K Ramadhyani and Co LLP

BRANCH AUDITORS

M/s. Mehrotra Kapoor & Tandon (Rae Bareli)

M/s. Amit Om & Co., Allahabad (Naini)

M/s. S K Associates , Faizabad (Mankapur)

M/s. Balaram & Nandakumar (Palakkad)

M/s. A H M & Co., Srinagar (Srinagar)

COST AUDITORS

M/s GNV Associates, Bengaluru

M/s Aman Malviya & Associates, Lucknow

SECRETARIAL AUDITOR

Shri K N Nagesha Rao, Bangalore

BANKERS

State Bank of India

Bank of Baroda

Canara Bank

Punjab National Bank

Union Bank of India

Central Bank of India

Indian Bank

MANAGEMENT*

CORPORATE OFFICE

Smt Deepa Chawla

Chief Vigilance Officer

Smt Ila Bahadur

Executive Director

Technology & Business Development, and Marketing Head

Shri Sajan Abraham

General Manager - HR, Asset Management, PR

Smt Kavita Deokar

AGM - Operations

Shri Satish Kumar

AGM - Material Management

Shri Sandeep Yadav

DGM – Finance

Shri Jothivel S

Chief Internal Auditor- Corporate

UNIT HEADS

Network Systems Unit

Shri Prakash Chandra Jain

Executive Director

Bangalore Plant

Smt R Vasanthi

General Manager

Mankapur Unit

Shri Ajai Kumar Srivastava

General Manager

Raebareli Unit

Shri Rajiv Kumar Srivastava

Additional General Manager

Srinagar Unit

Shri Idris Aslam Khan

Additional General Manager

Naini Unit

Shri Alope Kumar Gupta

Additional General Manager

Palakkad Unit

Smt Jayanthimala G

General Manager

*As on 21.08.2024



ITI LIMITED

(A Govt of India Undertaking)

CIN: L32202KA1950GOI000640

Registered Office: ITI Bhavan, Doorvani Nagar, Bengaluru – 560 016

Tel No: +91 (080) 2561 4466 | Fax No: +91 (080) 2561 7525 | Email: cosecy_crp@itilttd.co.in | Website: www.itilttd.in

NOTICE

NOTICE is hereby given that the Seventy Fourth (74th) Annual General Meeting (AGM) of ITI Limited will be held on Friday, 08th November 2024 at 11.30 am through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') to transact the following business.

I) ORDINARY BUSINESS:

- 1) To consider and, if thought fit, to pass with or without modifications, the following as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year Ended 31st March 2024 together with the reports of the Board of Directors and Auditors thereon and comments of the Comptroller and Auditor General of India, be and are hereby received, considered and adopted."

- 2) To consider and, if thought fit, to pass with or without modifications, the following as an **Ordinary Resolution**:

"RESOLVED THAT Shri Rajeev Srivastava (DIN: 08921307), who retires by rotation and being eligible, be and is hereby re-appointed as a Director of the Company."

- 3) To consider and, if thought fit, to pass with or without modifications, the following as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 142 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors of ITI Limited be and is hereby authorised to fix the remuneration and other terms and conditions, including reimbursement of travelling allowance and out of pocket expenses of Statutory Auditors of the Company appointed by Comptroller and Auditor General of India and of the Branch Auditors of the Company for the financial year 2024-25".

II) SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Ministry of Communications Order no. E-14-3/2021-PSA dated 19th December 2023, Shri Ramana Babu C V (DIN: 10478320), be and is hereby appointed as Director (Marketing) on the Board of the Company w.e.f 25th January 2024 to till 31st July 2028 i.e the date of superannuation, or until further orders, whichever is the earlier and on the terms and conditions as stipulated by the Government of India."

- 5) To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Ministry of Communications order no. E-5-2/2021-PSA dated 13th September 2023, Lt Gen Kanwar Vinod Kumar, Signal Officer-in-Chief, Ministry of Defence (DIN:

10366028), be and is hereby appointed as Government Director on the Board of the Company w.e.f. 20th October 2023 for a period of three years or till the date of superannuation or till further orders, whichever is earliest and on the terms and conditions as stipulated by the Government of India."

- 6) To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Ministry of Communications order no. E-5-2/2021-PSA dated 09th January 2024 appointed Shri Mukesh Mangal (DIN :10460089), DDG (AI&DIU), DoT be and is hereby appointed as Government Director on the Board of the Company w.e.f 10th January 2024 for a period of three years or till the date of superannuation or till further orders, whichever is the earliest and on the terms and conditions as stipulated by the Government of India."

- 7) To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and the rules made there under the remuneration of Rs. 3, 30,400 (inclusive of applicable taxes) and out of pocket expenses and conveyance expenses at actuals fixed for the Cost Auditors appointed to conduct the audit of cost records of all Units of the Company for the year 2024-25 be and is hereby ratified".

Registered & Corporate Office
ITI Bhavan, Doorvaninagar

By Order of the Board
for ITI LIMITED

Sd/-
RAJEEV SRIVASTAVA

Place : Bengaluru
Date :10.10.2024

DIRECTOR FINANCE & CFO
(DIN: 08921307)

NOTES:

- 1) The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022, General Circular No. 10/2022 dated 28.12.2022 and General Circular No. 09/2023 dated 25.09.2023 after due examination, it has been decided to allow companies whose AGMs are due in the Year 2024 or 2025, to conduct their AGMs through VC or OAVM on or before 30th September, 2025 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020, and other applicable circulars issued in this regard, have permitted the companies to conduct AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till 30th September 2025, without physical presence of Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")



and the Circulars, the 74th AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company, ITI Bhavan, Doorvani Nagar, Bengaluru - 560016.

- 2) Since this AGM is being held pursuant to the Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of the venue are not annexed to this Notice.
- 3) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 4) In line with the Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members requiring hard copy of Annual Report can submit their request by sending email to cosecy_crp@itilttd.co.in.
- 5) The Notice convening the 74th AGM along with full version of Annual Report 2023-24 has been uploaded on the website of the Company at www.itilttd.in under 'Investors' section and can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evoting.nsdl.com.
- 6) Corporate Members / FIs / Financial Institutions intending to appoint Authorised Representatives as per Section 113 of the Companies Act, 2013, to attend the AGM through VC/OAVM are requested to send to the Company, a certified copy of the Board Resolution/such other documents authorizing their representative(s) to attend and vote on their behalf at the meeting, together with their specimen signatures by e-mail to dvenkatas@gmail.com and helpdesk.evoting@nsdl.com
- 7) The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 which set out the details relating to Special Business at the AGM is annexed hereto and forms part of the notice as **Annexure A**.
- 8) Pursuant to provisions of the Regulation 36 (3) of Listing Regulations and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India, the brief resume/profile of the Director eligible for appointment/re-appointment is appended to this Notice as **Annexure B**.
- 9) Pursuant to Section 139 read with Section 142 of the Act, the Auditors of the Company are appointed by the Comptroller and Auditor General of India. However, the remuneration of auditors shall be fixed by the Company at the AGM. Members may authorise the Board to determine and fix suitable remuneration payable to Auditors for the year 2024-25 after taking into consideration change(s), if any, in scope of assignments due to statutory requirements/ volume of work/ inflation index, etc.
- 10) In case of joint holders, the member whose name appears as the first holder in the order of names as per Register of Members of the Company will be entitled to vote at the meeting.
- 11) As per Section 108 of the Companies Act, 2013 read with relevant rules made there under, Regulation 44 of Listing Regulations, MCA Circular and SEBI Circular, the Company is pleased to provide its Members the facility to cast their vote by electronic means on all resolutions set forth in the Notice through remote e-voting and e-voting during AGM and for attending the meeting through VC/OAVM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL. The instructions for remote e-voting, e-voting during AGM and for attending the meeting through VC/OAVM are appended to this Notice as **Annexure C**.
- 12) The Members can join the AGM through VC/OAVM mode 15 minutes before and within 15 minutes of the scheduled time of the commencement of the Meeting by following the instructions mentioned in the Annexure C. The Members will be able to view the proceedings by login into the NSDL e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 13) All documents referred to in the notice & statutory registers maintained under Section 170 and 189 of the Companies Act, 2013 will be available for electronic inspection during the AGM. Members seeking to inspect such documents can send an e-mail to cosecy_crp@itilttd.co.in
- 14) Members requiring information on the Accounts are requested to write to the Company at least fifteen days before the date of the Meeting so that the required information could be kept ready.
- 15) Shri D Venkateswarlu, (CP No. 7773), Practicing Company Secretary, Bengaluru has been appointed as the Scrutinizer to scrutinise the voting during the AGM and remote e-voting in fair and transparent manner
- 16) The Register of Members of the Company will remain closed from Saturday, 02nd November 2024 to Friday, 08th November 2024 (both days inclusive) for the purpose of the AGM.
- 17) SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities vide its circular dated 3rd November 2022, 15th December 2021 and 16th March 2023. Accordingly, Members holding shares in physical forms are requested to submit their PAN, KYC and nomination details to the Company's RTA and Members holding shares in electronic form are requested to submit PAN, KYC and nomination details to their respective Depository Participant(s). The forms for updating KYC details are available at [https:// www.itilttd.in/common_and_simplified_norms](https://www.itilttd.in/common_and_simplified_norms).
- 18) In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.
- 19) Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company. If a Member desires to optout or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said forms can be downloaded from the website of the Company at https://www.itilttd.in/common_and_simplified_norms. Members are requested to submit the requisite form to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no.
- 20) Members may please note that SEBI vide its Circular dated 25th January 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense



Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, members are required to submit duly filled up Form ISR-4 which is available on the website of the Company at https://www.itilttd.in/common_and_simplified_norms along with documents and details specified therein, while submitting request for the above mentioned Investor Services.

- 21) Members are also requested to intimate changes, if any, pertaining to their name, postal address, email address, mobile number, PAN, registration of nomination, Power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at irg@integratedindia.in in case the shares are held in physical form, quoting their folio number
- 22) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their

Depository Participants in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

- 23) The recorded transcript of the AGM, shall be maintained by the Company and also be made available on the website of the Company at https://www.itilttd.in/annual_general_meeting in the Investor Section, at the earliest soon after the conclusion of the Meeting.
- 24) Members may visit the website of the Company for more information on the Company.

Registered & Corporate Office
ITI Bhavan, Doorvaninagar

By Order of the Board
for ITI LIMITED

Sd/-
RAJEEV SRIVASTAVA
DIRECTOR FINANCE & CFO
(DIN: 08921307)

Place : Bengaluru
Date : 10.10.2024

Annexure A

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4, 5, 6, 7 and 8:

In terms of the Articles of Association of the Company, the President of India is vested with the power to appoint the Directors of the Company from time to time and also shall determine the terms of office of such Directors. Accordingly, the following appointments on the Board of your Company were effected during the year as per the directives of the President of India:

Item No 4: Shri Ramana Babu C V, Director Marketing (DIN: 10478320)

The Ministry of Communications vide order dated 19th December 2023, appointed Shri Ramana Babu to the post of Director Marketing of ITI Limited for a period of five years with effect from the date of assumption of charge of the post, or till the date of his superannuation or until further orders, whichever is earliest.

The terms and conditions of appointment of Shri Ramana Babu to the post of Director Marketing will be governed as per Department of Public Enterprise guidelines.

Item No 5: Lt Gen Kanwar Vinod Kumar, Government Director (DIN: 10366028)

Ministry of Communications via order no. E-5-2/2021-PSA dated 13th September 2023, Lt Gen Kanwar Vinod Kumar, Signal Officer-in-Chief, Ministry of Defence (DIN: 10366028), was appointed as Government Director on the Board of the Company w.e.f. 20th October 2023 for a period of three years or till the date of superannuation or till further orders, whichever is earliest and on the terms and conditions as stipulated by the Government of India.

The terms and conditions of appointment of Lt Gen Kanwar Vinod Kumar to the post of Government Director will be governed as per Department of Public Enterprise guidelines.

Item No 6: Shri Mukesh Mangal, Government Director (DIN: 10460089)

The Ministry of Communications via order no. E-5-2/2021-PSA dated 09th January 2024 appointed Shri Mukesh Mangal (DIN: 10460089), DDG (AI&DIU), DoT as Government Director on the Board of the Company w.e.f. 10th January 2024 for a period of three years or till the date of superannuation or till further orders, whichever is the earliest and on the terms and conditions as stipulated by the Government of India.

The terms and conditions of appointment of Shri Mukesh Mangal to the post of Government Director will be governed as per Department of Public Enterprise guidelines.

Shri Ramana Babu, Lt Gen Kanwar Vinod Kumar, Shri Mukesh Mangal are qualified to be appointed as directors in terms of Section 164 of the Companies Act, 2013 and has given their consent to act as director of the Company. The Company has received Notice under section 160 of the Companies Act, 2013 from the Members, signifying their intention to appoint Shri Ramana Babu, Lt Gen Kanwar Vinod Kumar, Shri Mukesh Mangal as Directors of the Company.

The Nomination and Remuneration Committee in its meeting held on 12th August 2024 have recommended to the Members' for appointment of Shri Ramana Babu as Director of the Company.

In terms of Section 152 of the Companies Act, 2013, every Director shall be appointed by the Company in general meeting. Accordingly, necessary resolutions have been placed before the Annual General Meeting for Members' approval.

Shri Ramana Babu are deemed to be interested in the proposed resolution to the extent of their appointment as Director of the Company.

None of the other Directors or Key Managerial Personnel of the Company or their relatives is interested, financially or otherwise, in the resolution set out at item numbers mentioned above.

Shri Ramana Babu, Lt Gen Kanwar Vinod Kumar and Shri Mukesh Mangal do not hold any share in the Company, either in individual capacity or on a beneficial basis for any other person.

Your directors recommend the ordinary resolutions for appointment of Shri Ramana Babu as Director Marketing, Lt Gen Kanwar Vinod Kumar as Government Director, Shri Mukesh Mangal as Government Director of the Company, as proposed in the notice for approval.

A brief profile of Shri Ramana Babu, Lt Gen Kanwar Vinod Kumar, and Shri Mukesh Mangal are provided in **Annexure B** of this Notice.

Item No. 7

The Board, on the recommendation of the Audit Committee, has approved the appointment of following Cost Auditors to conduct the audit of the cost records of the various units of the Company for the financial year ending 31st March 2025:



Sl.No.	Name of the Cost Auditor	Audit Fees including GST (in Rs)
1.	GNV & Associates, Bangalore	2,36,000
2.	Aman Malviya & Associates, Lucknow	94,400
	Total	3,30,400

Rule 14 of the Companies (Audit and Auditors) Rules, 2014 requires ratification by the members for the remuneration fixed for the Cost Auditor of the Company appointed under Section 148(3) of the Companies Act, 2013.

Accordingly, necessary resolution seeking ratification for fixation of remuneration of Rs 3,30,400/- (inclusive applicable taxes) and out of pocket expenses and conveyance expenses at actuals for the Cost Auditor appointed

for the year 2024-25 is placed before the Member for their approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives is interested, financially or otherwise, in the resolution set out at item no. 7.

Your directors recommend the ordinary resolution as proposed in the notice for Members' approval.

Registered & Corporate Office
ITI Bhavan, Doorvaninagar

By Order of the Board
for ITI LIMITED

Sd/-
RAJEEV SRIVASTAVA

DIRECTOR FINANCE & CFO
(DIN: 08921307)

Place : Bengaluru
Date : 10.10.2024

Annexure B

BRIEF RESUME OF DIRECTORS PROPOSED FOR APPOINTMENT/ REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS.

Item No. 2

Reappointment of Shri Rajeev Srivasatava, Director - Finance

Shri Rajeev Srivastava was appointed as Director Finance of the Company on October 15, 2020. He has joined the Company initially as General Manager-Finance on December 17, 2018. Shri Rajeev Srivastava is a qualified Finance Professional having membership of the Institute of Cost & Management Accounts of India and has a rich experience of more than 30 years.

Before joining ITI Limited, he has worked with Government of India as Director (Accounts)/Senior Accounts Officer from December 1990 to December 2018.

Shri Srivastava has accomplished his Bachelor in Commerce and Masters in Commerce from Delhi University, LLB from DAV Law College, CWA from Institute of Cost Accountants of India (ICMAI) and CS from Institute of Company Secretaries of India (ICSI).

Pursuant to the provisions of Listing Regulations the other details of Shri Rajeev Srivastava are as follows:

- Number of Board Meetings attended during 2023-24 : **6**
- Details of Directorships in other Listed Companies as on 31st March 2024: **Nil**
- Membership/Chairmanship in the Committees in Listed Companies as on 31st March 2024 : **Member of Stakeholder Relationship Committee and Corporate Social Responsibility Committee of ITI Ltd, Chairman of Risk Management Committee of ITI Ltd**
- Details of resignation from Directorships of other Listed Companies during the past 3 years : **Nil**
- Number of shares held in the Company as on date (including shares held as a beneficial owner) : **Nil**
- Disclosure of inter-se relationships between directors & key managerial personnel : **Nil**

Item No. 4

Appointment of Shri Ramana Babu C V as Director Marketing

Shri Ramana Babu C. V belongs to Indian Telecom Services (ITS) - 90 Batch. He is a graduate in Electronics & Communications from Andhra University and has a Diploma in Public policy and Sustainable Development from The Energy and Resource Institute (TERI), New Delhi. A highly motivated

and result oriented person who has more than 30 years of experience in Project planning, execution, installation and commissioning and operations of various telecom networks. During the initial years in his career, he had worked in Software centre of Department of Telecommunications (DOT), dealing with large capacity Digital Switching Equipment. He has overseen smooth Y2K transition by developing software patches related to switching and billing. He has extensive knowledge of Mobile networks and installed CDMA and Wimax networks. He successfully led the prestigious CSC project. He was responsible for dealing with spectrum issues in BSNL. He has taken lead in design of 4G network in BSNL and successfully soft launched 4G services in 2016 in Chandigarh. At previous position as Chief General Manager, Bharat Broadband Networks Limited (BBNL), he coordinated with various agencies for completion of Phase 1- which entailed connection of 120000 Gram Panchayats with OFC. He also has vast experience in procurement. He handled procurement activities of the erstwhile Department of Telecommunications (DOT). He was instrumental in preparation of BSNL procurement manual, which is used as reference by many telecom PSUs and Private Telcos. He has interest in IOT, Mobile networks, circular economy and renewable energy.

Pursuant to the provisions of Listing Regulations the details of Shri C V Ramana Babu are as follows:

- Number of Board Meetings attended during 2023-24 : **2**
- Details of Directorships in other Listed Companies as on 31st March 2024: **Nil**
- Membership/Chairmanship in the Committees in Listed Companies as on 31st March 2024 : **Member of Risk Management Committee of ITI Ltd**
- Details of resignation from Directorships of other Listed Companies during the past 3 years : **Nil**
- Number of shares held in the Company as on date (including shares held as a beneficial owner) : **Nil**
- Disclosure of inter-se relationships between directors & key managerial personnel : **Nil**

Item No. 5

Appointment of Lt Gen Kanwar Vinod Kumar as Government Director

Lt Gen Kanwar Vinod Kumar was commissioned into the Corps of Signals of the Indian Army on 14 June 1986. He is a graduate of the Defence Services



Staff College, Wellington, Command and General Staff College at Fort Leavenworth, USA and the College of Defence Management, Secunderabad.

He has vast experience in command and staff assignments, and has served all over India including one tenure in Jammu and Kashmir and three tenures in North East India. He has also served with United Nations as Staff Officer in Somalia.

His area of expertise involves tactical communication systems with extensive experience in procurement, having been at the helm of same during his tenure as the Additional Director General with the Directorate General of Signals. He has been Director Complaints Advisory Board at Chief of the Army Staff Secretariat and has had two tenures with the Military Secretary's Branch at Integrated Headquarters of Ministry of Defence. He has been part of the working group for modernisation of Information System in Indian Army and is credited with automation of various systems involved with Human Resource Management.

Prior to his current assignment as the Signal Officer in Chief, he was the Additional Director General National Cadet Corps, Chandigarh from February 23 to August 23.

Pursuant to the provisions of Listing Regulations the details of Lt Gen Kanwar Vinod Kumar are as follows:

- Number of Board Meetings attended during 2023-24 : **3**
- Details of Directorships in other Listed Companies as on 31st March 2024 : **Nil**
- Membership/Chairmanship in the Committees in Listed Companies as on 31st March 2024 : **Nil**
- Details of resignation from Directorships of other Listed Companies during the past 3 years : **Nil**
- Number of shares held in the Company as on date (including shares held as a beneficial owner) : **Nil**
- Disclosure of inter-se relationships between directors & key managerial personnel : **Nil**

Item No 6

Appointment of Shri Mukesh Mangal as Government Director

Shri Mukesh Mangal belongs to the Indian Telecom Service (ITS) of 1991 batch and presently, he is working as Deputy Director General (AI & Digital

Intelligence Unit) in Department of Telecommunications, Government of India, New Delhi. He did B.Tech (Electronics and communications) from MNIT, Jaipur in 1990. He has done course on 'Certificate Programme in Public Policy' at University of California, Berkeley, USA in 2018 and on 'Human Resource Management and Employment Relations' at LSE, Summer School, London, UK in 2015.

He has work experience of more than 31 years in telecom switching exchanges, quality assurance activities in telecom field, internal security issues, cyber security and cyber-crime issues, policy formulation, technology deployment, service delivery, administration at senior positions in diverse organizations such as Department of Telecom (DoT), Ministry of Home Affairs and Bharat Sanchar Nigam Limited (BSNL).

Presently heading Digital Intelligence Unit of DoT to curb cyber-crime and financial frauds using telecom resources which also include security and protection of digital public infrastructure. He has been instrumental in establishing various national level security projects in the field of cyber-security, digital intelligence platform, Central Monitoring System and Internet Monitoring System for lawful interception. He is also nodal officer for Centre for Development of Telematics, the R&D arm of Department of Telecommunications.

Pursuant to the provisions of Listing Regulations the details Shri Mukesh Mangal are as follows:

- Number of Board Meetings attended during 2023-24 : **2**
- Details of Directorships in other Listed Companies as on 31st March 2024 : **Nil**
- Membership/Chairmanship in the Committees in Listed Companies as on 31st March 2024 : **Nil**
- Details of resignation from Directorships of other Listed Companies during the past 3 years : **Nil**
- Number of shares held in the Company as on date (including shares held as a beneficial owner) : **Nil**
- Disclosure of inter-se relationships between directors & key managerial personnel : **Nil**

Annexure C

INSTRUCTIONS TO MEMBERS FOR REMOTE E-VOTING, E-VOTING DURING AGM AND ATTENDING THE AGM THROUGH VC/OAVM :

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER

- 1) The voting period begins on Tuesday, 05th November 2024 at 09.00 am and ends on Thursday, 07th November 2024 at 05.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 01st November 2024 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- 2) Shareholders who have already voted through remote e-voting would not be entitled to vote at the meeting venue.
- 3) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 read with SEBI Circular dated 13th May 2022** and under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

listed entities are required to provide remote e-voting facility to its Members, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- 4) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.




Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual Members holding securities in Demat mode CDSL/NSDL** is given below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1) Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="717 1108 1110 1353" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p>  </div>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 or 1800-21-09911
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR MEMBERS OTHER THAN INDIVIDUAL MEMBERS HOLDING SECURITIES IN DEMAT MODE AND MEMBERS HOLDING SECURITIES IN PHYSICAL MODE.

- 1) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- 2) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- 3) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- 5) Password details for Members other than Individual Members are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c. How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
- 6) If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a. Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- 8) Now, you will have to click on “Login” button.
- 9) After you click on the “Login” button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

- 1) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2) Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
- 3) Now you are ready for e-Voting as the Voting page opens.
- 4) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- 5) Upon confirmation, the message “Vote cast successfully” will be displayed.
- 6) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



General Guidelines for shareholders

- 1) Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dvenkatacs@gmail.com with a copy marked to 1800-21-09911. Institutional members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 2) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nSDL.com to reset the password.
- 3) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nSDL.com or call on: 022 - 4886 7000 and 1800-21-09911 or send a request to Shri Falguni Chakraborty, Assistant Manager, NSDL at evoting@nsdl.com

PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

- 1) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cossecy_crp@itilttd.co.in
- 2) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cossecy_crp@itilttd.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- 3) Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- 4) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER

- 1) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 2) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred

from doing so, shall be eligible to vote through e-Voting system in the AGM.

- 3) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- 4) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER

- 1) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 5) Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at cossecy_crp@itilttd.co.in. The same will be replied by the Company suitably.
- 6) The Members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cossecy_crp@itilttd.co.in. These queries will be replied to by the company suitably through email.
- 7) Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

OTHER INSTRUCTIONS

- 1) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting during AGM and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- 2) The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.itilttd.in and on the website of NSDL at evoting@nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.



TEN YEAR DIGEST

₹ in Crores

OPERATING RESULTS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Sales including services (Incl. GST/Taxes)	1628	1589	2077	2578	2403	1894	1703	1611	1253	620
Less : GST / Taxes	364	193	216	216	345	226	219	63	60	46
Sales including services (Excl. GST/Taxes)	1264	1395	1861	2362	2059	1668	1484	1548	1193	574
Accretion/(Decretion) to Stock	(25)	33	19	9	40	11	(12)	18	-	(2)
Value of Production (Incl. GST/Taxes)	1603	1622	2096	2586	2444	1905	1691	1629	1253	618
Value of Production (Excl. GST/Taxes)	1238	1429	1880	2370	2099	1680	1472	1566	1193	572
Other Income	44	53	36	94	94	335	243	146	102	85
Other Income (Grant-in-aid)	-	-	219	67	90	1	84	395	495	-
Direct Material Cost	440	438	741	445	508	605	545	605	670	185
Installation & Maintenance Charges	718	777	714	1473	1114	784	526	642	318	214
Employees Cost	232	226	217	223	227	204	223	267	332	321
Employees Cost[VRS]	-	3	5	67	4	-	3	34	-	-
Depreciation	53	49	51	42	42	37	25	17	13	15
Financing Expenses	241	210	192	160	141	106	153	153	157	157
Other Expenses	167	139	95	111	101	187	94	123	63	62
Profit	(569)	(360)	120	11	147	93	230	266	238	(298)
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	1
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
Profit Before Tax	(569)	(360)	120	11	147	93	230	266	238	(297)
Provision for Tax/Deferred Tax/FRB	-	-	-	-	-	-	-	-	-	-
Profit after Tax	(569)	(360)	120	11	147	93	230	266	238	(297)
Other Comprehensive Income [OCI]	(21)	(61)	(15)	20	4	18	5	39	17	-
Total Comprehensive Income [Profit/(Loss) and OCI]	(590)	(421)	105	31	151	111	235	305	255	(297)
FINANCIAL POSITION	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Equity Shares	961	950	934	934	925	897	760	560	288	288
Preference Shares	-	-	-	-	-	-	-	-	-	300
Equity-Money Received Pending Allotment	-	107	72	-	-	55	137	-	192	192
Reserves & Surplus	5865	5791	5716	5731	5613	5181	5163	5162	5124	5099
Profit and Loss Account-(Debit)	5077	4507	4148	4256	4255	4340	4432	4663	4929	5166
Net Worth	1749	2340	2573	2408	2283	1794	1628	1059	675	713
Liabilities and Provisions (Non-Current):										
Borrowings [other than Bank]	120	180	240	300	180	300	300	300	300	300
Creditors	109	174	224	-	-	-	-	-	-	418
Govt. Grants Unutilised	45	45	43	47	114	118	119	123	3	-
Provisions	54	51	46	53	74	81	68	58	84	89
Others	80	77	75	73	134	70	18	14	12	6
Total [Non-current Liab.]	407	527	627	474	502	570	505	496	399	813

Liabilities and Provisions (Current):										
Borrowings [Bank]	1495	1576	1312	1164	1036	959	926	879	839	921
Borrowings [other than Bank]	180	120	60	-	120	-	-	-	-	-
Creditors	1557	1377	1690	1885	1921	1805	2262	1976	2105	1865
Provisions	157	194	154	137	127	106	120	148	242	353
Others	4016	3323	3124	2809	1694	1726	1566	954	1575	677
Total [Current Liab.]	7406	6590	6340	5995	4898	4595	4874	3958	4762	3815
Total Liabilities	9563	9457	9540	8877	7683	6959	7008	5513	5835	5341
Gross Block #	3030	3014	2942	2864	2814	2774	2662	3804	3738	3690
Depreciation #	298	262	213	162	122	80	43	1297	1279	1267
Net Block	2732	2752	2729	2702	2693	2695	2620	2506	2458	2423
Capital work-in-progress	142	139	150	169	189	165	149	102	92	33
Assets, Loans and Advances (Non-Current):										
Debtors	115	196	236	353	359	1	6	-	-	378
Others	0	0	0	1	1	1	1	1	1	3
Total [Non-current Assets]	116	197	237	353	360	2	6	1	1	381
Assets, Loans and Advances (Current):										
Inventory	222	250	193	194	173	149	156	142	104	93
Debtors	2441	2429	2730	2552	2761	2657	3080	2196	2743	1841
Others	3910	3690	3501	2907	1507	1292	996	566	437	569
Total [Current Assets]	6573	6369	6425	5653	4442	4098	4232	2904	3284	2503
Total Assets	9563	9457	9540	8877	7683	6959	7008	5513	5835	5341
# Due to IND AS implementation w.e.f. 01.04.2016, Net carrying value has been taken in the books of accounts as deemed cost.										
FINANCIAL POSITION	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Working Capital	(833)	(221)	85	(342)	(456)	(498)	(642)	(1,054)	(1,478)	(1,312)
Capital Employed (Net Fixed Assets + Working Capital)	1899	2532	2814	2360	2236	2197	1977	1453	981	1112
Sources of Funds:										
Shareholders' Fund	1749	2340	2573	2408	2283	1794	1628	1059	675	713
Borrowings [Bank]	1495	1576	1312	1164	1036	959	926	879	839	921
Borrowings [Other than Bank]	300	300	300	300	300	300	300	300	300	300
Net Non-Current Liabilities	172	150	150	(180)	(38)	268	199	195	98	133
Total	3717	4366	4336	3693	3581	3321	3053	2434	1912	2066
Application of Funds:										
Net Fixed Assets	2732	2752	2729	2702	2693	2695	2620	2506	2458	2423
Working Capital (Other than Borrowings)	842	1475	1457	822	699	461	284	(174)	(639)	(391)
Capital Work in progress	142	139	150	169	189	165	149	102	92	33
Total	3717	4366	4336	3693	3581	3321	3053	2434	1912	2066
FINANCIAL RATIOS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Working Capital Ratios:										
Current Ratio [Current Assets/ Current Liabilities]	0.89	0.97	1.01	0.94	0.91	0.89	0.87	0.73	0.69	0.66
Inventory to value of Production (no. of months)	2.15	2.10	1.23	0.98	0.99	1.06	1.27	1.09	1.04	1.96
Debtors (Net of Advances) in in terms of months sales and services	4.36	12.31	10.75	8.38	12.26	12.85	16.31	14.13	18.28	38.76
Direct Cost [Material, Installtion & Comm. Charges] to value of Production	93.55	85.00	77.38	80.91	77.23	82.70	72.76	79.63	82.75	69.76
Debt-to-Equity Ratio	1.03	0.80	0.63	0.61	0.59	0.70	0.75	1.11	1.69	1.71



Return on equity (ROE)/Return on net worth Ratio	(0.28)	(0.15)	0.05	0.00	0.07	0.05	0.17	0.31	0.34	(0.39)
Net Profit Margin (%)	-45.03%	-25.82%	6.47%	0.47%	7.16%	5.55%	15.50%	17.18%	19.96%	-51.69%
Trade Receivable Turnover Ratio	0.63	0.57	0.71	0.86	0.83	0.66	0.64	0.65	0.51	0.28
Inventory Turnover Ratio	5.02	5.33	7.42	10.40	9.82	9.04	7.26	9.99	10.02	4.23
Interest Coverage Ratio	(0.53)	(1.03)	1.50	0.73	0.62	1.97	0.65	1.18	(0.74)	(0.69)
Operating Profit Margin (%)	-24.03%	-9.10%	6.66%	5.51%	7.60%	1.00%	5.94%	-3.93%	-15.86%	-36.61%
FINANCIAL RATIOS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Growth Ratios:										
Annual growth value of production(%)	(13.32)	(24.02)	(20.68)	12.92	24.98	14.11	(6.00)	31.22	108.65	(25.52)
OTHER STATISTICS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Turnover composition:										
To BSNL/MTNL & other PSUs	388	196	282	237	309	974	1188	1083	592	239
To Others	1240	1393	1796	2341	2094	920	515	528	661	381
Total	1628	1589	2077	2578	2403	1894	1703	1611	1253	620
Value added	62	196	408	438	463	277	378	284	191	154
No. of Employees as on 31 st March	1676	2094	2442	2876	3498	3520	3576	4052	5229	6177
Value Added per Employee (₹)	326632	863088	1534081	1372767	1319464	777903	849502	609848	310363	226868
Value of Production per Employee (₹)	6569627	6299284	7071394	7437840	5982215	4734098	3859465	3374636	2092671	848161

[Figures in brackets indicate negative figures]

FIGURES AT A GLANCE

₹ in Crores

BALANCE SHEET	As at 31st March 2024	As at 31st March 2023
(a) What the Company owned		
Fixed Assets	3030	3014
Less: Depreciation	298	262
Net Block	2732	2752
Capital Work-in-Progress	142	139
Non Current Assets	116	197
Current Assets, Loans & Advances	6573	6369
	9563	9457
(b) What the Company owed		
Non-Current Liabilities	407	527
Current Liabilities	7406	6590
	7813	7117
(c) Shareholders' Funds [a]-[b]	1750	2340
Represented by:		
Share Capital	961	950
Share Application Money pending Allotment	0	107
Reserves & Surplus	789	1,283
	1,750	2,340
PROFIT AND LOSS ACCOUNT	For the year ended 31st March 2024	For the year ended 31st March 2023
(a) What the Company earned		
Sales including services (including GST)	1628	1589
Less : GST	(364)	(193)
Sales including services (excluding GST)	1264	1396
Other Income	44	53
Increase/(Decrease) in Work-in-Process, Stock-in-Trade and Manufactured Components	(25)	33
	1,283	1,482
(b) What the Company incurred		
Materials	1,159	1,214
Employees Cost	232	229
Depreciation	53	50
Financing Expenses	241	210
Other Expenses	167	139
	1,852	1,842
(c) Profit/(Loss) before tax (a-b)	(569)	(360)
(d) Less: Provision for Taxation	0	0
(e) Profit after tax	(569)	(360)
(f) Other Comprehensive Income	(21)	(61)
(g) Total comprehensive Income for the period	(590)	(421)
(Comprising profit/(Loss) and other comprehensive Income for the period)		



FIGURES AT A GLANCE Contd...

SOURCES AND APPLICATION OF FUNDS	For the year ended 31 st March 2024	For the year ended 31 st March 2023
SOURCES OF FUNDS		
1. Depreciation	53	50
2. Increase in Borrowings	0	324
3. Reduction in Working Capital	633	0
4. Revenue Grant in aid received	0	0
5. Capital Grant in aid received	0	187
6. Increase in Non-Current Liabilities	0	0
7. Decrease in Non-Current Assets	81	40
8. a) Profit After Tax	0	0
b) Other Comprehensive Income	-21	-61
	746	540
APPLICATION OF FUNDS		
1. Loss After Tax	569	360
2. Decrease in Borrowings	20	0
3. Increase in working Capital	0	18
4. Fixed Assets	37	61
5. Changes in Other Equity	0	0
6. Capital Grant-in-aid utilised	0	0
7. Revenue Grant-in-aid utilised	0	0
8. Decrease in Non-Current Liabilities	120	101
9. Increase in Non-Current Assets	0	0
	746	540

Directors' Report

Dear Members,

The Board of Directors of ITI Limited ("the Company" or "ITI") hereby submits the report of the business and operations of the Company along with the Audited Financial Statements (Standalone and Consolidated) for the Financial Year (FY) ended 31st March 2024, Auditors report and comments on the Accounts by the Comptroller and Auditor General (C&AG) of India.

The revival package of Rs 4156.79 Crore (Rs1892.79 Crore as grant-in-aid and Rs 2264 Crore as Capex Fund in the form of equity) as approved by the Cabinet Committee on Economic Affairs (CCEA) in February 2014 for ITI Limited, has helped in the Company's turnaround. The entire grant-in-aid of Rs. 1892.79 Crore has been received out of Rs. 4156.79 Crore. Out of Rs. 2264 Crore, ITI has received Rs. 1132.56 Crore of the Capex Fund.

The Capex Fund has been invested for upgrading the manufacturing infrastructure at various Units of ITI to cater to the need of emerging technologies in the domain of Telecommunications, Electronics and ICT products, services & solutions. The State-of-the-art infrastructure established under revival package funds boosted the manufacturing strengths to cater for domestic market demands under Make in India mission of Government of India. These projects have helped ITI Limited to regain its manufacturing strength.

FINANCIAL PERFORMANCE:

STANDALONE PERFORMANCE:

The performance of the Company (Standalone basis) for the financial year 2023-24 compared to the previous year 2022-23 is as under:

Rs. in crores

Sl.No.	Particulars	2023-24	2022-23
1	Sales including services	1628	1589
2	Value of production	1603	1622
3	(Loss)/Profit before tax	(569)	(360)
4	(Loss)/Profit after tax	(569)	(360)
5	Other Comprehensive income	-21	-61
6	Total Comprehensive income	(590)	(421)
7	Financing expenses	241	210
8	Depreciation	53	49
9	Capital employed (Net Fixed Assets + Working Capital)	1899	2531
10	R & D Expenditure	15	14

CONSOLIDATED PERFORMANCE:

The Consolidated Revenue from operations at Rs. 1264 crores (PY Rs.1395 Crores) reflect a decrease of 9% compared to the previous year. The profit / (loss) before tax and Profit / (loss) after tax for the financial year 2023-24 were Rs. (568.92) crore against Rs.(359.85) crore during the previous year.

OPERATIONAL PERFORMANCE:

The Company has achieved the turnover of Rs. 1628.05 Cr during FY 2023 - 24 against Rs. 1588.60 Cr during the previous FY 2022 - 23.

PRODUCTION HIGHLIGHTS:

Our Company is the leading Electronic manufacturing provider for 4G Radio Equipment, and Defence electronics products & systems. Our cutting-edge technology and solutions will revolutionize the industry and take it to the next level.

During the year, the Company has Manufactured Encryptor's for Defence, Laptop /Smaash PC, Solar Panels, Optical Fiber Cable, HDPE, Water Pipes,

4G RAN Equipments, Tablet PC, ONT, FDMS, telephones, Smart cards etc at its various Units.

ORDER BOOK POSITION:

The Order Book position of the Company stands at ₹11871.25 Crores (including APO of ₹ 11.53 Cr for Solar LED street lights).

SIGNIFICANT ACHIEVEMENTS OF THE COMPANY DURING THE YEAR ARE AS FOLLOWS:

- ❖ ITI Limited has bagged a Purchase Order (PO) from BSNL worth ₹ 2421 Crores for its 4G rollout. BSNL has issued a Purchase Order (PO) for Reservation Quota (RQ) Order in the West Zone.
 - The scope of work includes Planning, Engineering, Supply, Installation, Testing, Commissioning, Integration and Annual maintenance of 4G Mobile Network for 23,633 sites in West Zone of BSNL Network.

- ❖ ITI Limited, Palakkad was one of the major industry partnered with VSSC for the realization of Avionics packages. Various packages fabricated by ITI Limited, Palakkad have successfully flown in LVM3 M2 Mission.

Palakkad plant was involved in ISRO's prestigious Chandrayaan mission LVM3-M4 which launched on **14th July 2023**. 55 nos of packages are tested and deployed by ITI Palakkad team, out of the total packages which were used in the mission.

- ❖ ITI Limited, Naini Unit has Signed MoU with M/s Patanjali Renewable for implementation of BRENDA Solar Project.

- ❖ ITI Ltd Naini registered in the Ministry of New and Renewable Energy (MNRE) and Uttar Pradesh New Renewable Energy Development Agency (UPNEDA) National Portal Scheme under PM Saurya Grih Muft Bijali Yojna.

- ❖ ITI Ltd Naini has been Enlisted in ALMM (Approved List of Model and Manufacturer) Ministry of New & Renewable Energy (MNRE).

- ❖ ITI Ltd Naini has successfully revalidated the BIS certification for Poly crystalline Solar Modules up from 40Wp to 325Wp validity up to July-2026.

- ❖ Mankapur Unit Started Manufacturing of Tablet PCs with the support of back end ToT partner for Tablet and Laptop Technologies.

- ❖ ITI Bangalore plant has received ODC (Out Door Cabinet) order from M/s. Tejas Networks Ltd for manufacturing and supply of 3164 Nos for BSNL 4G Rollout Project worth of Rs.10 Cr and the Qty is being manufactured and supplied by Bangalore and Mankapur Units.

ITI Limited Bangalore plant has completed manufacturing of Radio Access Network (RAN) with C-DOT Technology. B28 & B8 band RAN Equipment have been supplied to Ambala & Faridabad sites for POC in BSNL network. PoC testing at Ambala sites has been completed and Faridabad is in progress. RAN Prototypes in other Bands Nos 1, 41 and 3 are manufactured and are at different stages of testing at C-DoT.

ITI has also participated in RAN PoC of Indian Railways. PoC testing is under progress at Secunderabad region.

During FY 2023-24, Bangalore plant has generated revenue of Rs. 63 lakhs against supply of RAN Equipment for PoC and BEL requirements



- ❖ EMI/EMC Lab is a part of the Telecom Testing Centre which has been built at Bangalore Plant to meet the EMC requirements of the Telecom Equipment launched in the market. This lab can be used for testing Industrial, Scientific, Medical and IT equipment for Emission and Immunity requirements of TEC as per International Standards. Further Commercial equipment can be tested as per CISPR 11/22/15/32.
- ❖ NABL Renewal Audit of EMC Lab is completed successfully along with expansion of scope including 125 tests.

This lab is now upgraded to Mil Standard-461 E/F/G Test systems to conduct.

- 1) CE101 (Conducted Emissions, Power Leads, 30 Hz to 10 KHz).
- 2) CE102 (Conducted Emissions, Power Leads, 10 KHz to 10 MHz).
- 3) CS101 (Conducted Susceptibility, Power Leads, 30 Hz to 150 KHz).
- 4) CS109 (Conducted Susceptibility, Structure Current, 60 Hz to 100 KHz).
- 5) RE101 (Radiated Emissions, Magnetic Field, 30 Hz to 100 KHz).
- 6) RE102 (Radiated Emissions, Electric Field, 10 KHz to 18 GHz).
- 7) RS101 (Radiated Susceptibility, Magnetic Field, 30 Hz to 100 KHz).
- 8) CS114 (Conducted Susceptibility, Bulk Cable Injection, 10 KHz to 200 MHz).
- 9) CS115 (Conducted Susceptibility, Bulk Cable Injection, Impulse Excitation).
- 10) CS116 (Conducted Susceptibility, Damped Sinusoidal Transients, Cables and Power Leads, 10 KHz to 100 MHz).

Orders from Defence organisations like SITAR, BEL, HAL and their system developers are received by EMC Lab to test defence equipment.

DETAILS OF TURN OVER ACHIEVED IN FY 2023-24 VS FY 2022-23:

(Value in Rs Crore)

Sl. No	Products/Projects	2023-24 (including GST)	2022-23 (including GST)
1	ASCON PH IV	300.02	389.96
2	Corp Mktg & MSP's	597.84	339.34
3	Mahanet	49.25	313.00
4	Tanfinet	74.47	140.89
5	Gujnet	87.57	79.56
6	BSNL 4G Rollout	192.82	
7	NFS Project	63.60	78.76
8	GSM SZ AMC	45.11	62.52
9	3D Printing, Aadhar based Business/ Mini PC/ Component Screening/ E-Governance projects/ Test labs/ Reliability labs/ E-Seva/ Skill development/ Telephones/ Cont. Mfg/ Smart Cards/ Smart energy meter/ Energy Savings/ Batteries/ GSM Franchise/ Banking Products/ NCM/ SNVM/ SNDM/ BTS/ AMC	35.12	42.75

10	Data Centre	26.36	22.97
11	AMC for MLLN/SSTP	16.06	18.72
12	Solar Panel/ Solar Street Light	52.44	18.20
13	Airtel FTTH/ NLD Rollout	1.16	17.38
14	Defence Business & AMC/ ASCON AMC	5.79	14.16
15	GPON (ONT, OLT, SPV, I&C and AMC)	17.41	12.32
16	SMPS & Repairs (Incl AMC)	0.53	9.34
17	USOF	5.78	7.97
18	TPA for Bharatnet Project in Jharkhand, Odisha & Satellite	0.64	5.93
19	OFC	32.52	5.06
20	HDPE Pipe Mfg/ Water Pipes	15.94	4.12
21	BSNL 4G PoC/ enode-B/ NGN AMC/ OCB AMC/ Wifi Hotspots	6.83	4.00
22	Bharatnet A&N	0.77	1.65
	Total	1628.05	1588.60

CHANGE IN SHARE CAPITAL / ISSUE OF SHARES:

There was no change in the Authorized Share Capital of the Company during the year 2023-24.

During the financial year 2023-24, pursuant to the BIFR order dated 08th January 2013, the Board of Directors had allotted equity shares to the President of India on preferential basis against CAPEX received on 23rd March 2023 from Government of India, details of which are as follows:

Date of allotment of equity shares	No. of Equity shares issued	Allotment price	Capex Receipt (in Rs)
11.05.2023	11309586	Rs 94.61 (Rs 10 face value and at a premium of Rs 84.61)	107,00,00,000

Accordingly, during the financial year 2023-24, the paid up Equity Share Capital has increased to 9,60,88,69,380.

During the year under review, the Company has not granted stock options or sweat equity shares. As on 31st March 2024, except for Smt S Jeyanthi who holds 50 equity shares of the Company, none of the Directors of the Company hold any shares of the Company.

DIVIDEND

As the Company had incurred loss during the year 2023-24 and still has accumulated losses of previous years, the Directors are not in a position to recommend any dividend for the year 2023-24.

RESERVES

As the Company still has accumulated losses, it has not transferred any amount to General Reserve.



OPERATIONAL PERFORMANCE OF PRODUCTION PLANTS AND SERVICE UNITS

BANGALORE PLANT:

I. PERFORMANCE:

In the FY 2023-24, Bangalore Plant has achieved the Turnover of Rs 145.86 Crores. The turnover mainly consists of Manufacturing, Services and Projects.

II. MAJOR HIGHLIGHTS:

(i) Encryption Products:

The Secrecy products for Defence Communication Networks and other Ministries are being designed by our R&D and manufactured, supplied & maintained by ITI for long time. ITI has been the pioneer in this field. The products have evolved over the years in tune with the evolution in the digital communication technology. There are major requirements of encryption products for Defence for their NFS network, ASCON network etc.

- ❖ Bangalore Plant has Designed, Manufactured and Supplied 39 Nos. of Bulk Encryption Units to Army, Eastern Command and Western Command worth Rs. 3.38 Crore.
- ❖ Rs. 1.59 Crore revenue generated against supply of servers to MCEU Project of Defence.

(ii) Telephones:

Plant has Supplied 448 Nos of Field Telephone (5C) and 1600 Nos of Caller ID phones to ISRO, Ashok Leyland, Indian Navy and generated revenue of worth Rs. 1.21 Crore.

(iii) High-Density Polyethylene (HDPE)/ PLB Duct Manufacturing:

Bangalore plant has received its first ever HDPE order from M/s Aksent technology for supply of 500 KM. Unit has manufactured and supplied well within the timelines and generated revenue of Rs. 3.14 Crore. Also, Unit has manufactured & supplied 836.35 KM of Water pipes and generated revenue of Rs. 17 lakhs.

(iv) 3D Printing:

Bangalore Plant has been providing services to internal as well as external customers for 3D Printing . Bangalore Plant has bagged orders for manufacturing of Satellite study models, Mechanical Enclosure for satellite PCB assembly, and also supplied 3D Kits to the Gaganyaan project for our esteemed customers URSC (ISRO - Bangalore), VSSC (ISRO - Kerala), IIT - Kanpur & Ajax construction.

- ❖ Total Revenue generated in FY-2023-24 from external customer, Rs. 41 Lakhs.
- ❖ Rs 16.2 lakhs (Approx) worth work has been executed for internal R&D purpose.

(v) 4G Manufacturing:

4G Manufacturing infra installed last year for 4G RRU/ BBU, has become operational.

(vi) Reliability engineering Lab:

Reliability engineering Lab is equipped with various Environmental Test chambers and has been providing services to internal as well as external customers. Lab facilitates to conduct all environmental tests as per QM333, JSS 55555, MIL Standard

and Customer Test Requirement. Total revenue generated from the Lab is Rs 1.87 Crores for the financial year 2023-24.

(vii) Telecom testing Lab:

NABL accredited EMI/EMC lab is a part of the Telecom Testing Centre which has been built at Bangalore Plant to meet the EMC requirements of the Telecom Equipment launched in the market. This lab can test Industrial, Scientific, Medical and IT equipment for Emission and Immunity requirements of TEC as per International Standards. MIL-STD-461 is followed for Defence. Commercial equipment can be tested as per CISPR 11/22/15/32.

Revenue generation for FY 2023-24 is around Rs. 1.65 Crore.

(viii) Defence AMC & Non AMC card Repairs:

Bangalore Plant is also executing the AMC for Ananda BEU MK II, EDUs, STM 1 and STM 4 secrecy Equipment's supplied to Defence Customers all over India. For the year 2023-24 revenue generated is of Rs. 47 Lakhs.

(ix) GSM SZ AMC:

ITI had successfully completed the BSNL GSM project of 9ML GSM equipment in BSNL South Zone for around Rs. 2940 Crores in various BSNL –South Zone Circles namely - AP, Telangana, Chennai, Karnataka, Kerala and Tamil Nadu Circle and have executed the mandatory AMC. On completion of mandatory AMC, BSNL has extended the AMC up to Dec- 2021 for 70 Cr and further extended the order worth Rs 65 Crores for one more year i.e upto Dec 2022 which ITI Bangalore Plant has executed successfully. ITI Bangalore plant has also received confirmed extension order for 2023 AMC worth Rs 43 Cr and Rs 45.11 Cr for 2024 for BSNL South Zone Circles.

(x) Data Centre and IT Business:

Data Centre is a physical / virtual infrastructure used by enterprises to house computer, Servers, Networking Systems and components for the organization's information technology (IT) needs, which typically involve storing, processing and serving large amounts of mission critical data to clients in a client/server architecture. As a consequence, the security and reliability of data centres is of top priority for any organization.

ITI New Data Centre is a newly built facility of ITI Limited. The Data Centre is located at its premises in Bangalore. It endeavours to provide customer-centric services to all the sectors.

This Data Centre is serving customers from Aviation, Universities, R&D institutions of Govt. of India, PSUs, MNCs and small enterprises from the year 2020-21.

Facility & Offerings:

Considering the huge market demand in view of Digital India Initiative and Governments decision to store the data and the financial transactions generated in Servers located in India, ITI has taken up Data Centre expansion in a big way. The large 1,25,000 plus sq. ft capacity of ITI Data Centre is fully equipped with excellent facilities as well as next generation technology capable of housing 937 racks to provide all kinds of data centre services.

ITI data centre is designed to provide various services like Co-location, Managed & Cloud services. Email, Internet, back up services & SOC are also part of the offering. SOC-as-a- Service is a managed Security Operations Centre (SOC).



The List of DC Service offerings as defined as below: -

- (a) Rack space / Co-Location Services /Dedicated Hosting Services
- (b) Managed Colocation
- (c) Managed Storage Services, Backup Services, Database Management
- (d) Server monitoring and Management services
- (e) Managed Tape Backup Service
- (f) Network Monitoring and Management Services
- (g) Remote Infrastructure Management
- (h) Cloud Services
- (i) DR Services
- (j) Email Services
- (k) SOC services

It is fully geared up to support multi density power requirements ranging from 3 KVA to 14 KVA per rack. It has an edge over other Data Centres not only through its complete range of Services but also with its infrastructure, effective and eco-friendly fire suppression facilities but also its high level of security, carrier neutrality, redundant power availability, precision controlled environment and 24 x 7 support services with no down time in its whole history.

The Data Centre is a carrier neutral i.e. well connected with multiple ISPs ensuring high availability of Internet Connectivity.

The customers are also offered with seating facility, workstations & cabins, for their operating & maintenance staff and a NOC room for monitoring the performance.

Revenue generated from Data centre for FY 2023-24 is Rs. 26.36 Crore.

Certifications:

ITI Data Centre is TIA -942 Tier-3 certified and there are several layers of security conforming to international standards viz. ISO 9001, 20000, 27001, 27017 and 27018. It is 99.982% availability as per Tier 3 standards, which is concurrently maintainable, allowing for any planned maintenance activity of power and cooling systems without disrupting the performance of the Data Centre.

It is also CMMi level 5 certified for IT operations. The datacentre has been successfully audited for Meity Empanelment as Cloud Service Provider for providing cloud services such as IaaS, PaaS and SaaS under Public, private and Hybrid cloud infra. ITI has also Government Community cloud GCC for critical and confidential Government customers.

(xi) Security Operations Centre (SoC):

Facility & Offerings:

ITI has a state-of-the-art Security Operation Centre (hereafter referred as SOC) offering SOC as-a-Service (hereafter referred as SOCaaS) to customers from various sectors like commercial, industrial, scientific, medical, communication, IT, etc. The SOCaaS is to monitor, prevent, detect, investigate, and respond to cyber threats round the clock. SOC services are used for monitoring and protecting the organization's assets including intellectual property, personnel data, business systems, and brand integrity. The ITI SOC acts as the central point of

collaboration in coordinated efforts to monitor, assess, and defend against cyber-attacks.

The List of offerings as defined services listed below-

1. Identity and Access Management
2. Next Generation Firewall
3. Network Access Control
4. End Point Detection and Response
5. Data loss Prevention
6. Email Security
7. Security Information and event Management (SIEM)
8. User and Entity Behaviour Analytics (UEBA)
9. Vulnerability Assessment and Penetration Testing

The customers are also offered with seating facility, workstations & cabins, for their operating & maintenance for monitoring the performance.

SOC or Cyber Security Related Projects:

ITI also manages various SOC and /or Cyber Security related projects for other customers at their place or at various field location across India. The Nature / Scope of project is to manage various Network equipment, Network backbone connectivity, Cyber security tools, Devices/HW/SW, Reporting & operations.

(xii) ITI eSeva :

An Integrated e-Services Platform to deliver more than 40 e-services to citizens under CSC Scheme.

Impact on Social Livelihood:

- i. Providing self-sustainable employment directly or indirectly to more than 500 entrepreneurs.
- ii. ITIe-Seva through its presence in various geographical region of Urban and Rural areas of Karnataka & UP state, providing all e-Service to citizen at door step.

(xiii) Major R&D initiatives taken by the company:

Company's R&D Philosophy is to enhance its pre-eminence in products / services of Defence Electronics and other chosen fields through Research & Development. Company's R&D strives for development of new products built with cutting-edge technology modules. While fully meeting the customer requirements, the products developed by Company are state-of-the-art, competitive and in corporate highest quality.

Research & Development (R&D) located in Bangalore plant is designing & developing Communication Equipment to support In-House manufacturing and also keep abreast with State of the Art Technologies in the field of Electronics & Communications. R&D has core strength in design & development of Encryption systems to secure Communication Networks for defence forces, MHA, NTRO, etc ranging from 8Kbps to 10Gbps data rate over different media and also in development of Network solutions. The R&D team develops allied products in area of Transmission and terminal products.

The strength of R&D lies in its skilled design team with expertise in development of Hardware & Software. The necessary infrastructure to aid design & development is available in the



form of latest Test Instruments, Software design tools, CAD design tools, reliability lab, EMI/EMC test lab and Telecom testing lab.

Major R&D developed products/handled services in the following areas:

1. Encryption Systems for Defence, MHA etc
2. Network solutions for Communication Network
3. Power supply modules
4. Electronic Voting Machine (EVM)
5. Radio systems
6. Satellite based Navigation Systems
7. Ventilators
8. Getting the CPC approval for crypto products with proprietary Algorithms

The successful products Solutions developed in Financial Year 2023-24:

Products/Services:

- Multi post Electronic Voting Machine
- 1GE IPE Evaluation completed by DRDO(for IB-MHA)
- Ventilator (SOAR)
- Spare Algorithm for TESD/SESD,10/100 IPE,NGN and Flexi BEU of DCN project

The Encryption products have been successfully undergone Field trails and testing, & evaluation has been done by customers.

New Initiatives undertaken in Financial Year 2023-24:

In the year 2023-24 R&D initiated development of new products like Smart Energy Meter, Integrated Terminal End Secrecy Device, Field Cipher Equipment MK II for Army, E1 Encryptor for Eastern command (Army) and R&D is in the process of development of spare Algorithm for MCEU etc.

PALAKKAD PLANT

I) PERFORMANCES:

In the FY 2023-24, Palakkad Plant has achieved the Turnover of Rs. 42.12 Crores.

II) MAJOR HIGHLIGHTS:

Palakkad Unit continue to make headway in the IT Sector with winning repeated orders from customers like Keltron, IIT Palakkad, Universities etc for supply of IT hardware. It is also engaged in supporting various requirements like Examination Management System of Universities and Digitation of records. It continues its stride in the Space Electronics Sector with its contribution in fabricating avionics packages for various prestigious missions of ISRO like PSLV C56, PSLV C57, Aditya L1 etc. in addition to screening of components. It has also started executing orders for space electronic packages for HAL-L&T consortium for PSLV. It also contributed to the prestigious ASCON Project through supply of PLB HDPE Duct to various locations.

(i) Laptop:

After successfully established the ITI Smaash brand in the Micro PC segment, ITI Palakkad has now ventured into manufacturing ITI Smaash brand laptops. The ITI Smaash laptops have received great appreciation from major customers like KITE and KSEDC

(Kerala State Electronic Development Corporation). These laptops carry national and international certifications such as CE, FCC, RoHS, BIS, and BEE, making them a significant addition to ITI's portfolio.

The Memorandum of Understanding (MoU) with Intel Corporation for market analysis and product development, as well as with Microsoft Corporation for OEM products, remains strong in both the PC and Laptop segments.

During FY 2023-24, Unit has manufactured and supplied 354 Nos of Laptops to Various customers and generated revenue of Rs. 1.3 Crore.

(ii) Smaash PC:

ITI's Smaash branded Mini PCs have strengthened their presence in the market through technological upgrades, incorporating newer generation processors. These compact computers, known for their energy efficiency and small form factor, are complemented by the Smart Power Station, a green energy solution that functions as a UPS and accepts power from both solar and grid sources. This innovative combination allows for minimal grid reliance and significant energy savings. Furthermore, these devices hold international certifications such as CE, FCC, RoHS, BIS, and Energy Star.

The Micro PC business has expanded its reach to Karnataka state, supplying PCs to 17 districts of DSERT/DPI. The product has garnered attention from esteemed customers including KSEDC, Kerala e-Health, AIR India, NIC, Kerala Forest Department, National Urban Health Mission, NIC, Calicut University, Kannur University, and various educational institutions.

In addition to Mini PCs, the Palakkad Plant offers a range of turnkey solutions associated with this product, such as Smart Classrooms for schools and universities, HCI (Human-Computer Interaction) solutions, and Student Lifecycle Management Systems for universities.

During fiscal year 2023-24, ITI Palakkad Unit has won Kerala e- Health tender for Supply, Installation, Commissioning & Maintenance of Hardware Equipment for Hospitals under e-Health Project in Kerala., worth 8.72 Cr (all inclusive) includes 1760 Nos of ITI Smaash Micro PC.

During FY 2023-24, Unit has manufactured and supplied 647 Nos of Mini PC to Various customers and generated revenue of Rs. 3.84 Crore.

(iii) VSSC Business:

ITI Palakkad Plant is associated with Vikram Sarabhai Space Centre (VSSC), Thiruvananthapuram in realization of electronic packages for various launch vehicles as well as screening of electronic components/ Packages. The association started with the establishment of Space Electronics Fabrication Centre (SEFC) at ITI Palakkad for electronic assembly for Space Application in the year 2010 and expanded over a decade in to wide range of activities. The centre is approved for the realization of various Electronic Packages used in launch vehicles which include operations such as SMD Assembly & Manual Assembly, Conformal Coating, Card level testing, Integration, Integration testing, in line QC, Screening of Components, Test & Evaluation (T&E) of assemblies and multi stacks. Customized test jigs, Burn-in boards, Vibration fixtures and software programs are developed in-house for each assembly/components individually, meeting all the critical parameters identified by VSSC, for completion of item wise qualification procedures. ITI Palakkad is the only work centre accredited by VSSC for RF Package Assembly and Testing.



ITI Palakkad is having business association with 3 units of ISRO namely VSSC (Vikram Sarabhai Space Centre), LPSC (Liquid Propulsion System Centre) and MVIT (Mechanisms and Vehicle Integration Testing) all of which are located at Thiruvananthapuram and are engaged in the Manufacturing, Testing and Integration of all Launch Vehicles - PSLV, GSLV, GSLV Mark III etc. used in various space missions of ISRO. Orders are being received and executed continuously from the year 2010-11 onwards.

Recently our facility has been qualified for screening and package realization of Gaganyaan mission project of ISRO, against which pilot quantities are screened/ assembled and delivered successfully. Expansion of scope of programme is being done continuously by developing test facilities for more devices.

Officials engaged in all these activities are qualified through highly stringent training and tests imparted by VSSC. The work is carried out in the contract manufacturing mode with all required components being provided by VSSC, as free issue materials (FIMs).

More than 1 Lakh electronic components are screened from this centre and more than 2500 flight packages manufactured by ITI are successfully used in various launch vehicles - GSLV, PSLV and GSLV Mark-III- of ISRO including the prestigious Chandrayaan mission LVM3-M4 launched on **14th July 2023**. Out of the total packages in the mission, 55 nos of packages are realized by ITI Palakkad team.

During FY 2023-24, Rs. 2.50 Crores revenue has been generated.

(iv) Smart Banking Card:

ITI Palakkad plant is having state of the art infrastructure in line with technical specifications for Payment Card Industry (PCI). ITI is the only PSU having the accreditation for Rupay chip card personalization from National Payments Corporation of India (NPCI). The infrastructure includes modern manufacturing equipment for Smart Card Assembly and customization for milling & embedding, personalization etc.

Motor vehicle department of Kerala, issued a Work order for printing of Driving Licenses and Registration Certificates in PVC Pet G card (without chip) to fulfill statewide requirement and supplied 24 Lakh Cards and clocked Rs. 16.81 Cr turnover.

(v) High-Density Polyethylene (HDPE) Duct Manufacturing:

Anticipating increased demand of OFC and HDPE conduits for OFC in the country considering the government focus on providing internet connectivity for all villages, ITI Palakkad has established 2 lines of HDPE machinery with an annual capacity of 8000 KM. While the HDPE Pipe Plant has got TSEC for manufacture of 40/33 mm PLB HDPE Duct and contributed to the requirement of more than 2000 KM of duct for ASCON Project in a timely manner with highest level of quality won accolades from the Indian Army. In order to enlarge the product portfolio, ITI Palakkad has started manufacturing of HDPE Pipe for Water Transport as well which will be expanded in the years to come.

(vi) Managed Leased Line Network (MLLN):

ITI has been the leader in supplying MLLN products and services, including turnkey solutions for supply, installation, integration, commissioning, operation and maintenance of Network Equipment to BSNL/MTNL since 2002-03. The existing MLLN networks has been installed and maintained by ITI till date. ITI Palakkad has executed AMC orders worth Rs 16.06 crore from

BSNL for the AMC (card repair and technical support) extended to MLLN projects for BSNL.

(vii) BharatNet Phase-I in Andaman & Nicobar:

The scope of this project involves network design and planning, supply, deployment and commissioning of fibre optic network for data connectivity for gram panchayats across Andaman & Nicobar Islands under BharatNet Phase-I project of BBNL. ITI Palakkad has achieved turnover worth Rs 77 Lakhs during FY 2023-24.

(viii) 4G Manufacturing:

RRU/ BBU manufacturing facility has been made available at Palakkad Unit also with an Annual Capacity of 12000 Nos of Units put together. Contract manufacturing orders from M/s. Tejas Networks Ltd is expected shortly.

MANKAPUR PLANT

I) PERFORMANCES:

In the FY 2023-24, Mankapur Plant has achieved the Turnover of Rs. 53.15 crore.

II) MAJOR HIGHLIGHTS:

(i) High-Density Polyethylene (HDPE)/ PLB Duct Manufacturing:

Mankapur Unit has signed an agreement with M/s Katariya Plastics Pvt for manufacturing of water pipes/Telecom ducts on contract basis. Water Pipes for M/s Katariya manufactured and PLB Duct 40/33 manufactured, supplied against Aksent Technology Services PO for BHARATNET and MAHANET project. Total Revenue generated from HDPE Duct/ Water Pipes during FY 2023-24 is Rs. 12.24 Crore.

(ii) 4G Manufacturing:

4G Manufacturing infra installed last year for 4G RRU/ BBU has become operational.

(iii) ONT-23:

Mankapur Unit has partially supplied (10000 Nos) against order from C-DOT for the supply of ONT23 to Railtel for the quantity of 40,000 nos. Revenue generated during FY 2023-24 is Rs. 1.85 Crore.

(iv) OLT- 4 port:

Mankapur Unit procured material and started production of 4P OLT against order from BSNL for the supply of 1500 No's including 5 years AMC services.

(v) Third Party Audit (TPA):

Mankapur Unit has taken up TPA activities for implementation of BharatNet in Jharkhand for Jharkhand Communication Network Limited, Odisha for Odisha Power Transmission Corporation Limited and TPA –VSAT in Manipur and Tripura. Work of Jharkhand and Odisha have been completed. Revenue of Rs. 64 Lakhs has been generated in the FY 2023-24.

(vi) Diversified products:

Business carried out for the in-house developed and manufactured products like NCM (Note Counting Machine), SNVM- FLORA (Sanitary Napkin Vending Machine), SNDM- FAUNA (Sanitary Napkin Disposal Machine), FMVM-KAVACH (Face Mask Vending



Machine), and FMDM-CONA (Face Mask Disposal Machine). Revenue of Rs. 23 Lakhs has been generated in the FY 2023-24.

(vii) Skill development:

Employee Development Centre (EDC) of Mankapur started OJT (On Job Training) programs for ITI (Industrial Training Institute) Students. Employee development Centre is also involved in conducting Course on Computer Concepts (CCC) examination at various centres in UP through National Institute of Electronics & Information Technology, Gorakhpur. Rs. 11 Lakhs revenue has been generated in the FY 2023-24.

(viii) Tablet PC:

Mankapur Unit Started Manufacturing of Tablet PCs with the support of Whistel Pvt. Limited, ToT partner for Tablet and Laptop Technologies.

(ix) ODC (Outdoor Cabinet):

The Unit started manufacturing of ODC against PO of Tejas Networks Ltd, Bangalore.

RAE BARELI PLANT

I) PERFORMANCES:

In the FY 2023-24, Rae Bareli Plant has achieved the Turnover of Rs. 59.08 Crores.

II) MAJOR HIGHLIGHTS:

(i) OFC:

The Indian optical fiber cable market is gaining attraction. The growth is driven by continued investments being made by the Indian government in developing OFC network infrastructure, in various projects. There has been increased adoption of Fiber to-the-Home (FTTH) connectivity owing to government initiatives such as Digital India, Smart Cities, and Bharatnet Project etc. Moreover, the growing number of data centres in India will fuel this growth further. The Company have been making great efforts to meet domestic demand for optic fiber cable with the installed capacity of 30,000 KMs per annum. During FY 2023-24, Rae Bareli unit has manufactured more than 8000 KM & supplied OFC for ASCON, TANFINET project, MTNL and Railways as stated below:

1. ITI RB has supplied around 3000 KM 24F OFC to Defense ASCON Ph. IV project.
2. ITI RB has supplied around 2800 KM OFC to various zones of Indian Railways.
3. ITI RB completed the 335 KM 96 F OFC supply order of MTNL (Mumbai & Delhi) Regions.

Revenue of Rs. 32.52 Crore generated during the FY 2023-24.

(ii) Gigabit Passive Optical Network (GPON):

GPON technology offers an excellent mix of triple play services (voice, data & video) to end-users. Rae Bareli Unit has State-of-art manufacturing facility for GPON-OLT & ONT systems.

(iii) High-Density Polyethylene (HDPE) Duct Manufacturing:

Rae Bareli Unit is equipped with excellent manufacturing infrastructure for production of HDPE Ducts with annual capacity of 28,000 KM. During FY 2023-24, Rs. 39 lakhs revenue has been generated.

(iv) Switched-Mode Power Supply (SMPS):

ITI-RB has facility for SMPS manufacturing of different varieties/ ratings of systems.

In FY 2023-24, apart from AMC of various BSNL circles, SMPS systems & support were also provided to ASCON defense project PoC work. Revenue generated during FY 2023-24 is Rs. 53 Lakhs from AMC works.

NAINI PLANT:

I) PERFORMANCES:

In the FY 2023-24, Naini Plant has achieved the Turnover of Rs. 52.44 crore. The turnover mainly from manufacturing and services.

II) MAJOR HIGHLIGHTS:

- ❖ Naini Plant has state-of art manufacturing facility for Solar Panel manufacturing with annual capacity of 18 MW.

(i) Solar Module Manufacturing:

ITI Naini Plant has manufactured 9823 nos. 120W Solar PV Module of the value Rs. 3.37 Crs against 20000 nos. order worth Rs. 6.85Cr received from M/s. Patanjali.

ITILtd Naini Successfully supplied 1125 nos. of 60Wp SPV panel to BBNL through GeM contract worth Rs 0.21Cr.

(ii) Solar Power plant:

ITI Ltd Naini Successfully supplied and installed 150KW On-grid Rooftop Solar Plant at NTPC, Vindhyachal, 265KW On-grid Rooftop Solar Plant at NTPC, Bongaigaon and 100KW Roof Top Solar Power Plant at ITI Ltd corporate office cumulative worth Rs. 1.47 Cr.

(iii) LED Street Light:

ITI has successfully completed Supply & installation of 21620 Nos. Solar Street lights System in BREDA Project, value Rs 46.01 Cr.

ITI Ltd Naini received the Letter of Intent (LOI) for qty 2800 nos. worth Rs. 8.58Cr. From Bihar government against BREDA project.

ITI Ltd Naini has done the AMC of qty. 15392 nos. worth Rs. 1.38 Cr. 12W Solar Street Light System against M/s Utrakhand Renewable Energy Development Agency (URED A) project.

(iv) Solar Home Lighting:

ITI Limited received the work order for 200 nos. worth Rs. 0.75Cr for Design, Supply, and Installation & Commissioning with 5 years comprehensive warranty Maintenance of Solar PV Power Packs of 200 watt with Li FePo4 battery (including 5 nos. LED Lights, One DC Ceiling Fan and a 25watt DC Power plug with mobile Charging USB) in various houses in the state of Uttar Pradesh from M/s Uttar Pradesh New Renewable Energy Development Agency (UPNEDA).

PDI has been done, it is under advance stage for supply of material.

SRINAGAR:

1) Execution of Project:

Srinagar Unit is executing and ensuring the smooth implementation and maintenance of critical communication network in the remote locations of the J&K.



2) Skill Development Center:

This center plays a significant role in upskilling the youth of Kashmir in various fields such as Optical Fibre Cable Laying and Optical Splicing, Data Entry Operator etc. It contributes significantly to skill enhancement of local youth and employment generation in the region.

NETWORK SYSTEMS UNIT (NSU)

A) BharatNet Project (Phase-II)

1. GujNet Project:

The Bharatnet Phase-II Package A “Gujnet” project initiated by BBNL/GFGNL, with an ambition of providing high-speed broadband connection to the uncovered Gram Panchayats of Gujarat, is being executed by ITI Limited with the support of OSP partners finalized through open tender during 2019.

The first part of the project consists of 3925 GPs across the 3 Islands spread over 12 districts / 70 Blocks. Each island has a GPON network connected through optical Fiber Cable/DWDM/RFMS from GFGNL State Data Center at Gandhinagar, with the Optical Line Terminals (OLT) at Block level and Optical Network Terminals (ONTs) and L2 Switch at Gram Panchayat level.

The second part of the project consists of the operation and maintenance of 3925 GPs along with Add-On GPs (336 GPs) across the 3 Islands spread over 12 districts / 70 Blocks. Island-1 O&M was started in the month of OCT 2020. Further, O&M of remaining blocks was progressively started from Dec-2020 to Dec-2021. ITI has also received a similar work order for 52 GPs APO and 5 GP scope.

4274 GPs (99.88%) are lit out of 4279 GPs (Initial Scope of 3925 + 304 (out of 336 APO) + 45 (out of 52 APO) + 5 APO). GIS pending in BBNL portal for one block (Limkheda Block) due to T&D pendency in 3 APO GPs. The pending work shall be completed by 30-09-2024. The AT for 58 GPs is pending in the main scope and AT for 14 GPs are pending in 336 APO.

2. MahaNet Project:

ITI is executing a turnkey project for the provisioning of broadband connectivity across Maharashtra State. This project includes the laying of 20,329 Kms Underground (UG) and 17,841 Km Aerial (OH) OFC, Establishment, Commissioning and Maintenance of a Network comprising IPMPLS (IP Multi-Protocol Label Switching) Routers, Switches, Solar equipment, Microwave radio, Wi-Fi hotspots and Network Operating Centre (NOC). As of 31-03-2024; T&D work of 18,350 km and aerial OFC laying of around 14,843 Km length has been completed. The Total Project value is around Rs. 2937 crores including GST.

Further, ITI has received the Operation & Maintenance (O&M) work order for Package A, dated 23.08.2023 for the MahaNet-I (BharatNet -II) Project in Maharashtra, the total value of WO for Package A is Rs. 267.90 Cr (Excl. of GST) for 3 years including a 1-year warranty.

ITI received the Operation & Maintenance (O&M) work order for Package C on 23-08-2023 for the MahaNet-I (BharatNet-II) Project in Maharashtra on 18-08-2023, the total value for Package C of the O&M work order is Rs. 188.25 Cr. (Excl. of GST), the period of O&M is for 3 years which includes a 1-year warranty.

3. TanjiNet Project:

ITI is executing a turnkey project for the provisioning of broadband connectivity across Tamil Nadu State. This project

includes the laying of 1,924 Km Underground (UG) and 12,703 Km Aerial (OH) OFC. The total Project value including three-year O&M is around ₹458.24 Crs. As of now, T&D work of 1,407 km and aerial OFC laying of around 10,055 Km length has been completed. As on date, a total order value of around Rs 229.5 Crs has been executed against this project. Total GP and Blocks LIT UP scope is 3103 GPs and 109 Blocks spread across 10 districts of the southern part of Tamil Nadu, out of which 1500 GPs and 109 Blocks Completed. We have submitted bills for ₹192.60 Crs and received payment for ₹104.56 Crs. We have also received an AT certificate for 235 GPs and converted 3 Blocks into O&M.

4. Andaman & Nicobar Islands:

ITI has received an order worth ₹37.27 Crore from BBNL for the implementation of the BharatNet Phase-II project including Supply, Installation, Testing and Commissioning of OFC (underground) and GPoN Network as well as O&M (operation & maintenance) across the Union Territories of Andaman & Nicobar.

The total number of GPs in ITI scope i.e., 68 are lit in 7 blocks. A total order value of ₹28.34 Crores has been executed against this project and ₹18.60 Crores has been achieved till date. The project is in the closure stage of Implementation.

B) BharatNet Phase-1 GPON Supply, I&C and AMC

ITI has received 05 orders worth ₹485 Crore from BBNL/BSNL for implementation of the BharatNet project which includes supply, installation, testing and commissioning, 02-year warranty, and 05-years AMC of GPON equipment.

More than 90% of I&C work has been completed and 04 POs are under the AMC phase. AMC services for this project are being provided by our in-house engineers. Till 31st March 2024, we have received Rs. 384 Cr. of the order value from the BSNL.

C) BSNL 4G West Zone: Supply and I&C of RAN

As part of the Atmanirbhar initiative, the Government of India has chosen BSNL for a prestigious project of indigenous 4G telecom equipment to achieve self-reliance in the telecom gear segment to fulfil domestic market needs and in response, ITI has been awarded an RQ order by BSNL vide APO dated 19-05-2023 followed by the circle's POs received in June/July 2023.

ITI along with TCS as a consortium partner under Phase IX.2 is executing a turnkey project for provisioning 4G mobile network for BSNL WZ states Maharashtra, Goa, Gujarat, Chhattisgarh, Madhya Pradesh & Mumbai LSA. The project consists of RF planning, engineering, supply, installation, testing, commissioning, integration and annual maintenance of the 4G mobile network at 23633 sites in the west zone. The total project value is approx. ₹2450 Cr.

As per the delivery schedule mentioned in the tender, the first milestone 1st Batch and 2nd batch supplies of the 479, 1415 radio equipment have been delivered to the respective BA for all 5 circles of the west zone as per the priority sites/list given by the BSNL and 3rd batch of 116 No's has been supplied and the further supplies are under process.

As on date, ITI has supplied 2066 No's and has completed the Installation of 2016 No's, Integration – 1755 No's and On Air – 1689 No's. Also, ITI has billed an appx. amount of ₹200 Cr. to BSNL.



D) Defense Projects:

1. ASCON Phase-IV

The Company has signed a contract with the Ministry of Defense for the execution of the mega order of the Army Static Switched Communication Network (ASCON) Phase IV project worth Rs 7,796.39 crore (CAPEX & OPEX). 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. Contract value has been revised to Rs. 8,280.36 crore in Nov 2023.

In the network part, the project covers an IP-MPLS-based communication network with microwave radio & satellite spread across northern, northeastern, and western regions. There are a total of 62 MW radio links and 61 satellite nodes which includes 2 hubs. There are a total of 256 static nodes, 10 Zonal Centres and 2 Central Zonal Centres in the network. Furthermore, there are 86 Mobile nodes mounted on 8X8 Tatra vehicles housing the communication and power systems. The implementation of the project is to be completed in three years and thereafter it must be maintained for ten years including a two-year warranty. The project timeline has been revised on ITI request and the Project must be handed over to Army by Dec 2025.

For PoC activities, the test bed is set up in Delhi. The test bed has IPMPLS, Microwave equipment, Satellite equipment, power systems, UNMS and Net Synchronization. As on date, the PoC test trial has been successfully completed for OFC, Microwave Radio, Satellite, Power systems, Network Synchronization, and Test Instruments. The PoC test trial of the IPMPLS router is in progress and likely to be completed by June 2024. Subsequently, UNMS POC test trials will be taken up followed by Integrated POC.

Under project Rollout survey work on OFC, Equipment Nodes, Microwave, and civil construction are under progress. As on date, out of 166 optical links work is completed for 88 links and AT is completed for 86 links covering 4488 km. The remaining links work is in progress and is likely to be completed by October 2024. Under civil construction, there are a total of 183 buildings (17 new buildings, 51 upgrade buildings, and 115 new infrastructure). Work is in progress for 97 buildings out of 183 buildings. Out of 36 Microwave towers work is in progress for 8 sites.

Equipment Delivery and network roll-out will start from Sep 2024 and node-level activities will be finished by June 2025. The project is mainly delayed because of the Country-of-Origin Issue.

2. Airforce Projects

a. G2G - Upgradation and expansion of AFCEL 3g WCDMA network to 4g LTE / 5g NSA network:

ITI is executing a turnkey project worth Rs 233.16 crore for the Indian Air Force for the upgradation and expansion of the AFCEL 3G WCDMA network to 4G LTE/5G NSA network. It includes Installation, commissioning, and warranty of 2 Core Mobile Switching Centre, 4 Access sites and 469 eNodeB/gNodeB RAN sites.

2 Core (Prayagraj & Jaipur) locations and 4 Access (Wadsar, Bangalore, Barnala, Bagdogra) locations include I & C of Power infra, cloud setup for 4G and 5G NSA core User plane and Control Plane, security solution for Network and video wall for monitoring of network.

A total of 469 RAN is to be installed at 167 geographical locations across India. 148 sites are existing sites, towers need to be upgraded to eNodeB (4G) and gNodeB (5G), 102 existing sites are to be upgraded to eNodeB (4G) only. 45 sites are newly built Sites where the Ttwer foundation and civil, power works for providing the complete infrastructure have to be done. 100 eNodeB (4G) sites are In Building Solution (IBS) and 74 eNodeB (4G) sites are on Digital Mobile Relay Radio (DMRR) vehicles and operating on 700MHz frequency.

The project also includes Supplying and laying a 200 Km Optical fibre cable with accessories to connect the RAN site to the backhaul network wherever required.

At present, I & C of both core location and four access locations has been completed and Cloud setup is done with testing of 4G and 5G services. Security solution is in progress and policy implementation work is going on with the AFNET team. AT is in progress at core and Access locations.

As on date, out of 469 eNodeB/gNodeB 270 RAN sites have been installed and 229 RAN sites are ON Air. AT of RAN sites of Delhi NCR region are ongoing.

b. FCI (IAF-1) Project: Upgradation of Ops Application Systems

ITI is executing a turnkey project for the Indian Airforce (IAF) for the Upgradation of Ops Application Systems in which Data Centers at 05 (Five) locations (Delhi, Mumbai, Bangalore, Prayagraj and Shillong) have to be upgraded with hyper-converged infrastructure (HCI) Technology. The Total Project value including 02 (TWO) years of warranty is Rs. 269.41 Crs.

The project is completed and is declared Go-live w.e.f. 01-10-2023. Presently, the project has been in the warranty phase since 01-10-2023.

3. NFS Project

Network for Spectrum (NFS) is a dedicated communications network. The telecom department (DOT) is setting up this network for the Defence Forces - in lieu of airwaves (Spectrum) to be vacated by Defence for civilian use.

This (NFS) mega network will be deployed with state-of-the-art Optical Fiber Cable (OFC) technology which will form the backbone optical highway infrastructure and serve as a highly resilient and reliable communication media for the Defence sector. Once complete, the state-of-the-art dedicated OFC network for the Army, Navy, and Air Force will enable improved voice and data communication and boost homeland security for the country.

The network is a highly resilient exclusive nationwide optical backbone covering total OFC routes, aggregating 57,015 km. The network will connect 414 Defence sites and access networks (i.e., 219 Army stations, 33 Navy stations & 162 Air Force). The PICG has been created for the planning, operations, and maintenance requirements of this project on behalf of the Ministry of Defence.

The Defence NFS project consists of a total of approx. 57,015 km of OFC route, is divided into seven packages (A, B, C, D, E, F & G). BSNL, the implementation agency for India's Defence



NFS (Network for Spectrum) optical fiber cable (OFC) project has awarded Purchase orders for all seven packages. Out of seven packages, BSNL has placed Purchase Orders on ITI Ltd for Package - F and Package- G. ITI Ltd Raebareli has been allocated Package-G. For this Package, BSNL PO value on ITI Ltd is ` 1267.30 Cr (Material + Services) + Rs 550.56 Cr (AMC for 7 years for maintaining the network once it is laid) covering 7518 Km of OFC laying.

PKG-F: ITI Ltd Mankapur has been allocated Package-F. For this Package, BSNL PO value on ITI Ltd is ` 915.75 Cr (Material + Services + Restoration Services) + 322.47 Cr (AMC for 7 years for maintaining the network) covering 5791 Km of OFC laying for 102 Links. 98 links out of 102 links are commissioned in Package-F and turnover for Package F during the current FY: 23-24 is 14.7190 Crore and the Un-billed turnover booked in this FY is 21.4615 Crore.

PKG-G: As on date execution of 103 Links out of 110 Links has been completed, and the turnover for Package G during the FY: 23-24 (Incl. of GST) is 24.75 Cr.

E) Airtel NLD Orissa:

ITI has received an order worth ₹26.73 Crore from Airtel for OFC laying, Trenching, and digging work for the NLD backbone for 824 Km. All work has been completed successfully and got an AT Certificate for 738.94 Km. Billing of Rs 23.68 Cr has been done. AT is under progress for the remaining Kms.

F) USOF Project:

ITI Limited is carrying out the Pilot Project in rural areas of Karnataka state for utilization of BharatNet under the Universal Service Obligation Fund (USOF) to execute indigenously developed technology utilising E- band and 4G/LTE-based solutions. The purpose of this pilot project is to reap the benefits of innovation and strategy in the private sector, academic & research fraternity for better utilization and improved service delivery to the citizens by utilizing BharatNet. ITI has received a work order of worth Rs. 39.84 Cr. (Excl. of GST) from USOF.

MARKETING SERVICES AND PROJECTS (MSP)

The total turnover from the Corporate Marketing unit for the year 2023-24 was Rs. 597.06 Cr.

The MSP wise turnover breakup is given below:

MSP Delhi & Chandigarh

Total performance achieved for the financial year 2023-2024: Rs. 80.34 Cr.

MAJOR PROJECTS:

- ❖ Integrated Universities Management System – Guwahati University, Rs. 8.89 Cr.
- ❖ E tendering, Rs. 8.72 Cr.
- ❖ Integrated Universities Management System (IUMS) – CRSU Jind, Rs. 4.7 Cr.
- ❖ Anti DDOS – BSNL, Rs. 4.64 Cr.
- ❖ Rajasthan Skill and Livelihoods Development Corporation, Rs. 3.39 Cr.
- ❖ IUMS - Gurugram University, Rs. 3.32 Cr.
- ❖ IUMS - Maa Shakumbhari University, Rs. 2.99 Cr.
- ❖ IUMS – MSM HPU, Rs. 2.12 Cr.

- ❖ Learning Management System, Rs. 5.1 Cr.
- ❖ Setting up of DR site along with Hardware and Software at ITI Data Center, Rs. 2.18 Cr.
- ❖ Installation of Critical Hardware at Data Center, Rs. 1.25 Cr.

MSP Lucknow

Total performance achieved for the financial year 2023-2024: Rs. 62.99 Cr.:

MAJOR PROJECTS:

- ❖ Supply of Blanket, Umbrella and Sanitary Napkin – UKBOCW, Rs. 30 Cr.
- ❖ Supply of Hardware/Software for establishment and running of Workers Facilitation Center for Registration of Workers, Rs. 9.60 Cr.
- ❖ Verification of unorganized workers registered under the e-shram portal, Rs. 7 Cr.
- ❖ Enhancement of GIS base Map & property survey & information system for ULBs KANPUR, Rs. 5.65 Cr.
- ❖ HIGH COURT ALB-PHASE-II, Rs. 2.98 Cr.
- ❖ Van Vikas Nigam Management Sys – Rs. 2.40 Cr.
- ❖ Firewall - IIT Patna, Rs. 2.70 Cr.

MSP Hyderabad

Total performance achieved for the financial year 2023-2024: Rs. 2.06 Cr.

MAJOR PROJECTS:

- ❖ Supply Installation and commissioning of CCMS Boxes - Energy Efficiency Services Limited, Rs. 0.74 Cr.
- ❖ BBNMS - BSNL, Rs. 0.55 Cr.
- ❖ Call center service - Andhra Pradesh Building and Other Construction Workers Welfare, Rs.0.32 Cr.

MSP Mumbai

Total performance for the FY 23-24: Rs. 289.05 Cr.

MAJOR PROJECTS:

- ❖ Solid Waste Management - Rs. 102.74 Cr.
- ❖ Boundary Wall for schools - Government of Maharashtra, Rs. 94.45 Cr.
- ❖ Facility Management System-Maha Construction Workers Welfare Board, Rs. 30.83 Cr.
- ❖ LED Display & CCTV - Gujarat Industrial Development Corporation, Rs. 28.14 Cr.
- ❖ SITC, programming of IT connectivity related work along with exterior misc. civil works – BMC, Rs. 11 Cr.
- ❖ Geo Fencing Thane and Nagpur - Rs. 6.18 Cr.
- ❖ Computerization of PACS - NABARD, Rs. 4.45 Cr.
- ❖ HDPE DUCT – Aksent Tech Services Ltd, Rs. 3.7 Cr.
- ❖ Cyber Lab - Maharashtra State Skills University, Rs. 3.6 Cr.

MSP Kolkata

Total performance for the FY 23-24: Rs. 37.13 Cr.

MAJOR PROJECTS:

- ❖ Design Development Implementation & Maintenance of IFMIS Solution Govt. of Mizoram, Rs. 8.79 Cr.



- ❖ Supply of Smart (Health) Cards – Rs. 6.45 Cr.
- ❖ Recruitment Examination (OMR)-Odisha Fire & Emergency Service, Rs. 4 Cr.
- ❖ Recruitment Examination (OMR)-Odisha Police, Rs. 4.20 Cr.
- ❖ IP based CCTV Surveillance - IOCL North East, Rs. 3.33 Cr.
- ❖ GPS Based Vehicle Tracking System-MP State Election, Rs. 2.93 Cr.
- ❖ Implementation of University Management System - B N Mandal University, Madhepura, Rs. 1.77 Cr.
- ❖ Installation of VSAT Terminal – Rs. 1.65 Cr.
- ❖ Web Casting of ULB Election – Rs. 1.33 Cr.

MSP Chennai

Total performance for the FY 23-24: Rs. 12.44 Cr.

MAJOR PROJECTS:

- ❖ VSS works - Southern Railway Chennai, Rs. 5.3 Cr.
- ❖ IT Supply and solution - Tamil Nadu Agricultural university, Rs. 2.56 Cr.
- ❖ Aadhaar services to banks – Rs. 2.14 Cr.
- ❖ SMPS Repairs - BSNL SSAs, Rs. 0.72 Cr.
- ❖ IBS services – Vodafone & Airtel, Rs. 0.46 Cr.

MSP Bangalore

Total performance for the FY 23-24: Rs. 113.04 Cr.

MAJOR PROJECTS:

- ❖ Video Conferencing - Odisha Computer Application Centre, Rs. 91.2 Cr.
- ❖ BNG RPOP Phase I – BSNL, Rs.5.4 Cr.
- ❖ ITMS Phase I & II – Odisha Mining Corporation Ltd, Rs. 3.81 Cr.
- ❖ ITMS Phase III – Odisha Mining Corporation Ltd, Rs. 2.67 Cr.
- ❖ OFC Laying 1, 2 & 3 – Southern Railway, Rs. 3.53 Cr.
- ❖ E-tendering, Rs. 2.5 Cr.
- ❖ OFC Work – TPCODL, Rs. 1.44 Cr.

EFFORTS UNDERTAKEN BY CORPORATE MARKETING DURING YEAR 2023-24:

- 1) Submitted proposals to potential customers for ITI Products like EVM, e-Node-B, Enterprises solution of 4G RAN.
- 2) Conducted demo on EVM with help of R&D at 11 State Election commission offices and submitted quotations.
- 3) Participated the RDSO EOI on LTE 4G RAN Trial and got offer from RDSO for eNodeB for Trials of 4G LTE-R systems in 500RKM in SCR (2 sections of each approx. 33 KMs. Survey of one of the section has been completed.
- 4) Tender searching and allotment of tenders to concerned MSPs and units.
- 5) Approximately 100 vendors have been Empanelled in various category.
- 6) Participation in Exhibitions:
 - a. Convergence India Expo 2024, Delhi
 - b. Bengaluru Tech Summit 2023

- c. India Mobile Congress 2023, Delhi
- d. International Telecom Expo 2023, Delhi
- e. Conference cum Exhibition on Broadband Public Protection and Disaster Relief (BB-PPDR) 2024, Delhi
- f. Bharat Telecom Expo 2024, Delhi

- 7) Training was conducted over VC for all MSPs on the following projects/products:

- Integrated Traffic Management System, Vehicle tracking system, CCTV Surveillance, Smart classroom, Virtual Lab, LED Display System, SDWAN, Networking, and Perimeter security for Sea Ports.

RATING IN MEMORANDUM OF UNDERSTANDING (MOU)

The Company's rating for the FY 2022-23 is "Poor" with a composite score of 25.50. During Inter-Ministerial Committee (IMC) meeting held on 28th June 2023, IMC recommended to exempt ITI Limited from signing of MoU for FY 2023-24 and 2024-25.

FUTURE OUTLOOK

The Company has undertaken many initiatives/ projects so as to boost the turnover and implement the Revival plan.

SD-WAN (Software Defined Wide Area Network) Solution.

The software-defined wide area network market is poised to record a CAGR of 31.6% from 2022 to 2032. The software-defined wide area network market is likely to touch US\$ 53.8 Billion by 2032 from US\$ 3.4 Billion in 2022. The increased demand for mobility services, as well as the rising emphasis of enterprises on lowering OPEX with SD-WAN, are expected to foster the software-defined wide area network (SD-WAN) market growth to a considerable extent.

ITI is in the process of selection of a suitable partner for manufacturing of SDWAN products and solutions. PARTNER will be assisting ITI in setting up the production lines design, Manufacture and test the SDWAN solutions for the customers. A Capex investment of Rs.5Cr is proposed for setting up the manufacturing and solution Infrastructure of complete SD-WAN Solution in ITI.

5G Test Lab

ITI has signed Memorandum of Understanding (MoU) with its Technology Partners for Implementation of 5G Private Network Solutions in ITI Bangalore Plant. ITI is in the process of implementation of 5G Test Lab in ITI R&D Department, Bangalore, where 5G core and edge products can be integrated with 5G radio for compatibility testing. This will enhance 5G system integration skills for ITI in private 5G deployments and also showcase the Private 5G lab to new customers. Similar use cases and test setups may also be deployed for Govt. Institutions as new business opportunities. ITI in support with its Partner would jointly explore these opportunities. The 5G lab setup would be utilized for the demonstration of use cases like IOT, Drones, Video Analytics, AR/VR, Robotics configuration, and operations based on 5G technology.

A Capex investment of Rs.5Cr is proposed for setting up the 5G Test Lab Infrastructure at ITI.

Smart Energy Meter

As part of diversification strategy, ITI has entered into Smart Energy Meter manufacturing wherein the legacy energy meters are being replaced by smart energy meters. These meters records energy consumption and has a facility to store the data and reproduce whenever required. These meters enable a two-way communication between the meter and the central system. ITI Ltd has supplied 91000 nos of Smart Energy Meters complying with IS 16444 technical specifications to the DISCOMs in UP and Haryana against



the order from Energy Efficiency Services Limited (EESL). The Single Phase Smart Energy meters received type approval and BIS certification complying with IS 16444 technical specifications. ITI Palakkad plant is having the bulk manufacturing infrastructure and facilities for the calibration and testing of smart energy meters. The calibration laboratory of Smart Energy Meter has received the NABL accreditation as per ISO 17025: 2017 standards.

ITI R&D unit has developed Single Phase Smart Energy Meter with 3G/4G/NB-IoT communication modules with Anti-tamper and fraud detection. Prototype development completed & testing is in progress for ITI Smart Energy Meter. ITI is also in the process of engaging more technology partners for addressing the huge market demand.

Manufacturing of Multipost EVM:

ITI developed Multipost (S3-EVM) as per the specifications finalized by SEC/TEC and approved by standing committee of State Election Commissioners (SECs). This Multipost EVMs can be used for conducting the local body elections at Gram Panchayat, Municipal corporations or at any institutions for conducting elections fairly. ITI has been authorized by SECs to supply EVMs for State Election Commission's requirement depending upon the particular state requirement. Demonstration of Multi Post EVM completed for 13 State Election Commissions and demo to remaining State Election Commissions is in progress. Quotation submitted to State Election Commission, Odisha & West Bengal. This is of national importance project which can also be considered for One Nation One Election agenda which is under discussion.

Manufacturing of Digital Mobile Radio (DMR)

As a Part of Prime Minister's Atma Nirbhar Scheme, ITI has developed DMR in the VHF & UHF bands. These radios have been developed along with base station and Repeater stations as addacement of Motorola/Kenwood radio sets which are currently being imported. These digital radios will have widespread usage with the Armed Forces, CAPFs, Railways and various other Government agencies. The radio sets will also have in built SAG approved Grade 4 necessary for use by the Armed Forces. ITI has completed the demonstration of VHF DMR Hand Held Radio to Indian Railways and upgradation is in progress for observations raised by Customer.

Implementation of Mono Crystalline (PERC) Solar Module Manufacturing facility 500 MW

The government's has very ambitious plan for the indigenous solar PV manufacturing's ecosystem. In 2020, India has adopted 'National programme on high efficiency solar PV modules' for achieving manufacturing capacity of Giga watt (GW) scale in high efficiency solar PV modules. The aim of the mission is to promote manufacturing of high efficiency solar PV modules in India and thus reduce import dependence in the area of renewable energy.

Over the past five years, India has made substantial progress in solar manufacturing. Solar module manufacturing capacity has trebled from 5.8GW in 2016 to about 39 GW in December 2022 and it is further expected to reach 110 GW by 2026.

Due to advantage of High efficiency and less power degradation, the Mono crystalline solar modules made with Mono PERC Solar Cell technology are being widely used in Utility scale solar projects, Residential purposes, PERC solar panels can be used as regular rooftop photo-voltaics, EV solar roof chargers, and solar sheds. Building Integrated Photo-voltaics (BIPV), water surface power stations, and much more.

ITI is planning to implement 500 MW Solar Module in-house manufacturing facility with High Efficiency Mono Crystalline Solar Cell with an investment of Rs. 80 Cr in year 2024-25.

4G RAN Manufacturing

ITI Limited has bagged a Purchase Order (PO) from BSNL worth Rs 2421.49 Crores for its 4G rollout under Reservation Quota (RQ) Order in

the West Zone. The scope of work includes Planning, Engineering, Supply, Installation, Testing, Commissioning, integration and annual maintenance of 4G Mobile Network for 23,633 sites in West Zone of BSNL Network. ITI has upgraded the manufacturing infrastructure for mass manufacturing of 4G and future technology products. Currently ITI is manufacturing RRU (Remote Radio Unit), BBU (Base Band Unit) and ODC (Outdoor Cabinet) to supply against the BSNL RQ Order.

Also ITI has entered into Transfer of Technology with CDOT for manufacturing of 4G LTE RAN to be deployed for BSNL network. ITI has received Purchase order for Technological trials of indigenous 4G and 5G RAN from BSNL .PoC is expected to be completed by July 2024. ITI is also conducting the PoC in Railway, Secunderabad for Band 28 4G RAN and PoC is under progress. ITI is also exploring export opportunities of 4G RAN.

Multi Service Platform(MSP)/ Security Operation Centre (SOC) :

ITI has entered into an MOU with Tata Communications for setting up of Multiservice Platform/Security Operation Centre (SOC) in ITI Data centre in Bangalore. Various IT and security services like Identity Access Management, Email Security , Data Loss Prevention, Distributed Denial of Service (DDOS) Mitigation, Network Access Control, Endpoint Protection, Detection & Remediation , SIEM (Security Incident and Event Management) and Threat Intelligence & Advisory would be provided to various clients to fulfil their network security requirements. Implementation of Multiservice Platform/ Security Operation Centre (SOC) is completed and ready to provide services to customers. ITI has received letter of empanelment of National Level System Integrator as SECaas Solution Provider on 11.01.2023 from BSNL.

Major R&D initiatives taken by the company:

Research & Development (R&D) located in Bangalore plant is designing & developing Communication Equipment to support manufacturing and keep abreast of State of the Art Technologies in the field of Electronics & Communications. R&D has core strength in design & development of Encryption systems to secure Communication Networks and also in development of Network solutions & other diversified products like EVM, DMR, SEM etc. The necessary infrastructure to aid design & development is available in the form of Test Instruments, Software design tools, CAD design tools, Reliability lab, EMI/EMC test lab and Telecom testing lab.

In Financial year 2023-24, R&D was involved in development/upgradation/ Initial Field Trial/Training activities of the following Projects.

Following projects initiated during 23-24:

- Encryption Systems for Defence & Para military forces like PMO-DCN, Air force, Eastern command, ITBP, IB-MHA etc. (On-going).
- Network solutions for Communication Network; NFS & ASCON P4 (On-going).
- Development of Encryption Algorithms. (Spare algorithms being developed).
- Getting the CPC approval for crypto products with proprietary Algorithms (On-going).
- Support for legacy secrecy products supplied and networks executed to Defence. (On-going).
- Design and development of Power supply modules (On-going).
- Electronic Voting Machine (EVM) (Prototype development completed and demonstrated to SECs of 13 states of India. To be fine tuned as per customer's requirement).
- Digital Mobile Radio (DMR) System (VHF/UHF handheld, Base station & Repeater along with NMS prototype development and fine tuning is in progress).
- Smart Energy Meter (SEM) (Prototype development completed & testing is in progress).



- Integrated TEDS (Upgradation of TEDS) (Prototype development is in final stage).
- VHP (Versatile Hardware Platform) (Prototype development in progress).
- FCE (Field Cipher Equipment) MK II for Army (Prototype development in progress).
- E1 Encryptor for Eastern Command (Army) (equipment supplied and algorithm evaluation with SAG is in progress).
- Initiation of HF Man-pack (SDR) (Initial study phase).
- As per the PMO-DCN requirement initiated the design and development of encryption system NGN/Flexi EDU-IP.

SMAASH PC and Laptops:

ITI's Smaash branded Mini PCs have strengthened their presence in the market through technological upgrades, incorporating newer generation processors. These compact computers, known for their energy efficiency and small form factor, are complemented by the Smart Power Station, a green energy solution that functions as a UPS and accepts power from both solar and grid sources. This innovative combination allows for minimal grid reliance and significant energy savings. Furthermore, these devices hold international certifications such as CE, FCC, RoHS, BIS, and Energy Star.

In addition to Mini PCs, the Palakkad Plant offers a range of turnkey solutions associated with this product, such as Smart Classrooms for schools and universities, HCI (Human-Computer Interaction) solutions, and Student Lifecycle Management Systems for universities.

ITI has ventured into the field of manufacturing and marketing of Laptop and have hosted two models namely ITIB14LI5 / ITIB15LI5 in the GEM portal. Both these models are duly certified by BIS, ROHS, CE, BEE and FCC.

ITI Limited, Palakkad unit has received Purchase Orders from Kerala Infrastructure and Technology for Education (KITE), Kerala State Electronics Development Corporation (KSEDC) and others for supply of more than 9500 Nos of ITI Made Laptop.

Data Centre and IT Business:

ITI Bangalore unit has expanded Data Center with 1000 rack more capacity. ITI Data Centre is MeitY empanelled cloud service provider & audited by Standardisation Testing and Quality Certification (STQC) for services including Government Community Cloud-(GCC) (Caged services), public cloud & private cloud. The Data Centre facility is having Tier III certification i.e. ANSI/TIA-942-B. The TIA-942 Certification Program enables data centres to be reviewed and certified for conformity to the requirements of the globally-recognized ANSI/TIA-942 standard, providing greater assurance to customers and stakeholders. ITI Data center is CMMi level 3 certified, ISO 20000-1:2011, ISO 27001:2013, ISO 27017: 2015 & ISO 27018:2019.

ITI Data Center has the capability to offer a wide spectrum of service portfolios include High density hosting services, Cloud services, Managed security services, on demand services, Professional services, Security Operations Centre (SoC) and Managed IT services.

Telecom Testing Lab:

As per the guidelines issued by DoT for Mandatory Testing and Certification of Telecom Equipment (MTCTE), all telecom equipment must undergo mandatory testing and certification prior to sale, import or use in India.

NABL Accreditation was awarded to ITI's EMC Lab first time on 27.08.2021 valid till 26.08.23. EMC Lab is upgraded for testing of MIL systems according to MIL 461 E/F/G standards which is expected to bring more business in this FY 2023-24.

Designation of ITI EMI/EMC Lab for CAB (Conformity Assessment Body) status obtained from TEC Delhi on 17-12-2021 valid till 16.12.2024.

Start-up Hub:

ITI has always been the front runner in the nation building and implementation of Government of India policies. With a vision to contribute for Start-up India mission of Govt. of India, ITI is in the process of establishing 1000 seater Start-up hub in phased manner at ITI Bangalore plant for encouraging start-ups in the country. ITI vision for Start-up hub is to help Start-ups convert their Innovations to Pilot Products quickly through Rapid Proto-typing facilities under one roof. Our objective is to Manufacture the Successful products in-house and market them. 168 seater start-up hub along with Amenities like dedicated corporate hub meeting room, demo room, highly secure Wi-Fi connectivity is functional.

CONTRIBUTION TO EXCHEQUER

During the year, your Company has contributed Rs.140.26 Crore to the Exchequer towards duties and taxes.

PUBLIC DEPOSIT

The Company did not accept any deposits during the year 2023-24. Deposits aggregating to Rs.0.23 crores had matured for payment, but were not claimed on due dates

CREDIT RATING

Details of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments: such entity or any fixed deposit programme or any scheme or proposal: the listed entity involving mobilization: funds, whether in India or abroad:

During the year FY 2023-24, the Company had obtained following credit ratings w.r.t. working capital facilities availed from Banks:

Name of Agency	Rating	Working Capital Limits Rs. in Cr.	Date of Rating
ICRA Limited	Long -term: [ICRA]BBB- Short-term: [ICRA]A3	4469.50	10.03.2022
ICRA Limited	Long -term: [ICRA]BBB- Short-term: [ICRA]A3	4469.50	15.05.2023
ICRA Limited	Long -term: [ICRA]D Short-term: [ICRA]D	4469.50	06.12.2023
ICRA Limited	Long -term: [ICRA]BB- Short-term: [ICRA]A4	4280.53	24.05.2024
ACUITE Ratings & Research Limited	Long -term: ACUITE BBB+	2445.00	08.09.2022
	Short-term: ACUITE A2	2024.50	
ACUITE Ratings & Research Limited	Long -term: ACUITE BBB	2445.00	08.06.2023
	Short-term: ACUITE A3+	2024.50	
ACUITE Ratings & Research Limited	Long -term: ACUITE C	2325.00	04.12.2023
	Long -term: ACUITE D	120.00	
	Short-term: ACUITE A4	2024.50	
Brickwork Ratings India Pvt. Ltd.	Long-term: BWR BBB+	2445.00	03.03.2023
	Short-term: BWR A2	2024.50	
Brickwork Ratings India Pvt. Ltd.	Long-term: BWR BB+	2445.00	24.08.2023
	Short-term: BWR A4+	2024.50	
Brickwork Ratings India Pvt. Ltd.	Long-term: BWR D	2445.00	12.12.2023
	Short-term: BWR D	2024.50	



JOINT VENTURES

INDIA SATCOM LIMITED (ISL)

ISL is a Joint Venture of Chris Tech Systems Pvt Ltd and ITI. Chris Tech Systems Pvt Ltd has 51% equity participation in ISL and balance equity is held by ITI.

ISL executed a Joint Development Agreement to develop its own immovable property as a Software Technology Park. The Master plan of this project "Silicon Forest" is designed by Pei Cobb Freed & Partners, an internationally renowned architects of USA and is designed with the required specifications to get the rating of "IGBC Core and Shell Gold Certification", a green building rating that brings together a host of sustainable practices and solutions to reduce the environmental impacts. The Government of Karnataka, the Environment Impact Assessment Authority, Pollution Control Board, Fire and Emergency Services Department, Airports Authority of India, BESCO, BWSSB, HAL and BSNL have accorded approval for this project. The project will be started shortly on obtaining the plan sanction.

Further, ISL has developed the state-of-the-art payment aggregator software "SatPAY" with AI driven customer support and AI based features like fraud deduction modules ... etc, which will facilitate the online payments for large enterprises. ISL is on the process of obtaining the require licenses from the Government authorities. This will be offered as "SaaS" model to various Government and private companies for acquiring payments in their online systems.

All these projects will create employment opportunities for about 1000 people and shall build the infrastructure for 25,000 Software professionals.

During the financial year 2023-24, ISL had achieved total income of Rs 2.02 crore and profit for the year is Rs 20.03 lakhs. The net worth of ISL is expected to grow more than Rs. 1,500 crores in a span of 5 years.

There was no Company which became or ceased to be subsidiary, joint venture or associate of the Company during the year under review.

The salient features of the Financial Statement of Joint Venture Company are furnished in form AOC-1 which is appended to this report as **Annexure 1**.

QUALITY

ITI Limited is always committed to Quality and we understand that Quality encompasses all functions.

Conscious of the importance of the quality, since the very beginning of its incorporation, the company has introduced many quality procedures and practices and has established various Quality Management Systems and necessary infrastructure over the years.

All the Manufacturing Units of the Company are certified for ISO based Quality Management Systems i.e ISO 9001, 10002, TL 9000 and ISO 14001 Environment Management System.

The Company has created the required Infrastructure by establishing state-of-the-art test facilities like environment test chambers, high altitude test facilities, bump & vibration test facilities, calibration facilities for electronic test instruments, EMI / EMC test facilities, etc. Facilities for Highly Accelerated Life Testing (HALT), Highly Accelerated Stress Screening (HASS) and combined environmental testing have been established for enhancing product reliability. Around two Labs have been accredited by NABL.

Requisite competency on various aspects of quality and reliability has been built by imparting training to the employees every year for ISO under on-going competency development programme.

Efforts are paying benefits to the Company in many ways like improving our processes, reducing costs and improving profitability, enhancing customer satisfaction and earning goodwill, trust and reputation. With all

these infrastructure in place along with necessary available competency and very high level of quality awareness within the company we are poised to comfortably meet any forthcoming challenge on this front in future. The Company is continuously following all the methods & procedures for maintaining the Quality in all spheres.

NABL Accreditation in compliance with IS/IEC 17025:2017 for Smart Energy Meter LAB ID C-1509 Certificate No.CC-3210 desktop surveillance audit conducted on 18/03/2024 ,validity extended up to 09/03/2025.

BIS certification for Smart Energy meter in compliance with IS16444:2015 PART1 License No CM/L-6400092212 Renewed up to 1/12/2024.

ITI BGP certified for ISO based Quality Management Systems i.e ISO 9001 and ISO 14001 Environment Management System.

ISO 9001:2015 Quality management system:

Quality Management System QMS 9001-2015 Re-certification audit was conducted on 9th, 10th & 11th November 2023 at BGP. The Audit was successfully completed and scope revised. Revised scope as follows.

Scope: "Design, Development and/or manufacture, supply installation, Commissioning and servicing of Transmission Eqpts, Switching Products, Access Products, Computer maintenance, Computer networking.

Design, Development and/or manufacture & supply of terminal equipment, PCB's, PLB HDPE DUCT and Manufacture & supply of Surface mount device assemblies".

ISO 14001:2015 Environmental management system:

Environment Management System 14001:2015 2nd surveillance audit was conducted on 26th & 27th Dec 2023 at BGP. The Audit was successfully completed.

TSEC (Technical Specification Evaluation Certificate Issued by QA of BSNL) for

- Radio Modem in ISM Band (Type A and Type B)
- Permanently Lubricated HDPE Telecom Ducts
- Executive Telephone System (ETS-04)
- Optical Fibre Cable (various Types)
- Fiber Distribution Management System
- Electronic Telephone Instrument with CLIP and Two way speaker feature(Type-A)

BIS (Bureau of Indian Standards) Certification for

- Smart Energy Meter
- Crystalline Silicon Photovoltaic (PV) Modules
- Smaash PC
- Laptops

IEC (International Electro-Technical Commission) certificate for "Solar PV Module".

TEC (Telecommunication Engineering Centre) Type Approval certificate for Permanently Lubricated HDPE Telecom Ducts.

NPCI certification for RuPay Card Manufacturing and Personalisation for Smart Card Manufacturing Infrastructure at Palakkad Plant.

NABL Certification for

- EMI/EMC Lab at Bangalore Plant
- Smart Energy Meter Calibration Laboratory at Palakkad Plant

Accreditation of VSSC (Vikram Sarabai Space Centre Trivandrum) for Component Screening, Test & Evaluation Assembly & Testing of flight Packages.



MANPOWER

The Company recognizes the importance and contribution of its Human Resource in providing the competitive advantages. It emphasizes on upgrading the skills and capabilities of its employees to improve their productivity. The company is conducting training and workshops in new and strategic areas, so that its employees are ready to face challenges in the coming years. HR initiatives are focussed on developing team spirits, employee's empowerment and their involvement in various activities. All HR efforts are in alignment with the business priorities and with an objective of smooth transition to latest Technology.

EMPLOYEES STRENGTH

- Employee Strength at the end of FY23-24 i.e., 31st March 2024 was 1676, out of which 369 employees were female.
- As on 31.03.2024, there were 283 Employees belonging to SC Category, 45 Employees belonging to ST Category and 362 Employees belonging to OBC Category.
- 8 Employees on Tenure / Contract basis, 9 Consultants were recruited during FY 23 – 24.
- There were 16 Employees belonging to PwBD categories and 15 employees belonging to Ex Servicemen category, on the rolls of the Company at the end of FY 23-24.

INDUSTRIAL RELATIONS

ITI has glorious tradition of building and maintaining conducive employee – employer relationship environment. The Industrial relation scenario in the Company was cordial throughout the year. Employees Union and Officer Association extended their co-operation and support in ensuring smooth work flow and helped to meet the Company's Objectives.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013, and Rules made there under, Company has constituted Internal Complaints Committees (ICC) to redress complaints received regarding Sexual Harassment at all Units. All Employees (Regular, Contract, Temporary, Trainees) are covered under this Policy. Company has complied with the provisions relating to the constitution of ICC and during the year no cases / complaints have been filed under the Act.

DEVELOPING EMPLOYEES CAPABILITIES & COMPETENCIES

ITI Limited recognizes the development of employees by enhancing their skills and competencies to prepare them for future challenges and effectively address them.

HUMAN RESOURCES EMPLOYEE DEVELOPMENT:

i) Training & Development:

As technology is evolving rapidly in today's era of globalization, it is crucial for the organization to acquire the necessary skills and knowledge. In order to meet and overcome the obstacles faced, a lot of focus is being dedicated to create new talents, enhancing the current ones and raising capacity. The business's ability to succeed rests on its trained workforce. Skill and knowledge are the main factors influencing the Company's growth and sustainability.

The main challenge for the organization right now is a shortage of skilled people caused by the attrition of trained and experienced workers. The HR Department meticulously designs training and development programmes, leading to improvements/overcoming the difficult circumstances and the lack of the required set of skills. ITI Limited has implemented a strategy that prioritizes staff training, development, and capacity building through

a methodical and need based planning approach that includes identifying training needs, creating and customizing training courses etc.

Learning is a fundamental value of ITI Limited. Recognizing the need for capability building for current and future roles, ITI Limited has set up a comprehensive training facilities comprising Employee Development Centers (EDCs) at all plants (i.e., Bangalore, Palakkad, Mankapur, Rae Bareilly and Naini). Learning and Development is actively engaged in preparing our employees for the future when it comes to technology, business acumen and leadership. So learning is a core value. Training Delivery modes includes classroom, online (web based and Video-Conferencing) and e-Learning with increasing emphasis on technology driven platforms.

With a major focus on the Company's business objectives, employee-centered technological and managerial Skill Development, customer relations and quality. The Company has made a commitment to adopt the way to enhance the skills in emerging trends in telecom technologies like Department of Public Enterprises (DPE), National Institute of Defense Estates Management (NIDEM), National Telecommunications Institute for Policy Research, Innovation & Training (NTIPRIT). Department of Telecommunications (DoT), Public Enterprises Selection Board (PESB), National Institute of Communication Finance (NICF), Central Vigilance Commission (CVC), Centre for Development of Telematics (C-DOT). Also accelerated HR learning interventions and employee development activities.

Employees get regular access to enhance the skills/knowledge on areas like new technology/general training courses such as 4G, ERP, Cyber Hygiene & Security, Capacity Building, Self-Management, Motivation and Leadership Development, Reservation Rules and Recruitment Policy, Employee Wellness/Awareness programmes, Government e-Marketplace (GeM), Disciplinary Proceedings etc.

In order to develop and improve their abilities, knowledge, attitude, and exposure to new technology, 166 ITI Officials have been nominated for external training programmes and workshops organized by various Governmental organizations and private institutions in the most important fields. These coaching programs help people cultivate their capacity for managing change, their innovative methods, their ability to think critically, and their positive outlook on creating a high-performance workplace culture.

In a nutshell, in respect of Employee Development - training performance during the FY 2023-24 is as follows:

Details	Training (IH/EN)		Total
	In-house (IH)	External (EN)	
No. of programmes	32	35	67
No. of people trained	872	166	1038
Training Man-days achieved	892	178	1070
Male employees trained	531	123	654
Female employees trained	341	43	384
SC/ST employees trained	169	35	204

Note: IH-In House, EN: External Nomination

In addition to the above, the Ministry of Communications developed an online learning platform to guide individual officials in their capacity-building journey. It combines five functional hubs for Online Learning, Competency Management, Career Management, Discussions and Networking.

ITI employees have taken online trainings to improve their knowledge and skills on various topics under iGoT Portal (Karmayogi Bharat) by DoPT. Total 1745 (Unique 267) officials have completed two or more trainings during the FY 2023-24.



Talent Development:

In order to give our talent and staff members an advantage in their personal and professional development, we at ITI Limited believe in the holistic development of not just our product but also of these individuals. We have always believed that it is crucial to support our staff through extensive training and development programs for giving insight on the trend towards more technology and innovation on a global scale.

An individual can become an authority in a particular profession by having well-honed skills and knowledge. A skill is the capacity to perform an activity satisfactorily on the job. When employees possess the necessary skills to accomplish their tasks, their performance goes up. A training program can help employees enhance their development of these skills. Training is to re-educate and re-train staff members when new technology, methods, or systems are introduced to ensure they meet the unique requirements of their specific roles. Additionally, staff development initiatives can assist employees in developing their profession.

ii) Skill Development and Capacity Building:

Skill Development training is an initiative taken by Central Government to enhance the employability of unemployed people or school drop outs by giving training in the emerging or the prospective areas of employment. Skill Development is significant in the overall development of a student/individual. Personal development & learning skills will not only increase the opportunities but will also empower an individual. Skills like communication go a long way in aiding the overall development of students/trainees. Skill development trainings provide significant benefits such as increased employment opportunities, enhanced career development prospects, personal growth, and greater knowledge and understanding of the local industry.

As a part of 'Skill India' Flagship program, ITI started imparting Skill Development and Capacity Building trainings at Six training centers of ITI. All the centers are registered under PMKVY and have associate membership with NSDC for different Job roles. The Company not only develops the skill sets of its own employees by imparting training through its HR-Employee Development Centers located at Units (i.e., Bangalore Plant, Palakkad Plant, Rae Bareli Plant, Mankapur Plant, Naini Plant and Srinagar Plant) but also train and educate the young minds in vocational trades through internship/project training etc.

The Company is actively involved in imparting the Skill Development training in various modules. 370 students have completed Skill Development training on different modules under SURYA scheme of Haryana Skill Development Mission (HSDM) Project.

In addition to the above, ITI is also engaging and imparting training to Graduate Engineers, Diploma (Technicians) and ITI Trade Apprentices in various trades under the Apprentices' Act / National Apprentices Promotion Scheme (NAPS). In addition, as a part of capacity building, the Company is imparting training to the students of Engineering / Management to carry out their Internship, Project and Adoption of ITI /Industrial Visit etc.

The number of participants trained/imparted Capacity building/Skill Development training during the FY 2023-24:

Sl. No	Skill Development /Capacity Building	No. of participants
1	Beauty Therapist under SURYA scheme of HSDM Project	120
2	Assistant Decorative Painter under SURYA scheme of HSDM Project	100
3	Director of Photography under SURYA scheme of HSDM Project	90

4	Consignment Tracking Executive under SURYA scheme of HSDM Project	30
5	Inventory Clerk under SURYA scheme of HSDM Project	30
6	ITI Trade Apprentices	62
7	Diploma/Technician Apprentices	14
8	Graduate/Engineer Apprentices	9
9	In-Plant Training (ITIL module)	446
10	Project Training (ITIL module)	78
11	Industrial Visit (ITIL module)	1163
12	Adoption of ITI / Specialized Industrial Training (ITIL module)	151
TOTAL		2293

IMPLEMENTATION OF OFFICIAL LANGUAGE ACT, 1963

All Units/Marketing services and Projects ("MSP") have established "Check-Points" in their departments to make effective implementation of the Official Language Policy. Monitoring is being done by the respective Official Language Implementation Committee constituted in every Unit/MSP.

The Progress of Implementation of Official Language in corporation office as well as in all subordinate Units/MSP is being periodically reviewed by the OLIC of corporate office.

Units/MSP at Naini, Rae Bareli, Mankapur, New Delhi, Mumbai, Lucknow, Hyderabad & Corporate Office have been notified in the Gazette of Government of India under the OL Rules 10(2) & (4), 1976 after more than eighty percent (80%) of the staff working knowledge of Hindi in these Units/MSP.

ITI Limited, Corporate Office is regularly sending the Quarterly Progressive Report to the Ministry of Communication, Department of Telecommunication, New Delhi as well as Dy. Director (Implementation), Regional Implementation Office, Bengaluru. We have also sent Half Yearly Hindi Progress report to Secretary, Town Official Language Implementation Committee (Undertaking), Bangalore and Annual Assessment Report to Ministry of Communication, Department of Telecommunication, New Delhi. After reviewing our quarterly report & Annual report Corporate Office has been receiving appreciation letter for the last one year from Deputy Director (Implementation), Regional Implementation Office, Bangalore.

On 13.07.2023 the second sub-committee of Parliamentary Committee on Official Language, New Delhi, Dr. Rita Bahuguna Joshi and all the Committee members had inspected ITI limited, Registered & Corporate Office, Bengaluru Official Language Department in connection with Official Language Policy Implementation.

During the second half-yearly meeting held on 16.08.2023 at HAL, Management Academy, Bengaluru, under the aegis of Town Official Language Implementation Committee (Undertaking), Bengaluru, ITI Limited, Registered and Corporate Office was awarded a Commendation Certificate for the year 2022-23 towards the progressive use and implementation of Official Language Hindi.

On 08.12.2023 Shri. Anirban Kumar Biswas, Deputy Director (Implementation), Regional Implementation Office (South), Bangalore, Ministry of Home Affairs, Government of India, has inspected Official language department of ITI limited, Registered & Corporate office in connection to the official language policy implementation.

In order to enhance working knowledge of Official Language of employees, internal training programs are conducted with support of internal/external faculties. Besides, employees are also encouraged to take part in Hindi Prabodh, Praveen, Pragya & Parangat examinations for which financial incentives are given to qualified employees.

“Hindi Fortnight” was organized in the year 2023-2024 in all the Units and MSP offices and various events were organized for employees during this fortnight. Bilingual (i.e English and Hindi) website of the company is being regularly updated.

VIGILANCE

The vigilance department of ITI Limited focus on preventive vigilance, punitive vigilance and surveillance to identify deficiencies in the system if any and advise the management on streamlining the systems to prevent recurrence. The complaints received through ITI Management, post, email, Online portal, CVC and DoT are being investigated and brought to a logical conclusion. Vigilance department observed Vigilance Awareness Week from 30th October 2023 to 5th November 2023 in all manufacturing units, MSPs & Area offices, ROs, NS Unit, business establishments and Corporate office. An intensive awareness campaign was taken up regarding PIDPI complaints through various means i.e. Banners, Posters etc. across all ITI establishments.

As per directives of CVC, a capacity building programme was undertaken for 11 officials of ITI in prestigious institutes of India on various topics i.e Procurement, Ethics & Governance, Recruitment, Promotions & Transfer, Cyber Hygiene & Security and IO/PO training for trainers under training for trainers programme. Further, trainers gave training to more than 200 attendees of ITI on these important topics in Bengaluru complex, ITI's Delhi office and Raebareli Unit.

During observance of Vigilance Awareness Week – 2023, Pledge taking ceremony, conducting Essay/ Poem/ Quiz/ Slogan Competitions and Valedictory Function in Bangalore Complex on the Concluding Day of the Vigilance Observance Week were organised.

Outreach activities such as Pledge taking, Essay writing, Poster making competition and Walkathon were also held in ITI Vidya Mandir & ITI Central School, Doorvaninagar, Bengaluru and Uccha Prathmik Vidyalaya, Chaka Block, Naini.

1) System Improvements

The details of system improvements effected based on preventive vigilance, investigations of complaints and surveillance are as below:

a) Land records

Digitizing of Land records of all land owned by ITI was perused by vigilance and facilitated completion of the land record as well as updated utilization status of the same. Created awareness on increasing the revenue through leasing at market rates and clearing encroachments in various plants.

b) Cost saving measures

- i. **OFC** – Based on vigilance initiative, cost of raw materials for OFC manufacturing has been reduced by 17%.
- ii. **Electricity conservation** – Awareness on electricity consumption and measure to reduce the same was highlighted by vigilance and is being implemented.
- iii. Summary of all labour contracts were compiled and highlighted to the Management for reducing and optimizing the cost of outsourcing.

c) Recruitment & Promotion

The deficiencies w.r.t notification and the selection process were identified and advisories on the same to prevent recurrence of deficiencies in the sensitive recruitments were issued.

d) Security of factories

To strengthen security system in the factories of ITI Limited at various places, a detailed review was done and details of deficiencies and guidelines for rectifying the same were issued to management.

e) Works contracts for execution of projects

To overcome the deficiencies/discrepancies observed in the contracts being entered into and executed on various projects, a detailed advisory covering Pre tender, Tender stage, tender evaluation and Post tender execution was issued.

f) Leveraging of technology:

The implementation of E Payment, E tender, Procurement through GEM and implementation of ERP was taken up as a regular review items in vigilance review with the management and significant improvements were achieved on the same.

g) Disposal of overaged materials and Plant & Machineries

Detailed review of the huge accumulation of obsolete/unserviceable materials and Plant & Machineries which were accumulated over the past two decades was taken up and disposal of the same is under process. This not only generate revenue on disposal but also reduces the expenses on maintaining the inventory and releases the space for alternate use in the unit.

Scrap disposal process was reviewed consistently and deficiencies observed were highlighted for compliance.

2) Details of vigilance Complaints monitoring

The complaints received are being reviewed by vigilance department and whichever complaint requires investigation, the same are taken up duly following CVC guidelines. The details of vigilance complaints received and processed at ITI Limited during the year is as below,

Status of Vigilance Complaints - 2023-24

Opening Balance	Received during 2023-24	Total	Disposed	Pending cases with nature of complaints
4	7	11	6	5 (Contract – 1) (HR – 4)

IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005 (RTI)

There exists a mechanism in ITI Limited to process all requests received by Corporate Office/Units under the Right to Information Act, 2005. All Units and Regional Offices of ITI Limited have designated Public Information Officer (PIOs) and at corporate office, we have Assistant Public Information Officer (APIO), Central Public Information Officer (CPIO) and First Appellate Authority (FAA) to address the mechanism of RTI application, other transparency related activities and first appeal, if any. Quarterly online RTI returns are uploaded on Central Information Commission (CIC) portal and also same are published on our Company website. All cases referred to CIC by applicants as second appeals have been successfully addressed and complied in totality to CIC decisions. ITI has been processing and replying the RTI applications with complete transparency and accountability in accordance with RTI Act, 2005.

During the FY Year 2023-24, 459 applications under RTI have been received. Information was provided for 477 RTI applications including 20 RTI



applications carried forward from previous years. 30 applications under RTI were transferred by other PA. The Central Information Commission (“CIC”) has online RTI portal for filing online RTI requests for seeking information for convenience of the applicants. Out of the 477 replies, reply/information was provided online for 76 cases. Quarterly online RTI returns were uploaded on the CIC portal and also same information were published on the Company website. All cases referred to CIC by the applicants as Second Appeals have been successfully addressed and complied in totality to CIC decisions.

AUDIT

• STATUTORY AUDIT

M/s. B K Ramadhanyi & Co LLP, Chartered Accountants, Bengaluru were appointed by Comptroller and Auditor General of India (C & AG) as Statutory Auditors for 2023-24 for Bangalore Plant, NS Unit, Corporate Office, 8 Regional Offices and Consolidation of accounts. The Board of Directors has fixed remuneration of Rs.700000 + GST for standalone, Rs.100000 + GST for consolidation and Rs.600000 + GST for 8 ROs. The fee fixed for certification for Quarterly financial results is Rs.100000 + GST for standalone and consolidation.

In addition, travelling and out of pocket expenses incurred are also reimbursed at actuals. The total amount paid to the statutory auditors for other services rendered by them to the Company during 2023-24 was Rs.0.25 lakhs for certification fee.

• AUDITORS’ REPORT

Auditors’ Report on the annual accounts for the financial year 2023-24 and the comments of the C&AG under Sec 143 (6) (b) of the Companies Act 2013 on the Annual accounts are appended to this report. Reply to observations of Statutory Auditors and C&AG are attached as addendum to this report.

During the year 2023-24, there has not been any fraud reported by the Statutory Auditors of the Company.

• BRANCH AUDITORS

The following firms of Chartered Accountants were appointed by Comptroller and Auditor General of India as Branch Auditors for different plants of the Company for the year 2023-24.

Sl. No.	Unit	Name of the Firm
1.	Rae Bareli	M/s. Mehrotra Kapoor & Tandon, Rae Bareli
2.	Naini	M/s. Amit Om & Co., Allahabad
3	Mankapur	M/s. S K Associates , Faizabad
4.	Palakkad	M/s. Balaram & Nandakumar, Thrissur
5	Srinagar	M/s. A H M & Co., Srinagar

The fee for Branch auditor for Rae Bareli is fixed at Rs.100000+ GST, for Naini and Palakkad at Rs.80000+ GST each, Mankapur at Rs.70000+ GST and for Srinagar Rs.20000+ GST .

In addition to the above, certification fee for Branch auditors for quarterly financial results are as follows:

Unit	Amount in Rs.
Naini	12000 + GST as applicable
Rae Bareli	21000 + GST as applicable
Manakapur	16000 + GST as applicable
Palakkad	18000 + GST as applicable

• COST AUDITORS

M/s. GNV & Associates, Bengaluru was appointed as lead Cost Auditors for the year 2023-24 for the cost audit of units located at Bengaluru and Palakkad and also for consolidation of Cost Audit Reports of the Company as a whole.

M/s. Aman Malviya & Associates, Lucknow were appointed as Branch Auditors for cost audit of units located at Naini, Rae Bareli, Mankapur and Srinagar.

The appointment of cost auditor was made by Board of Directors and the remuneration of Rs.316000 inclusive of GST as applicable was ratified by the shareholders in the Annual General Meeting held on 28.09.2023. The cost audit report for the year 2022-23 was filed with Ministry of Corporate Affairs.

The Company maintains its cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act. 2013 read with Rules made thereunder.

• SECRETARIAL AUDITOR

The Board had appointed Shri K N Nagesha Rao, Company Secretary in Practice, to conduct the Secretarial Audit of the Company for the year 2023-24. The Secretarial Auditor in his report have stated that during the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, guidelines, standards except for those observations mentioned in Secretarial Audit Report, which is appended as **Annexure-2**. The reply of management to observations of Secretarial Auditor is attached as addendum to Directors report.

INTERNAL FINANCIAL CONTROL

ITI Limited’s internal controls are commensurate with its size and the nature of its operations.

These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. ITI Limited has a well-defined delegation of power with authority limits commensurate with the responsibilities that commits organizational resources. The Audit Committee also periodically interacts with the internal and statutory auditors including Branch auditors to assess the adequacy of internal control systems.

It has continued its efforts to align all its processes and controls with best practices. ITI Limited management assessed the effectiveness of the company’s internal control over financial reporting under Section 143 of the Companies Act 2013 as of March 31, 2024. except of the observations referred in **Annexure ‘B’**.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

ITI is committed to the Communities around its business and far beyond through its CSR initiatives. During the financial year 2023-24, the Company was not required to spend any amount towards CSR activities, as the average net profits of the Company for the preceding three financial years was negative. However, the Company had spent 2.00 lakhs towards CSR activities for noble cause as the Armed Forces Flag Day Fund (AFFDF) was instituted for the welfare of the veterans, widows and their dependents.

Annual Report on CSR activities including the composition of CSR Committee is enclosed as Annexure-III to the report.

The details of the CSR policy, projects and programmes are available on the website of the Company on at <https://www.itilttd.in/csr>.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

ITI Limited being a Government Company, policy on directors' appointment and remuneration is not applicable and also evaluation of their performance is exempted vide notification dated 05.06.2015 issued by the Ministry of Corporate Affairs.

As on 07th August 2024, there are Nine Directors on the Board of the Company, of which four are Whole Time Directors (including Chairman and Managing Director), Two are Government Director and Three Non-Official Part Time Directors (Independent Directors).

INDEPENDENT DIRECTORS

During FY 2023-24, there were no appointment and cessation of Independent Directors.

The Company has received the Certificate of Independence from the Independent Directors confirming that they meet the criteria prescribed for Independent Directors under the provisions of the Companies Act, 2013, and SEBI (LODR). The Independent Directors have confirmed that they are registered with the Database maintained by the Indian Institute of Corporate Affairs (IICA) under the Ministry of Corporate Affairs.

In terms of the provisions of Schedule IV of the Companies Act, 2013, the terms and conditions of appointment of Independent Directors are posted on the website of the Company. Further, the Independent Directors are not liable to retire by rotation under the provisions of Section 152 of the Companies Act, 2013.

During the year under review, a separate meeting of Independent Directors was held on 11th November 2023 in which all the Independent Directors were present.

GOVERNMENT DIRECTOR

The following are changes in Government Directors:

- 1) Lt Gen M Unnikrishnan Nair ceased to be the Government Director of the company with effect from 15th September, 2023.
- 2) Sri R Shakya ceased to be Government Director with effect from 09th January, 2024.
- 3) Lt Gen Kanwar Vinod Kumar was appointed as director with effect from 20th October, 2023.
- 4) Sri Mukesh Mangal was appointed as the Government Director with effect from 10th January, 2024.

FUNCTIONAL DIRECTORS

The following are the changes in Functional Directors :

- 1) Smt S Jeyanthi was appointed as Director Production with effect from 19th May, 2023.
- 2) Smt R Vasanthi, General Manager (Operation) has relinquished the additional charge of the post of Director Production w.e.f. 19th May 2023.
- 3) Sri Rakesh Chandra Tiwari ceased to be Director (Marketing) with effect from 30th November, 2023.
- 4) Additional Charge of Director Marketing was given to Sri Rajesh Rai, Chairman and Managing Director, for a period of 3 months with effect from 01st December, 2023 upto 29th February, 2024 or till appointment of regular incumbent or until further orders are issued, whichever is earliest.
- 5) Sri Ramana Babu C V was appointed as Director Marketing with effect from 25th January, 2024. Accordingly, Sri Rajesh Rai, who was holding the additional charge of Director Marketing, relinquished the same position with effect from 25th January, 2024.
- 6) The Board wish to place on record its whole hearted appreciation for commendable contribution and guidance rendered by the Directors whose term of office ended during the year.

Shri Rajeev Srivastava, Director Finance retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

KEY MANAGERIAL PERSONNEL

During the financial year 2023-24, apart from functional directors, Chief Financial Officer and Company Secretary continues to hold the post of Key Managerial Personnel of the Company.

Smt Shalini Ghatak, Company Secretary and Key Managerial Personnel of the Company resigned from the services of the Company w.e.f. 17th June 2024.

DETAILS OF BOARD MEETINGS

During the year under review, six Meetings of the Board of Directors were held. The details of meetings attended by each director are provided in the Corporate Governance Report.

COMPOSITION OF AUDIT COMMITTEE

As on 31st March 2023, the Audit Committee comprised 04 Members out of which 03 were Independent Directors and 01 was a Functional Director. During the year, 04 Audit Committee Meetings were held, details of which are provided in the Corporate Governance Report.

There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS AND POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

ITI Limited being Government Company is exempted from the provisions of evaluation of performance of independent Directors. Further, the Govt. of India, the appointing authority has its own set of processes in determining the criteria and also for evaluation of the performance of Independent Directors at the time of appointment / re-appointment.

With regard to formulation of criteria for appointment of Directors on the Board by the Nomination and Remuneration Committee, being a Government Company, the criteria for appointment of Directors on the Board is done by Government of India.

RISK MANAGEMENT

The Enterprise Risk Management (ERM) framework implemented as part of Governance, Risk Management and Compliance (GRC) in the Company is based on global best practices in Risk Management as covered by ISO 31000:2018 and IEC 31010:2019 and has enabled the Company to fully integrate the Risk Management into its normal business operations.

The Company's ERM policy framework is a structured process that involves:

- Identifying all external and internal risk-factors.
- Assessing the impact of these risks on the organization's business and financial targets.
- Prioritizing the identified risk-factors.
- Exploring various alternatives for treating these risks.
- Implementing controls and monitoring mechanisms for managing the risks.
- ERM is an ongoing and dynamic process that requires iteration and adaptation to changing circumstances. The Company's ERM Manual is a well-structured framework having four layers of governance team's i.e.
- Level-1: URM (Unit Level Risk Management Committee).
- Level-2: ERMSC (ERM Steering Committee).
- Level-3: ERMG (Enterprise Risk Management Governing Committee) or RMC (Risk Management Committee).
- Level-4: Risk Management Committee at Board Level.



These Committees are responsible to monitor the policy implementation across all the Units by following approved ERM Process, ERM Governance Structure, Roles and Responsibilities of the relevant stakeholders, formation of Risk Registers, provide their continuous contribution to operation of ERM in all the units of Company.

The establishment and maintenance of the ERM framework is facilitating effective decision making process at different levels of the Company. The Risk Register maintained by the Company includes standalone risks identified for the Corporate as well as any significant risks from the Units that merit attention of the Corporate, which will be regularly be presented and reviewed by the Task Force Committee.

All the Units submit and update ERM Risk Register to the ERM Steering Committee (ERMSC). As part of the policy operation ERMSC have conducted monthly risk management review meetings on 25th April 2023, 20th October 2023, 7th November 2023, 18th December 2023, 8th January 2024, 9th February 2024 and 12th March 2024 with all the Units (URMSC). In the Risk Management Committee Meeting held on 26th July 2023, 22nd January 2024 and the Board Meeting held on 11th August 2023, 13th February 2024, the high priority risks and mitigation plans proposed were reviewed.

As framed in the ERM Manual, Risk Management activities will be carried out on an ongoing basis as part of the routine business operations.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Regulations 2015 require formulating a “Whistle Blower Policy for providing necessary safeguards for protection of employees from victimization. Further SEBI (Prohibition of Insider Trading) regulations, 2015 also requires the Company to have Whistle Blower Policy and make the employees aware of such policy to enable them to report instances of leak of Unpublished Price Sensitive information.

Objectives of Vigil Mechanism / Whistle Blower Policy:

- 1) The Vigil Mechanism / Whistle Blower Policy aims to provide a channel to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or instances of leak of Unpublished price sensitive information or policies or regulatory requirements.
- 2) To provide adequate safeguards against victimization of Directors and employees to avail the mechanism.
- 3) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the competent authority promptly.

Covers disclosure of any unethical and improper or malpractices and events which have taken place / suspected to take place. The Whistle Blower role is to report Company with reliable information. A Whistle Blower policy is not required or expected to act as an investigator or finder of the facts, nor would the Whistle Blower have a right to participate in any investigative activities unless requested by the Investigator.

PARTICULARS OF EMPLOYEES

Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors’ Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A separate section on Business Responsibility and Sustainability Report as required under Listing Regulations, has been included in the Annual Report as **Annexure- 4** and the same forms part of the Directors’ Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report prepared as per Listing Regulations and DPE Guidelines on Corporate Governance is enclosed as **Annexure 5** of this report.

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance on the compliance of Corporate Governance conditions stipulated in Listing Regulations and the DPE guidelines forms part of Directors report. The Certificate on the Compliance of above Corporate Governance Conditions from Practicing Company Secretary also forms part of Directors’ report.

EXTRACT OF ANNUAL RETURN

In accordance with the Companies Act, 2013, the annual return is available on the Company’s website at https://www.itiltid.in/annual_general_meeting.

RELATED PARTY TRANSACTIONS

All related party transactions entered during the year 2023-24 were in ordinary course of the business and are on an arm’s length basis.

The Company has formulated a Policy on Related Party Transactions which is available on the Company’s website at https://www.itiltid.in/codes_and_policies.

The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC2 is not applicable to the Company. Members may refer to note no. 32 to the financial statement which sets out related party disclosures pursuant to IndAS24.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION OCCURRING BETWEEN THE END DATE OF FINANCIAL YEAR AND DATE OF THE REPORT

The are no material changes affecting the financial position of the Company subsequent to the close of the FY 2023-24 till the date of this report.

REGULATORY OR COURTS ORDER : NIL

DIRECTORS’ RESPONSIBILITY STATEMENT

The Board of Directors confirm that

- a. In the preparation of the annual accounts for the financial year ended 31st March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at 31st March 2024 and of the profit of the company at that date;
- c. Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The annual financial statements have been prepared on a going concern basis;
- e. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

There are no transactions of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

STATUS ON COMPLIANCE WITH THE INSOLVENCY AND BANKRUPTCY CODE, 2016

M/s Recap Ventures Pvt. Ltd. has filed an application U/Sec 9 of IBC in NCLT, Bengaluru vide Case No.CP/98/BB/2023 to initiate Corporate Insolvency Resolution Process against ITI Ltd. This case is coming up for hearing on 09.09.2024.

As reported in Annual Report 2022-23 regarding filing of cases by M/s Eagle Software India Private Limited and M/s Fujiyama for Corporate Insolvency Resolution process, both the cases were dismissed as withdrawn on 06.07.2023 and 30.04.2024 respectively.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

There are no instances of one-time settlement during the financial year 2023-24.

ENTERTAINMENT EXPENDITURE AND FOREIGN TRAVEL

The expenditure on entertainment was Rs.-14.55 lakhs (PY Rs. 1.56 lakhs). Expenditure on official travel abroad by the officials of the Company was NIL during the year.

CITIZEN'S CHARTER

Citizens are implied as any Stakeholder of the ITI Limited (ITI) extending from Employees, Customers, Vendors, Investors, Collaborators / JV Partners, Competitors, Media and Govt to Society / Community at large. The Citizens charter does not itself create new legal rights, but make the citizens aware of their existing rights.

ITI Citizen's Charter outlines its scope and contains general information about the Company, Citizen's obligations towards Company and the Management's commitment towards the citizens. It also contains Grievance redressal mechanism and Citizen's Service Delivery.

The Charter exhibits the organization's ability to provide quality products and efficient services to the citizens while meeting the legal and regulatory requirements. Continuous improvement of products and services is its aim for the satisfaction of the stakeholders.

Objectives of Citizen's Charter are as follows:-

- 1) To demonstrate Transparency and openness of its business operations.

- 2) To improve the quality of public services by ensuring Citizen centric focus across all its processes.
- 3) To let people know the mandate of the Organization, how one can get in touch with its officials, what to expect by way of services and how to seek a remedy in case of specific complaints / problems.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, required to be disclosed under the Section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 is appended as **Annexure 6**.

PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES ORDER 2012

The Procurement Policy for Micro and Small Enterprises Order 2012 read with amendments made thereunder is being followed across all the Units of the Company. In line with this, the company made significant strides in supporting MSE vendors. During the financial year 2022-23, the company procured worth Rs 69.59 Crore from MSE vendors, which constituted 26.3% of its total procurement value.

Moving into the financial year 2023-24, the company continued its commitment to MSE procurement, achieving 4% of its total annual procurement through these vendors, resulting in a total procurement value of Rs. 95.06 Crore. This reflects a substantial increase of approximately 36% in procurement value from MSE compared to the previous year. However, there is a noticeable decrease in the procurement percentage, primarily due to the nature of procurement processes involving MoUs. Despite this percentage decline, the overall increase in procurement value underscores the company's ongoing dedication to enhancing its engagement with MSE vendors, contributing to their growth and development.

ACKNOWLEDGEMENT

The Board of Directors would like to thank its clients, vendors, investors, bankers for their continued support during the year. The Board would also like to thank the Government of India, particularly the Ministry of Communications and Ministry of Defence as well as the various State Governments, regulatory and statutory authorities for their support and look forward to their continued support in future. The Board is also thankful to all its stakeholders, including bankers, investors, members, the Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditor, Cost Auditor, Internal Auditors, etc for their continued co-operation. The Board appreciate and value the contribution made by every employee.

For and on behalf of Board

Rajesh Rai
Chairman and Managing Director
DIN: 10052045

Place: Bengaluru
Date : 12th August 2024



ADDENDUM TO THE DIRECTOR'S REPORT

COMPANY'S REPLIES TO STATUTORY AUDITOR'S OBSERVATIONS IN THEIR REPORT

Point No.	Statutory Auditor's Observations	Company's Remarks								
1.	<p>Capital Work in Progress (C.W.I.P). Capital work in progress as at March 31, 2024, included the following assets, which to the best of our knowledge has been put to use but continued therein ostensibly for want of certain documents. We are unable to validate the carrying value/ageing data with the relevant documents and the effect of non-recognition of depreciation in the SFS.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Description of Asset</th> <th style="text-align: center;">Carrying value as at March 31, 2024 (Rs. in Lakhs)</th> </tr> </thead> <tbody> <tr> <td>New Data Centre</td> <td style="text-align: right;">2,669.45</td> </tr> <tr> <td>Other Capital Work in Progress</td> <td style="text-align: right;">3,923.39</td> </tr> <tr> <td>NIFT building (Refer Note 2 to SFS)</td> <td style="text-align: right;">6,582.06</td> </tr> </tbody> </table>	Description of Asset	Carrying value as at March 31, 2024 (Rs. in Lakhs)	New Data Centre	2,669.45	Other Capital Work in Progress	3,923.39	NIFT building (Refer Note 2 to SFS)	6,582.06	<p>CWIP (Capital Work in Progress) pertaining to RBL Unit is pending due to certain technical formalities i.e. non-availability of NOC from local authorities, which is being followed up. Bangalore Unit is currently working on the capitalization of CWIP by arranging the installation certificates. BGP has capitalized significant portion of CWIP during Q1 [FY 2024-25] and aiming to complete the process by the end of FY 2024-2025.</p>
Description of Asset	Carrying value as at March 31, 2024 (Rs. in Lakhs)									
New Data Centre	2,669.45									
Other Capital Work in Progress	3,923.39									
NIFT building (Refer Note 2 to SFS)	6,582.06									
2.	<p>Expected Credit Losses (ECL). The Company has not made provision for credit losses in respect of the following items included under Current Assets - Financial Assets, which are doubtful of recovery:</p> <p>a) Rs. 5,847.90 lakhs, receivable from C-DOT towards rent from premises leased out to them for the period from 2005-06 to 2010-11.</p> <p>b) Recoverable from HCL Infosystems Limited of Rs. 1,690.20 lakhs as compensation on account of the excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.</p> <p>c) Recoverable from Himachal Futuristic Communications Ltd of Rs. 1,049.41 lakhs towards Liquidated Damages.</p> <p>d) Receivable from Mindarray towards encashment of letter of credit of Rs. 1,023.00 lakhs.</p> <p>e) Receivable from South Western Railway of Rs. 2,908.02 lakhs towards consideration receivable for sale of land.</p>	<p>a) The matter has been resolved with the directives of CoS [Committee of Secretaries] through AMRCD [Administrative Mechanism for Resolution of CPSEs Dispute] proceedings, vide O.M. ref. 5-31/ARB-ITI-CDOT/2023-TR dated 01.07.2024. As per the decision, the 24.46 acres of land as occupied by C-DoT since 2004 would be transferred by ITI to C-DoT on a net consideration of Rs. 200 Cr. to be paid by C-DOT to ITI as full and final settlement of all receivables and payables between ITI and C-DoT. Hence, this issue stands resolved.</p> <p>b) This is with reference to implementation of GSM Project 2M, 3M & 9M BSNL Project and 1M MTNL Project and there was a Master agreement (MoU) in 2006 and subsequent addendums. Due to Liquidated Damages (LD), payment & short closure of the same works, the dispute arose between the parties as such the arbitration clause is invoked by the HCL in December 2017. In this case, ITI Ltd has also filed its amended counter claim. The matter is under sub-judice and hence the provision at this juncture is not possible.</p> <p>c) Contract entered into between M/s ITI Ltd and M/s Himachal Futuristic Communication Ltd (HFCL) for supply of Integrated Fixed Wireless Telephone (IFWT) sets and there were disputes between the parties as such the M/s HFCL has invoked the arbitration clause. Substantial arguments are yet to be heard, the last date of hearing was on 24.05.2024 and it was adjourned, next hearing is scheduled on 04.09.2024. Hence, company is of the opinion that provision at this stage is not required.</p> <p>d) For criminal complaint: As per the Police report- B Report, there is no need for further investigation. For Civil Suit: The Court directed both the parties to go for mediation upon which ITI Limited was present in all the mediation sessions. The opposite party, however, was not present due to which the mediation process was deemed to be failed. Company has filed a civil suit in this regard. The last date of the Court hearing for the case of M/s. Mind Array was heard on 04/04/2023 wherein the Court gave time to the opposing Counsel to further his arguments and the case was last posted on 16.05.2023 for further cross examination. Next date of hearing is 13.09.2024.</p> <p>e) As per letter Ref No-Q/CR/839/2018-19 dated 02.03.2020, Government of Karnataka, has sanctioned amount is Rs. 2908.01 lakhs for compensation of land acquisition by SWR. Hence, ITI has booked income in the books of accounts during the year 2020-21 accordingly. Later, there was a letter (Ref No-No.L.A.Q/CR/21/2022-23-Dated 14.03.2023) received from SLAO with unilaterally revised compensation offered by SLAO for Rs. 1172.16 lakhs & the same has been rejected by ITI limited vide Letter dated: 08.05.2023 (Ref: ITI/BGP/HR/2021/8009) & requested them to retain the original compensation value of Rs. 2908.01 lakhs fixed during 29.02.2020. Further ITI has sent letter Ref: ITI/CRP/HR/AM/2024/SWR/01 dated- 18.04.2024 requesting SWR to initiate the payment of Rs. 2908.01 Lakhs to ITI Limited. The matter is under consideration with SWR and expected to be resolved positively during FY 2024-25.</p>								

<p>f) Amounts receivable held under the head Claims and Expenses recoverable Inland amounting to Rs. 344.48 lakhs (breakup not available). Accordingly, if provision for credit losses were made by the Company, the loss for the year would have been higher and the net current assets lesser by Rs. 12,863.01 lakhs.</p>	<p>f) The claims are in order and requirement of breakup and details are noted for due compliance. Considering the above facts, Company is of the view that provision for credit losses are not required at this stage.</p>
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REPLY TO OBSERVATION OF SECRETARIAL AUDITOR

Secretarial Auditor's Observations	Company's Explanation
<p>As at 31st March 2024 the Company did not comply the Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 in as much as the strength of Independent Directors was less than 50% of the total strength of the Board of Directors of the Company.</p>	<p>Being a Government Company under the Administrative Control of Ministry of Communications, the appointment of all categories of directors are done by Government of India in accordance with the laid down guidelines of Department of Public Enterprises. The Company has, from time to time, communicated to the Ministry of Communications with respect to the requirements of Independent Directors under the SEBI Regulations.</p>

For and on behalf of Board

Place: Bengaluru
Date : 12th August 2024

Rajesh Rai
Chairman and Managing Director
DIN: 10052045

Annexure-1

ANNEXURE TO THE BOARD OF DIRECTORS' REPORT

Form AOC-1

Statement containing salient features of the financial statement of Joint Ventures
Part "A": Subsidiaries –Not applicable; Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Venture

S.No	Name of Joint Ventures	India Satcom Limited
1	Latest audited Balance Sheet Date	31.03.2024
2	Shares of Joint Ventures held by the company on the year end	16,21,800 equity shares of Rs. 10 each
3	Amount of Investment in Associates/Joint Venture	Rs. 40.55 Lakhs
4	Extend of Holding%	49.06%
5	Description of how there is significant influence	Investment in the equity to the extent of 49.06% paid up capital
6	Reason why the associate/joint venture is not consolidated	N.A
7	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.3528.40 Lakhs
8	Profit/Loss for the year	
	i) Considered in Consolidation	Yes, Rs.14.13 Lakhs
	ii) Not Considered in Consolidation	Nil

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

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024



Annexure-2



K N Nagesha Rao,
BCom, DSP, DEE, DBA, LLB, FCS, FCMA
Practising Company Secretary

“Sumukha”
22, 5th Cross, I Stage, Grihalaxmi Colony, Basaveshwaranagar,
Bangalore 560079
TEL : 9845050333; 08023234353
Email: nageshknn@gmail.com

Secretarial Audit Report For the Financial Year ended 31st March 2024 [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To the Members of ITI Limited

- 1) I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ITI Limited with CIN L32202KA1950GOI000640 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.
- 2) Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and subject to my separate letter attached hereto as the Annexure, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
- 3) I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2024 according to the provisions of:
 - a. The Companies Act, 2013 (the Act) and the Rules made there under;
 - b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - d. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST). However this Regulations, SAST exempt ITI Limited [a company under the rehabilitation scheme sanctioned by Board for Industrial and Financial Reconstruction (BIFR)] from the compliance under SAST with regard to the preferential allotment made to Government during the year (refer paragraph 8.2 below for more details).
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. As required under Regulations 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company is maintaining the structured digital database (SDD) containing the nature of unpublished price sensitive information, the names of such persons who have shared the information and the names of such persons with whom information are shared under this Regulation, along with the Permanent Account Number or any other identifier authorized person. Such database maintenance is not outsourced and the same is being maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. The structured digital database is being preserved for the prescribed time period.
 - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - v. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Not applicable during the above audit period];
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- Not applicable during the above audit period;
 - vii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act, 2013 and dealing with client;
 - viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - No delisting of shares was done during the year;
 - ix. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - No buy - back was done during the year and
 - x. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
 - f. Indian Copyright Act, 1957
 - g. The Patents Act, 1970
 - h. The Trade Marks Act, 1999



- i. Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by the Department of Public Enterprises, Ministry of Finance, Government of India.
 - j. Guidelines issued by the Department of Investment and Public Asset Management, Ministry of Finance – as applicable to Central Public Sector Enterprises.
- 4) I have also examined compliance with the Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited as well as compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - 5) I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
 - 6) I have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.
 - 7) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the qualifications mentioned in paragraph 9 below.
 - 8) Subject to the qualification mentioned in paragraph 9, I further report as below:
 - 8.1) that, -
 - a. the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
 - b. the Company followed proper Board processes in convening and conduct of Meetings Members and Directors; the Company has maintained proper Books to record Proceedings of General Meetings of Members, Minutes of Meetings of Board and Committee of Directors; resolutions passed by e-voting, if any, are recorded in the Minutes Book of General Meetings.
 - c. adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, the Company adopts a system to enable Directors to seek and obtain required information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
 - d. The Company has complied with the requirements of the provisions governing Corporate Social Responsibility under Section 135 of the Companies Act, 2013;
 - e. there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, the company is not compliant in meeting its statutory dues and is making delay in filing periodical GST returns in pursuance of Central Goods and Services Tax Act, 2017 and Rules made thereunder.
 - 8.2) during the year the Company allotted 1,13,09,586 equity shares of Rs.10 each at a premium of Rs.84.61 per share for total consideration of Rs.107 crores to the President of India on preferential basis against capex receipt in pursuance to order dated 8th January 2013 issued by the Board of Industrial and Financial Reconstruction (BIFR). Upon issue and allotment of the above shares on preferential basis (together with shares issued during earlier years in pursuance of the said BIFR Order) as per the then Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the Company was required to maintain minimum public shareholding to 10 percent of paid up capital. In order to comply with this requirement and as per directives of the Cabinet Committee on Economic Affairs dated 20th July 2016, during the year Company's Promoter, the President of India transferred 27,36,405 Equity Shares (post preferential allotment of aforesaid equity shares for consideration of Rs.107 crores) to the Special National Investment Fund. While so, Rule 19A of the Securities Contracts (Regulation) Rules 1957 (made effective from 22nd August 2014), the Company is required to bring up its public shareholding to minimum 25% from 10%. However, the Ministry of Finance, Government of India has granted in its letter F.No.1/14/2018-PM(part) dated 6th July, 2022 time up to 1st August 2024 for listed public sector companies to increase their public shareholdings to at least 25%.
 - 8.3) Except the allotment mentioned sub-paragraphs 8.2 (a) above, there were no instances of:
 - i. Public, Preferential Issue of Shares or Debentures or Sweat Equity.
 - ii. redemption or buy-back of securities;
 - iii. major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013;
 - iv. merger, amalgamation, reconstruction etc.;
 - v. foreign technical collaborations.
- 9) Qualification:**
As at 31st March 2024 the Company did not comply the Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 inasmuch as the strength of Independent Directors was less than 50% of the total strength of the Board of Directors of the Company.

Place: Bengaluru
Date: 13th June, 2024
UDIN No. F003000F000567322
Peer Review Unique ID No.I2014KR1122000

K N Nagesha Rao,
Practising Company Secretary
FCS 3000 CP 12861

This Report is to be read with my letter of even date which is annexed as Annexure A and Forms an integral part of this report.



The Annexure to the Secretarial Audit Report for the Financial Year 2023-24

To the Members of ITI Limited

- 1) My Secretarial Audit Report of even date is to be read along with this letter.
- 2) Maintenance of Secretarial records and compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records and compliance based on my audit.
- 3) I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide reasonable basis for my opinion.
- 4) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 5) Wherever required, I obtained the management representation on the compliances of laws, rules and regulations as well on happening of events.
- 6) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
- 7) The Secretarial Audit report is not an assurance of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru

Date: 13th June, 2024

UDIN No. F003000F000567322

Peer Review Unique ID No.I2014KR1122000

K N Nagesha Rao,
Practising Company Secretary
FCS 3000 CP 12861

ANNEXURE-3

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FY 2023-24

1) Brief outline on CSR Policy of the Company

ITI Limited (ITI) strive to accomplish our vision to lead India's transformation towards self-reliance in the domain of Telecommunications, Electronics, and ICT products, services and solutions that change lives for better and to address the concerns of economic status, environment and well-being of the society through CSR initiatives.

A) The Objectives of the CSR projects will be as follows:

- a. To carry out CSR activities in an economically, socially and environmentally sustainable manner that is transparent and ethical.
- b. To integrate the core values of the Company with the philosophy of Corporate Social Responsibility (CSR) and Sustainability.
- c. To incorporate the spirit of CSR and Sustainability to the employees at all levels and to infuse into all the activities, processes, operations and transactions of the Company.
- d. To undertake any other matter as deemed appropriate or determined by the Board from time to time in the best interest of the Company and other stakeholders of the Company.

B) Overview of ITI Limited CSR Projects/Activities:

The company contributed for the Armed Forces Flag Day Fund (AFFDF) which was instituted for the welfare of the veterans, widows and their dependents.

2) The details of CSR meetings attended by the CSR Committee is as tabulated:

SI No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Rakesh Chandra Tiwari	Director – Marketing & Chairman of the CSR Committee. Ceased to be Chairman of the CSR Committee on 30.11.2023	1	1
2	Smt Mamta Palariya	Independent Director, Chairperson of the CSR Committee with effect from 01.12.2023	1	1
3	Shri Rajeev Srivastava	Director Finance & Chief Financial Officer Member of the CSR Committee	1	1
4	Smt S Jeyanthi	Director Production, Member of the CSR Committee with effect from 01.12.2023	0	0

3) The Composition of CSR Committee, CSR Policy and CSR Projects of the Company are available on the Website at: https://www.itild.in/management_team
<https://www.itild.in/csr>

4) Details of Impact assessment of CSR Projects carried out : **Not Applicable**

5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : **Nil**

6) Average net profit of the company as per section 135(5) : **-14770.22 lakhs**

7) (a) Two percent of average net profit of the company as per section 135(5) : **-295.40 lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **Nil**

(c) Amount required to be set off for the financial year, if any : **Nil**

(d) Total CSR obligation for the financial year (7a+7b-7c) : **-295.40 Lakhs+0-0= -295.40 Lakhs**



8) (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Lakhs) 2023-24	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2.00 Lakhs	-	-	-	-	-

(b) Details of CSR amount spent against ongoing project for the financial year: NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
SI No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2023-24:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
SI No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Mode of implementation through implementing agency.	
				State.	District			Name	CSR registration number
1.	Contribution to Armed Forces Flag day fund (AFFDF)	Schedule VII of Item No. vi Measures for the benefit of armed forces veterans, war widows and their dependents		PAN INDIA		2,00,000.00	Yes	Kendriya Sainik Board, New Delhi	
Total						2,00,000.00			

- (d) Amount spent in Administrative Overheads: NIL
 (e) Amount spent on Impact Assessment, if applicable: NIL
 (f) Total amount spent for the Financial Year (8b + 8c + 8d + 8e): 2.00 Lakhs
 (g) Excess amount for set off, if any: NIL

SI. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	-295.40 Lakhs
(ii)	Total amount spent for the Financial Year	2.00 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.00 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.00 Lakhs

9) (a) Details of Unspent CSR amount for the preceding three financial years:

SI No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1.	FY 2022-23	-	-	-	-	-	-
2.	FY 2021-22	-	-	PM CARES FUND	11,46,045.40	29.09.2022	-
3.	FY 2020-21	-	-	PM CARES FUND	64,00,000.00	28.03.2022	-

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
SI No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project Completed/ Ongoing
-	-	-	-	-	-	-	-	-

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s). – **NA**

(b) Amount of CSR spent for creation or acquisition of capital asset - **NA**

Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **NA**

(c) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - **NA**

11) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : **Not Applicable for FY 2023-24**

Sd/- (Chief Executive Officer or Managing Director or Director).	Sd/- (Chairman CSR Committee)	Sd/- [Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).
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For and on behalf of Board

Place: Bengaluru
Date : 12th August 2024

Rajesh Rai
Chairman and Managing Director
DIN: 10052045



Annexure-4

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I) Details of the listed entity

Sr. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Listed Entity	L32202KA1950GOI000640
2	Name of the Listed Entity	ITI Limited
3	Year of incorporation	1950
4	Registered office address	ITI Bhavan, Doorvani Nagar, Bengaluru – 560 016
5	Corporate address	ITI Bhavan, Doorvani Nagar, Bengaluru – 560 016
6	E-mail	cosecy_crp@itilttd.co.in
7	Telephone	+91 (080) 2561 4466
8	Website	https://www.itilttd.in/
9	Financial year for which reporting is being done	FY 2023-24
10	Name of the Stock Exchange(s) where shares are listed	(i) BSE Limited (ii) National Stock Exchange of India Limited
11	Paid-up Capital	Rs. 9,49,57,73,520/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Rajeev Srivastava Director Finance&CFO Tel: +91(080) 25617486 cosecy_crp@itilttd.co.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II) Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacture of Telecom and its allied Product	5.44
2	Service	Repair and Maintenance of Telecom and its allied Product	45.99
3	Projects	Implementation of Turnkey Projects	48.58

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacture of Telephone; other communication equipments; fibre optic cables, etc	26302; 26309; 27310	5.44
2	Repair and maintenance of communication equipment; telecom network	95120; 95111; 61102	45.99
3	Turnkey Project & Other telecommunications activities	42202; 43213; 61900	48.58

III) Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Manufacturing Plants-06 Network System Unit-01	Corporate Office: 1; MSP-08	16
International	Nil		

17. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States)	PAN India
International (No. of Countries)	Nil

b) What is the contribution of exports as a percentage of the total turnover of the entity? Nil

c) A brief on types of customers :

The following are the Customers of ITI for supply of various products, Services and Turnkey Products.

- Army, Navy, Indian Air Force and Ministry of Home Affairs
- PSU like BSNL (Bharat Sanchar Nigam Limited), MTNL (Mahanagar Telephone Nigam Limited), BBNL (Bharat Broadband Network), EESL (Energy Efficiency Services Limited), C-DoT (Centre for Development of Telematics), BEL (Bharat Electronics), NTPC (National Thermal Power Corporation),
- Central Government and State Government organizations like OPTCL (Odisha Power Transmission Corporation Limited), TANFINET (Tamil Nadu FibreNet Corporation Limited), MITCL (Maharashtra Information Technology Corporation Ltd), JCNL (Jharkhand Communication Network Limited), GFGNL (Gujarat Fibre Grid Network Limited), KSEDC (Karnataka State Educational Development Council), KITE (Kerala Infrastructure and Technology for Education), UREDA (Uttarakhand Renewable Energy Development Agency), BREDA (Bihar Renewable Energy Development Agency), UPNEDA (Uttar Pradesh New & Renewable Energy Development Agency)
- Department of Post, DoS (Department of Space), DoAE (Department of Atomic Energy), Railways.
- Private customers like Banks, Schools, Universities, Hospitals, TCS, Tejas Networks, RILL (Rural infratel international limited), Aksentt, Keltron, Vodafone and Airtel

IV) Employees

18. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	817	643	78.70%	174	21.30%
2.	Other than Permanent (E)	396	298	75.25%	98	24.75%
3.	Total employees (D + E)	1213	941	77.58%	272	22.42%
WORKERS						
4.	Permanent (F)	179	169	94.41%	10	5.59%
5.	Other than Permanent (G)	284	196	69.01%	88	30.99%
6.	Total workers (F + G)	463	365	78.83%	98	21.17%

b) Differently abled Employees and workers:

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	10	8	80.00%	2	20.00%
2.	Other than Permanent (E)	3	3	100.00%	0	0.00%
3.	Total differently abled employees (D + E)	13	11	84.62%	2	15.38%
WORKERS						
4.	Permanent (F)	1	1	100.00%	0	0.00%
5.	Other than permanent (G)	2	1	50.00%	1	50.00%
6.	Total differently abled workers (F + G)	3	2	66.67%	1	33.33%



19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.22%
Key Management Personnel	4	2	50.00%

20. Turnover rate for permanent employees and workers (to be provided in %)

	FY 2023-2024 (Turnover rate in current FY)			FY 2022-2023 (Turnover rate in previous FY)			FY 2021-2022 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	643	174	817	299	27	326	304	23	327
Permanent Workers	169	10	179	46	6	52	72	4	76

V) Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	India Satcom Limited	Joint Venture	49%	No

VI) CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) : Yes

(ii) Turnover (in Rs.) : Rs. 1,26,363.22/- Lakhs

(iii) Net worth (in Rs.) : Rs. 1,74,946.44/- Lakhs

VII) Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than share holders)	Yes ¹	65	Nil	Nil	169	Nil	Nil
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and workers	Yes ²	5	1	Nil	2	2	Nil
Customers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Yes ³	Nil	Nil	Nil	Nil	Nil	Nil

- 1) Centralized Public Grievance Redress and Monitoring System (CPGRAMS) under the Ministry of Personnel, Public Grievances & Pensions, the Department of Administrative Reforms & Public Grievances <https://pgportal.gov.in/>
- 2) The employees and workers can lodge their grievances through http://10.1.1.4/corp_hr/Docs/Grievance.Officers.pdf
- 3) ITI deals with Defense Projects and Data Center services, therefore all the communications are through confidential mode as per the requirement of the Customers. Accordingly, no web-link is there for raising grievances. However, the partners can directly lodge their grievances by sending email to the Company.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environmental Footprint - Water management	Risk	Water shortages can disrupt Company's operations and disrupt its business. Company is manufacturing HDPE and OFC cables which requires huge amount of water consumption.	Employee education on saving water, more efficient use of water in campuses, Rain water harvesting, recycling of waste water	Negative
2	Solar Green Energy	Opportunity	Company has installed solar Power Plant in all the manufacturing Units for total capacity of 5.66 MW which will enable saving by 25%. Also Company has supplied more than 73000 Nos of solar panels to GPoN Project, BBNL, Patanjali and various other customers; 15000 nos of solar street lights to UP Govt. Currently Company is executing BREDA project in the state of Bihar for supply of 62000 nos Solar street lights.	Nil	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

HIS SECTION IS AIMED AT HELPING BUSINESSES DEMONSTRATE THE STRUCTURES, POLICIES AND PROCESSES PUT IN PLACE TOWARDS ADOPTING THE NGRBC PRINCIPLES AND CORE ELEMENTS

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
c. Web Link of the Policies, if available : https://www.itild.in/									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	Yes	Yes	Yes	Yes	-	Yes	Yes

*ITI Limited does not advocate influencing the public & regulatory policies for its gain, hence no policy is framed. If required, the Company may approach the appropriate authority through Trade Industry and Industry Chambers and Associations and other such collective forms.

4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> The Company follows SEBI Regulations and DPE Guidelines on Corporate Governance and CVC Guidelines for ensuring ethical, transparent and accountable business conduct among others. ITI Units are certified to ISO 14001-2015 ; ISO 9001:2015; ISO10002:2018; ITI Products are BIS; TEC; TSEC ; RDSO; NPCI Certified as applicable ensuring the standards to our customer. Some of the ITI Products are Trademark registered. ITI EMC Test labs are accredited by NABL.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Continuous upgrade and timely renewal of certifications are ensured wherever applicable.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable since Company ensures timely upgradation / renewal of Policy / Manuals / Certifications as applicable

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

One of the Five Values of the Company is "we will integrate the environmental and social principles in our businesses, ensuring that what we generate goes back to the stakeholders." Our company has also coordinated our sustainability efforts along the value chain, plant operations and product development.



ITI Limited being a Telecommunication company, we aim to create a sustainable future through environment conservation activities for the community. All emissions and waste generated is monitored as prescribed by the Pollution Control Boards. The Company is also actively promoting socioeconomic rejuvenation through targeted CSR activities such as healthcare, Skill Development for Employment Enhancement & Self Employment, Education, Sanitation, Drinking Water, River Rejuvenation, Environment Sustainability and Sports Development etc.

The Company addresses issues such as climate change and global warming through effective energy management measures and by adopting renewable energy sources. Energy-saving initiatives such as energy efficient chillers, lighting management systems, building management systems, and daylight harvesting are followed. There is an impetus to use renewable energy sources such as solar power for energy generation and captive consumption. The company is aiming for attaining stage of net zero grid energy. In addition to that Scrap Disposal Committee has been formed in the Units to dispose of various types of wastages generated under the general ambit of rules framed under the Environment (Protection) Act, 1986. The Industrial Wastages are disposed of through normal tendering procedure.

Further, the Company is also subjected to various audit such as Energy Audit, Safety Audit, Quality Audit, Environmental Management System Audit relating to ESG principles, which helps the Company in determining the best course of action for energy conservation, reducing the amount of energy input, energy cost and carbon footprint.

A major obstacle to the adoption of sustainable business practices is to encompass the ESG principles across all Units and MSPs offices. However, the Company regularly takes steps to create awareness on ESG principles by conducting various programmes and initiatives.

ITI being a CPSE, the appointment of Directors are made by Govt. of India and the Company has no control over filling up of the vacancy within the stipulated time frame specified under the Act / Rules / Regulations, to comply the same.

8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).** **Shri Rajesh Rai**
Chairman and Managing Director
DIN: 10052045
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.
Shri Rajesh Rai, Chairman and Managing Director is responsible for decision making on sustainability related issue.

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	All the policies of the Company are reviewed periodically or on a need basis by department heads /respective committees and placed before the Board of Directors as and when required. In the assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Complied except with respect to composition of the Board of Directors under SEBI (LODR) Regulations, due to non-appointment of Independent Directors. Since, the Company is a CPSE, the appointment of directors has to be made by the concerned Administrative Ministry. Hence, the matter has been referred to the Ministry of Communications (MoC) for filling up the post and the same is pending with MoC/DPE.									As and when required								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	The Company is subject to various audits such as Statutory Audit, C&AG Audit, Cost Audit, Secretarial Audit, Energy Audit, Safety Audit, Quality Audit, Environmental Management System Audit, etc. These Audit ensure compliance to various internal and external policies.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

E PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	2	Orientation Programme for Functional Directors (full time) Directors of CPSEs Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 - POSH	40%
Key Managerial Personnel	---	---	---
Employees other than BoD and KMPs	64*	ERP Training, 4G Training, Capacity Building, Self-Management, Motivation and Leadership Development, Awareness Program on prevention of AIDS, Hindi Training & Typing, Hindi Typing, Women Self Defense, Wellness Sessions, Workshop on POSH, Recruitment Policy & Reservation Rules, Disciplinary Proceedings, GeM, Estates Management using Modern Technology, 6 Ghz and Delicensing for Wi-Fi access, Telecom Security Ecosystem, Blockchain Technology and its Applications, Structure and Basic Understanding of ITU, CCS Conduct Rules, Social Impact Assessment of Bharat Net, Cyber Hygiene and Security, Social Media & Governance etc.	38.82%
Workers	1**	Electrical Safety	22.46%

NOTE:

*Other than BoD, Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 – POSH training attended by Employees & Workers also.

**Along with employees, workers also have attended most of the training and awareness programmes.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement					
Compounding Fee					
NIL					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment					
NIL					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed. **NIL**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions



4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy :

The whistle Blower policy existing in the Company acts as an Anti – Corruption policy. Whistle blower policy aims to provide a channel to report genuine concerns about unethical behaviors actual or suspected fraud or violation codes of conduct or leak of price sensitive information

The web link for the policy is given below:

<https://www.itilttd.in/Vigilance/Corp%20HR%20Policy%20Circular%20No%20557%20dated%2003%2004%202021-revised.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action wastaken by any law enforcement agency for the charges of bribery/ corruption: **NIL**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest: **NIL**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.: **NIL**

PRINCIPLE 2 Businesses should provide goods and services in amanner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologiesto improve the environmental and social impacts of product and processes to total R&Dand capex investments made by the entity, respectively

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NIL	NIL	No specific input with respect to products as ITI R&D products are used for secured communications and are developed and certified according to customer specifications.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) : Yes

b. If yes, what percentage of inputs were sourced sustainably?

100%. The Company is sourcing the raw material compiled against various standards / certification as applicable.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

The Company does not recycle products because most products are used for strategic/national security applications.

The Company has a structured mechanism to deliver waste from the manufacturing process of its products/ equipment through authorized recyclers approved by the Pollution Control Board. Metal waste, waste oil, solvents and copper containing rejects are sent (100%) to authorize recyclers for recycling and recovery. Paper and plastic are handed over to recyclers.

In addition, manufacturing plants have water treatment for effective recycling of wastewater from factory and township.

The concept of clean technology is practiced in the manufacturing process to prevent pollution. ITI is focused on the prevention of pollution at the source itself. Towards this end, several improvements and modifications have been incorporated in the existing processes. Many of the Restriction of Certain Hazardous Substance (RoHS) compliant processes have been introduced into the PCB manufacturing and metal finishing processes.

Additional environment friendly materials have been implemented, such as low smoke halogen cables, low VOC metal finish (polyurethane), cyanide free silver, zinc and copper plating, and trivalent chromium-based chromate conversion coating.

ITI has installed a 5600 KW Grid Connected Captive Solar PV power plant.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators											
1) a. Details of measures for the well-being of employees:											
CATEGORY (Officers)	Total	% EMPLOYEES COVERED BY									
		Group Life Insurance		Kalyankari Benefits		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent Employees											
Male	643	643	100%	643	100%	-	-	-	-	643	100%
Female	174	174	100%	174	100%	174	100%	-	-	174	100%
Total	817	817	100%	817	100%	174	26.8%	-	-	817	100%
Other than Permanent Employees											
Male	298	298	100%	298	100%	-	-	-	-	298	100%
Female	98	98	100%	98	100%	98	100%	-	-	98	100%
Total	396	396	100%	396	100%	98	25%	-	-	396	100%
b. Details of measures for the well-being of employees:											
CATEGORY (Non Officers)	Total	% EMPLOYEES COVERED BY									
		Group Life Insurance		Kalyankari Benefits		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number E	% (E/A)	Number F	% (F/A)
Permanent Employees											
Male	169	169	100%	169	100%	-	-	-	-	169	100%
Female	10	10	100%	10	100%	10	100%	-	-	10	100%
Total	179	179	100%	179	100%	10	5.6%	-	-	179	100%
Other than Permanent Employees											
Male	196	196	100%	196	100%	-	-	-	-	196	100%
Female	88	88	100%	88	100%	88	100%	-	-	88	100%
Total	284	284	100%	284	100%	88	31%	-	-	284	100%

2) Details of Retirement benefits for Current FY and previous FY

Category	FY 2023 - 24			FY 2022 - 23		
	No. of Employees covered as % of Total Employees	No. of Workers covered as % of Total workers	Deducted and deposited with the authority (Y/N/N.A)	No. of Employees covered as % of Total Employees	No. of Workers covered as % of Total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	72%	28%	N/A	30.40%	23.20%	N/A
GRATUITY	72%	28%	N/A	30.40%	23.20%	N/A
ESI	NA	NA	N/A	N/A	N/A	N/A
Others (PL Encash)	72%	28%	N/A	30.40%	23.20%	N/A

3) Accessibility of Workplaces

Are the premises / office of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities act, 2016? If not, whether any steps are being taken by the entity in this regard:

Reply: Yes



4) Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities act, 2016? If so, provide a web-link to the policy?

Reply: Rights of the Persons with Disabilities are protected as per the applicable act.

5) Return to work and retention rates of permanent employees and workers that took parental leave?

Reply:

Gender	Permanent Employees		Permanent Workers	
	Return to Work rate	Retention rate	Return to Work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6) Is there a mechanism available to receive and redress the grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Reply: As per Grievance redressal policy of the Company, all the employees can report to Grievance redressal committee existing in their respective Unit and they can submit their suggestions or complaints in suggestions box kept in the office premises A Corporate Policy Circular concerning to the redressal of Grievances of Employees Unions / OA on every 2nd and 4th Friday of every month, and redressal of Grievances of Employees on every 1st and 3rd Friday of every month, has also been released.

In regard to the POSH Act, all the female employees can report their complaints to Internal Complaints committee framed under Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act 2013.

7) Membership of Employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2023 -24 Current Financial Year			FY 2022 -23 Previous Financial Year		
	Total Employees / workers in respective Category (A)	No. of Employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total Employees / workers in respective Category (A)	No. of Employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)
Total Permanent employees	817	817	100%	1072	1072	100%
Male	643	643	100%	875	875	100%
Female	174	174	100%	197	197	100%
Total Permanent Workers	179	179	100%	245	245	100%
Male	169	169	100%	221	221	100%
Female	10	10	100%	24	24	100%

Note : All the regular Non Officers and Officers can take the membership in ITI Employees Union and Officer Association respectively.

8) Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No. (C)	No. (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employee										
Male	941	84	8.93	279	29.65	598	37	6.19	561	93.81
Female	272	31	11.40	135	49.63	175	15	8.57	160	91.43
Total	1213	115	9.48	414	34.13	773	52	6.73	721	93.27
Workers										
Male	365	16	4.38	31	8.49	84	20	23.81	64	76.19
Female	98	14	14.29	57	58.16	34	0	0.00	34	100.00
Total	463	30	6.48	88	19.01	118	20	16.95	98	83.05

9) Details of performance and career development reviews of employees and worker:

Particulars	As on 31.03.2024			As on 31.03.2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
EMPLOYEES						
Male	1011	1011	100%	1283	1283	100%
Female	286	286	100%	308	308	100%
Total	1297	1297	100%	1591	1591	100%
WORKERS						
Male	393	393	100%	477	477	100%
Female	106	106	100%	109	109	100%
Total	499	499	100%	586	586	100%

10) Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**
Yes. All necessary safety protocols in accordance with extant rules have been incorporated to ensure optimum health & safety management of the employees.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**
Regular inspections and monitoring to ensure high safety management standards have been established.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**
Yes
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**
Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	NIL	NIL
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- Work instructions & Safe Work Practices were made & readily available
- Time to time safety training programmes are conducted to create awareness on safety

13. Number of Complaints on the following made by employees and workers:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health and safety	NIL	NIL	NA	NIL	NIL	NA

14. Assessments for the year:

	% of plants and Offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%



15. Provide details of any corrective action taken or underway to address safety related incidents (if any) and on significant risks / concerns arising from assessment of health and safety practices and working conditions.

At ITI Limited, hazards and risks are identified through various auditing and inspection process. Corrective actions are implemented to mitigate significant Health and Safety hazards according to the hierarchy of controls.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1) Describe the processes for identifying key stakeholder groups of the entity

Key stakeholders are individuals, organizations, parties, or entities that influence our business, add value, or are critical elements of the value chain. Vendors, customers, employees, community and shareholders are some of our major stakeholders.

2) List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as vulnerable & marginalised Group (Yes/No)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisements, Community Meetings, Notice Board, website, Others)	Frequency of engagement of (Annually/ Half Yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	Emails, letters, CSR initiatives	Ongoing/ Need basis	Engaging with local community for enhancing quality of life, skill developments training to make them self sufficient
Shareholders	No	Email, Newspapers, Advertisement, Stock Exchange, Website, Virtual meetings etc	Ongoing	Shareholders meeting and Resolution of grievance
Employees and workers	No	Intranet, Email, SMS, Virtual Calls, In-person meetings, internal events, notice boards	Ongoing	Relevant business communication, Career, learning & growth and HR policies & practices
Customers	No	Emails, letter, meetings	Ongoing	Organizing conclave with Vendors, showcasing of products through various exhibitions
Value Chain Partners	No	Email, website	Ongoing/Need basis	Tender are hosted in Website Procurement Plan for the interest of MSE vendors Open Tender available for Participation.
Regulatory Authorities	No	Scheduled meetings, Regular liaisoning with Industry forums	Ongoing	Discussion and inputs on regulations Business ethics

PRINCIPLE 5 - Businesses should respect and promote human rights

1) Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY <u>2023-24</u> Current Financial Year			FY <u>2022-23</u> Previous Financial Year		
	Total (A)	No. of employees /workers covered (B)	% (B / A)	Total (C)	No. of employees /workers covered (D)	% (D / C)
Employees						
Permanent	817	74	9.06	1487	124	8.34
Other than permanent	396	71	17.93	45	0	0
Total Employees	1213	145	11.95	1532	124	8.09
Workers						
Permanent	179	0	0.00	392	12	3.06
Other than permanent	284	18	6.34	194	1	0.52
Total Workers	463	18	3.89	586	13	2.22

2) Details of minimum wages paid to employees and workers, in the following format:

Category	Current Financial Year 2023-2024					Previous Financial Year 2022-2023				
	Total (A)	Equal to Minimum wage No.(B)		More than Minimum wage No.(C)		Total (D)	Equal to Minimum wage No.(E)		More than Minimum wage No.(F)	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F / D)
Employees										
Permanent	817	Nil	Nil	817	100%	1072	Nil	Nil	1072	100%
Male	643	Nil	Nil	643	100%	875	Nil	Nil	875	100%
Female	174	Nil	Nil	174	100%	197	Nil	Nil	197	100%
Other than Permanent	396	Nil	Nil	390	98%	454	38	8.37%	416	92%
Male	298	Nil	Nil	292	98%	341	36	10.56%	305	89%
Female	98	Nil	Nil	98	100%	113	2	1.77%	111	98%
Workers										
Permanent	179	Nil	Nil	179	100%	245	Nil	Nil	245	100%
Male	169	Nil	Nil	169	100%	221	Nil	Nil	221	100%
Female	10	Nil	Nil	10	100%	24	Nil	Nil	24	100%
Other than Permanent	284	164	57.75%	120	42%	347	194	55.9%	153	44.1%
Male	196	112	57.14%	84	43%	248	136	54.8%	112	45.2%
Female	88	52	59.09%	36	41%	99	58	58.6%	41	41.4%

3)

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	3	1554572	2	104078
Key Managerial Personnel**	3	1554572	3	104078
Employees other than BoD and KMP	938	65816	270	65816
Workers	365	29864	98	29864

*As on 31st March 2024, 4 functional directors are there out of which 1 woman director.

**As on 31st March 2024, 5 Key Managerial Personnel are there. However the functional director and Company Secretary who held the position of KMP and ceased to be director and KMP due to superannuation/resignation are also included.

4) Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? : NO

4) Describe the internal mechanisms in place to redress grievances related to human rights issues: NO.

6) Number of Complaints on the following made by employees and workers:

Category	FY 2023 - 2024 (Current Financial Year)			FY 2022 - 2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at work place	NIL	NIL	-	NIL	NIL	-
Child labour	NIL	NIL	-	NIL	NIL	-
Forced labour / Involuntary labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other Human rights related issues.	NIL	NIL	-	NIL	NIL	-

7) Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has various policies such as Whistle Blower Policy, policy on Prevention of Sexual Harassment at Workplace (POSH), etc which protects the complainant from the adverse consequences in case of compliant file for discrimination or harassment.



8) Do human rights requirements form part of your business agreements and contracts?

YES. As per Company policy Human rights are taken care. Working hours for regular as well as for the contract employees are limited to 8 hours. Fundamental rights are ensured to be in line with Govt. policies.

9) Assessments for the year:

Assessments for the year	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NIL
Forced Labour / Involuntary labour	NIL
Sexual Harassment	NIL
Discriminatory Employment	NIL

10) Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. : NIL

Annexure 5

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1) Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total electricity consumption (A)	115841896596.00 KJ	115068786135.66 KJ
Total fuel consumption (B)	597234571.89 KJ	314289212 KJ
Energy consumption through other sources (C)	7948842616.80 KJ	3175859160 KJ
Total energy consumption (A + B + C)	124387973784.69 KJ	118558934507.84 KJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	7.64 KJ/ Rupee	7.46 KJ/ Rupee

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

2) Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any : Nil

3) Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	322897	352885
(ii) Groundwater	689379	688579
(iii) Third party water	58875	23760
iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	97.2
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1071151	1065321.2
Total volume of water consumption (in kilolitres)	1071151	1065321.2
Water intensity per rupee of turnover (Water consumed / turnover)	0.00006579 KL/ Rupee	0.00006706 KL/ Rupee

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

4) Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation : Nil

5) Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Mg/Nm ³	56.37	63.92
SOx	Mg/Nm ³	54.7	71.01
Particulate matter (PM)	Mg/Nm ³	126.22	111.26
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

6) Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Nil	Nil
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Nil	Nil
Total Scope 1 and Scope 2 emissions per rupee of turnover		Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

7) Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

ITI has established manufacturing facility for Solar Panel Manufacturing with annual capacity of 18 MWp. ITI has got BIS certification for Poly Crystalline Solar Modules from 40Wp to 325Wp validity up to July-2026.

ITI had supplied 47000 SPV System for BBNL/BSNL for Power-in GPON ONT/WiFi Access Equipment's and 10000 SPV System for Maha IT Project and Solarization of 71 BTS site of BSNL Telecom Towers.

ITI had installed 15350 Solar LED Smart Street Solar Lights in Uttarakhand and 62000 Nos of Smart LED Street Lights installation in BIHAR is under progress.

Under On Grid Utility Scale Solar System ITI had manufactured and supplied 18,955 Solar Panels (5.66 MW) of 325Wp for establishing the solar power plant at various units of ITI for captive use, 5625 Nos of 60Wp SPV panel to BBNL through GeM contract, 20000 Nos of 120Wp Solar Panels to M/s. Patanjali under execution, supplied around 1000 nos of solar panels to various other customers, 150 KW Grid Connected Solar Project for Tibetan University, Varanasi, 225 KW Grid Connected Solar Project for NAAC, Bangalore and 100 KW Grid connected Rooftop Solar Project for Safdarjung Hospital, New Delhi. ITI had also executed 10 KW Off Grid Solar Project (Residential Rooftop Solar System) with Battery Backup for RTO, Jaipur and APS, Jhansi and 415 KW Roof top project for NTPC Limited.

ITI is doing business in the area of renewable energy sources in line with the objective of Atmanirbhar Bharat is to create an ecosystem for Solar PV manufacturing in India, which reduce carbon emission progressively.

8) Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	5.215	120.57
E-waste (B)	1.305	49.471
Bio-medical waste (C)	0.323	0.071
Construction and demolition waste (D)	72	60
Battery waste (E)	14.34	NIL
Radioactive waste (F)	NIL	NIL



Other Hazardous waste. Please specify, if any. (G)	19.8	14.69
Other Non-hazardous waste generated (H). Please specify, if any (Break-up by composition i.e. by materials relevant to the sector)	12	44.35
Total (A+B + C + D + E + F + G + H)	99.968	289.152
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NIL	2.5
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
Total	NIL	2.5
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.8	0.859
(ii) Landfilling	0.936	10.936
(iii) Other disposal operations	NIL	NIL
Total	1.736	11.795

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

9) Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

Scrap Disposal Committee has been formed in the Unit to dispose of various types wastages generated under the general ambit of rules framed under the Environment (Protection) Act, 1986. The Industrial Wastages are disposed of through normal tendering procedure. Hazardous Waste/Chemicals are handed over to KEIL (KERALA ENVIRO INFRASTRUCTURE LIMITED), a public limited Company established on the directive of the Supreme Court Monitoring Committee on hazardous waste for treatment and disposal of hazardous waste generated from industries in the State of Kerala. E-Wastages are disposed of through competitive tender to Kerala State Pollution Control Board approved agencies.

10) If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, he reasons thereof and corrective action taken, if any.
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil

11) Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil	Nil	Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil	Nil	Nil

12) Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes, the Company is 100% compliant with the applicable environmental law/ rules/ regulations/ guidelines in India.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

- 1) a. Number of affiliations with trade and industry chambers/ associations
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Broadband India Forum (BIF)	National
2	India Electronics & Semiconductor Association (IESA)	National
3	Telecom Equipment & Services Exports Promotion Council (TEPC)	National
4	Standing Conference of Public Enterprise (SCOPE)	National
5	National Safety Council	National
6	Electronic Industries Association of India	National
7	Federation of Karnataka Chambers of Commerce & Industry	State

- 2) Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. : NIL

Leadership Indicators

- 1) Details of public policy positions advocated by the entity: *NIL*

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web link if available

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

- 1) Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	SIA Notification No	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
As per applicable laws, SIA is not applicable for any of the projects undertaken by the Company					

- 2) Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No	Name of project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not Applicable as no projects on Rehabilitation and Resettlement is undertaken by the Company						

- 3) Describe the mechanisms to receive and redress grievances of the community. Complain can be received through Public Grievance Portal <https://pgportal.gov.in/Home/LodgeGrievance>

- 4) Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	3.69 %	26.26 %
Sourced directly from within the district and neighbouring districts	NA	NA



PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1) Describe the mechanisms in place to receive and respond to consumer complaints and feedback

Customer Service Centre is operational in ITI Palakkad unit as well as in Network Service Units in Bangalore. 24*7 customer complaints services are provided from these centers

2) Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Approx. 3.00% (Turnover from sales of Solar Panel, Smaash PC, Sanitary Napkin vending Machine)
Safe and responsible usage	
Recycling and/or safe disposal	

3) Number of consumer complaints in respect of the following: NIL

	FY 2023 - 2024 (Current Financial Year)		Remarks	FY 2022 - 2023 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	NA		Nil	NA	
Advertising	Nil	NA		Nil	NA	
Cyber-security	Nil	NA		Nil	NA	
Delivery of essential services	Nil	NA		Nil	NA	
Restrictive Trade Practices	Nil	NA		Nil	NA	
Unfair Trade Practices	Nil	NA		Nil	NA	
Other	Nil	NA		Nil	NA	

4) Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls	Nil	

5) Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, ITI is having IT Security Policy which prescribes the application of safeguards to reduce the business risk arising due to lapses in Information Security. It is designed to protect corporate information and preserve the confidentiality, integrity, availability and value of Assets and assure the continued delivery of Services. ITI has framed and enacted the IT security policies to be followed by all employees across the organization in totality.

6) Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. : NIL

For and on behalf of Board

Rajesh Rai
Chairman and Managing Director
DIN: 10052045

Place: Bengaluru
Date : 12th August 2024

Annexure - 5

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I) Telecom and Electronic Industry Structure

The Telecom industry in India is the second largest in the world with a subscriber base of 1.091 Bn as of Apr 2024 (wireless + wireline subscribers). India has an overall tele-density of 85.76%, of which, the tele-density of the rural market, which is largely untapped, stands at 59.44% while the tele-density of the urban market is 133.42 %. By the end of Sept 2023, the total number of internet subscribers increased to 918.19 Mn (narrowband + broadband subscribers), out of which 40.91% of the internet subscribers belonged to the rural areas. The average monthly data consumption per wireless data subscriber has also increased to 17.36 GB GB in Mar 2023 from 61.66 MB in Mar 2014.

The industry's exponential growth over the last few years is primarily driven by affordable tariffs, wider availability, roll-out of Mobile Number Portability (MNP), expanding 3G and 4G coverage, evolving consumption patterns of subscribers, Government's initiatives towards bolstering India's domestic telecom manufacturing capacity, and a conducive regulatory environment.

Under the Union Budget 2023, The Government of India announced to set up one hundred labs for developing applications using 5G services in engineering institutions to realize a new range of opportunities, business models, and employment potential. ITI in collaboration with its partner is in the process of implementation of 5G Test Lab in ITI R&D Department, Bangalore, where 5G core and edge products can be integrated with 5G radio for compatibility testing. This will enhance system integration skillsets for ITI in private 5G deployments and also showcase the Private 5G lab to new customers.

The DoT is targeting a combination of 100% broadband connectivity in the villages, 70% fiberisation of towers, average broadband speeds of 50 Mbps and 50 Lakh kms of optic fibre rollouts at a pan-India level by Dec 2024. Broadband connections rose to 924.07 Mn in Mar 2024 from 61 Mn in Mar 2014, growing by 1414%. As part of this BSNL on behalf of USOF has issued a Request for Proposal for Development (Creation, Upgradation and Operation & Maintenance) of Middle mile network of BharatNet on Design Build Operate and Maintain (DBOM) Model. ITI is in the process of addressing this futuristic tender. ITI is able to supply its in-house manufactured products like OFC, HDPE, Power supply etc. in this turnkey project which will increase ITI Profit share.

ITI is actively working in the manufacturing of 4G LTE RAN to be deployed for BSNL network. ITI has dispatched more than 1000 Nos. of 4G eNodeB for BSNL west zone ITI is also manufacturing 4G RAN through technology transfer from CDOT. We are also exploring export opportunities for 4G LTE. Indian Railways aims to implement Kavach (Train Collision Avoidance System) system across 44,000 km in 5 years. ITI is planning to be a part of this system with its in-house manufactured infrastructure systems like 4G LTE and OFC etc.

The Government has set a target of 280 GW of installed solar capacity power generation by 2030. In a bid to push India's energy transition toward renewable sources, the union cabinet has allocated ₹19,500 crore for domestic manufacture of solar photovoltaic (PV) modules. ITI is planning for expansion of Solar Module manufacturing units with capacity from 18 MWP to 500 MWP. ITI Naini unit is working with focussed approach to target the requirements of the new Solar Business and to expand market reach and building up the local supply-chain eco-system in India thus generating more jobs and revenue.

The government has allocated Rs 21.58 billion for optical fibre cable-based network for defence services and Rs 7.16 billion for telecom projects in the northeastern states. Seeing the huge demand for OFC cable from Railways, BharatNet and Defense project, and for 5G projects ITI is planning for expansion of Optical Fiber Cable Manufacturing capacity to stay competitive in OFC market.

In spite of best efforts, ITI faced difficulties in delivering some of the products and systems, as per timelines, due to non-receipt of components, modules, assemblies etc, involving Semiconductor ICs both from Indian and foreign sources, as per the committed delivery timelines. Manufacturing of ONT, OLT 4G RAN were affected by the global semiconductor shortage. Meetings at Govt level were held and letters were sent to these chip manufacturers to shorten these logistic delays.

However, ITI is taking necessary actions like alternate sourcing/redesign co-ordination with Technology partner like C-DOT and proactive sourcing to shorten the procurement cycle time to manage the semiconductor shortage/delays.

II) Opportunities and Threats

Opportunities:

With the existing sectors like Telecommunications, Defence Electronics Industrial, IT&BA and Automobile, the advent of disruptive technologies like Electric Vehicles, 5G, Drones, Medical Technology, Agriculture Technology, IoT, Satellite Broadband, Defence, Space and power electronics among others are the market segments for faster innovation. India is evolving as an innovation-driven R&D destination for global companies.

The AatmaNirbharBharat Abhiyan of Govt. promotes local production and aims to implement a Phased Manufacturing Program for designated product segments in Digital Communication Technologies. The growth in EMS market, presents an opportunity for Design-led manufacturing, which is given thrust by way of incentivization under schemes like PLI. Department for Promotion of Industry and Internal Trade (DPIIT) in its 2018 notification, had issued guidelines to adhere to Public Procurement by providing Preference to Make in India products and preference to the local suppliers in the procurement of Electronic and Communications related products and services. This policy and guideline will unfold many opportunity areas and boost local manufacturing in the telecom product and service sectors

In the fields of 4G LTE communications, defence electronics, solar power plants, and medical electronics, there are several business opportunities. To produce diverse electronics and communications devices, ITI has collaborated with a number of start-ups and reputed technical partners.

5G Global Market is Growing and will be of the Order of 2.6 Trillion USD by 2026. With maturing of the Solar Films and Batteries Technologies, Solar Plants will take over Thermal power plants in the future. Small capacity Power Plants usage in Telecom Specifically for RAN will keep on Increasing. Home grown Power Supplies and Invertor market are promising business for ITI. E and V Band Radio will be used in High Capacity Backhauls and also be a substitute Optical Fiber cable where it cannot be laid. The approach of executing proof of concept (POC) first and further to go ahead with TOT will result in successful product acquisition for ITI.



The enormous disparity between local demand and local supply in India, which is a result of the country's excessive reliance on imports, is considered as a potential to boost the manufacturing index in the electronics hardware and software divisions.

Current opportunities for ITI are the following :

1. Government's emphasis on Make-In-India and Atmanirbhar Bharat for manufacture of Telecom and Electronic equipment.
2. Government plan to set up 100 labs to develop applications using the newly-launched 5G services to cover, applications such as smart classrooms, precision farming, intelligent transport systems, and healthcare.
3. Growing Telecom, Defence and security needs in the country.
4. Product manufacturing for BSNL 4G Network and service implementation.
5. ASCON Phase-IV project implementation.
6. Shifting of manufacturing focus of leading design houses across world towards India as their manufacturing base.
7. Govt policy towards promotion of alternate energy sources like Solar, Electric Vehicles.
8. Opening up of Space electronics market for Indian industries.
9. Modernisation of BSNL Railways, Defence networks.
10. Growing market for areas such as, Smart City, Energy Storage Products, Data Centre, Network & Cyber Security, Solar based power plants, Defense market etc.
11. Govt. PLI scheme and promotion of indigenization.

Threats:

Currently, the Indian electronics industry is characterised by highly competitive industry wherein rapid technological change renders the huge investment done by OEMs and TSP out of date within short time span.

The Company has identified the following threats in the changing business environment:

1. Pace of product innovation remains high.
2. Low capital base and huge requirement of working capital.
3. Obsolescence of existing network elements and rapid changing technology.
4. Stringent procedures and compliances, especially being a PSU, makes it difficult to compete with smaller private players.
5. Policy interventions favouring Private Sector.
6. Difficulty in sourcing of few critical components and technologies
7. Increase in competition from Private players and foreign OEMs including their JVs in the Telecom Sector.

III) Strengths and Weakness :

Strengths:

1. Decade of experience in Electronic equipment manufacturing and providing telecom turnkey solutions for creation of national network.
2. State of the art infrastructure for manufacturing for complete range of telecom/ electronic products.
3. Strong in-house R&D with skilled work force and strong domain knowledge.
4. Experience of deploying and maintenance of strategic telecom network infrastructure for Defence establishment on turnkey basis.
5. Capacity to execute end to end execution of Mega projects like BharatNet.
6. Cybersecurity infrastructure to provide various IT security services from ITI Tier-3 Data Centre.

7. Telecom testing labs for telecom equipment testing under the Department of Telecommunication's Mandatory Testing and Certification of Telecom Equipment (MTCTE) rules.
8. Pan-India presence (6 Manufacturing Plants at Bengaluru, Palakkad, Rae Bareli, Mankapur, Naini and Srinagar) as well strong marketing presence through countrywide 8 RO offices at Bengaluru, Chennai, Hyderabad, Delhi, Mumbai, Kolkata, Lucknow and Bhubaneswar and many associated Area offices.
9. Capacity augmentation for indigenous manufacturing of 4G RAN.
10. In-house project execution capabilities to work in the most challenging terrains across India.
11. Wide product range with a strong Product Marketing Team.
12. Loyal customer base / strong relationship.

Weakness:

1. Dependence on low Telecom order volume
2. Low margins due to stiff competition in the market
3. Long cycle time of component procurement
4. Fewer Intellectual Property (IP), acts as a barrier to the growth
5. High working capital requirement due to change in Business Model to DBOM (Design, Build, Operate and Maintain) / Deferred payment
6. Low volume of nomination orders from parent Ministry or sister PSUs

IV) Future Outlook

The Company has undertaken many initiatives/ projects so as to boost the turnover and implement the Revival plan.

A) SD-WAN (Software Defined Wide Area Network) Solution

The software-defined wide area network market is poised to record a CAGR of 31.6% from 2022 to 2032. The software-defined wide area network market is likely to touch US\$ 53.8 Billion by 2032 from US\$ 3.4 Billion in 2022. The increased demand for mobility services, as well as the rising emphasis of enterprises on lowering OPEX with SD-WAN, are expected to foster the software-defined wide area network (SD-WAN) market growth to a considerable extent.

ITI is in the process of selection of a suitable partner for manufacturing of SDWAN products and solutions. PARTNER will be assisting ITI in setting up the production lines design, Manufacture and test the SDWAN solutions for the customers. A Capex investment of Rs.5Cr is proposed for setting up the manufacturing and solution Infrastructure of complete SD-WAN Solution in ITI.

B) 5G Test Lab

ITI has signed Memorandum of Understanding (MoU) with its Technology Partners for Implementation of 5G Private Network Solutions in ITI Bangalore Plant. ITI is in the process of implementation of 5G Test Lab in ITI R&D Department, Bangalore, where 5G core and edge products can be integrated with 5G radio for compatibility testing. This will enhance 5G system integration skills for ITI in private 5G deployments and also showcase the Private 5G lab to new customers. Similar use cases and test setups may also be deployed for Govt. Institutions as new business opportunities. ITI in support with its Partner would jointly explore these opportunities. The 5G lab setup would be utilized for the demonstration of use cases like IOT, Drones, Video Analytics, AR/VR, Robotics configuration, and operations based on 5G technology.

A Capex investment of Rs.5Cr is proposed for setting up the 5G Test Lab Infrastructure at ITI.



C) Smart Energy Meter

As part of diversification strategy, ITI has entered into Smart Energy Meter manufacturing wherein the legacy energy meters are being replaced by smart energy meters. These meters records energy consumption and has a facility to store the data and reproduce whenever required. These meters enable a two-way communication between the meter and the central system. ITI Ltd has supplied 91000 nos of Smart Energy Meters complying with IS 16444 technical specifications to the DISCOMs in UP and Haryana against the order from Energy Efficiency Services Limited (EESL). The Single Phase Smart Energy meters received type approval and BIS certification complying with IS 16444 technical specifications. ITI Palakkad plant is having the bulk manufacturing infrastructure and facilities for the calibration and testing of smart energy meters. The calibration laboratory of Smart Energy Meter has received the NABL accreditation as per ISO 17025: 2017 standards.

ITI R&D unit has developed Single Phase Smart Energy Meter with 3G/4G/NB-IoT communication modules with Anti-tamper and fraud detection. Prototype development completed & testing is in progress for ITI Smart Energy Meter. ITI is also in the process of engaging more technology partners for addressing the huge market demand.

D) Manufacturing of Multipost EVM:

ITI developed Multipost (S3-EVM) as per the specifications finalized by SEC/TEC and approved by standing committee of State Election Commissioners (SECs). This Multipost EVMs can be used for conducting the local body elections at Gram Panchayat, Municipal corporations or at any institutions for conducting elections fairly. ITI has been authorized by SECs to supply EVMs for State Election Commission's requirement depending upon the particular state requirement. Demonstration of Multi Post EVM completed for 13 State Election Commissions and demo to remaining State Election Commissions is in progress. Quotation submitted to State Election Commission, Odisha & West Bengal. This is of national importance project which can also be considered for One Nation One Election agenda which is under discussion.

E) Manufacturing of Digital Mobile Radio (DMR)

As a Part of Prime Minister's Atma Nirbhar Scheme, ITI has developed DMR in the VHF & UHF bands. These radios have been developed along with base station and Repeater stations as replacement of Motorola/Kenwood radio sets which are currently being imported. These digital radios will have widespread usage with the Armed Forces, CAPFs, Railways and various other Government agencies. The radio sets will also have in built SAG approved Grade 4 necessary for use by the Armed Forces. ITI has completed the demonstration of VHF DMR Hand Held Radio to Indian Railways and upgradation is in progress for observations raised by Customer.

F) Implementation of Mono Crystalline (PERC) Solar Module Manufacturing facility 500 MW

The government's has very ambitious plan for the indigenous solar PV manufacturing's ecosystem. In 2020, India has adopted 'National programme on high efficiency solar PV modules' for achieving manufacturing capacity of Giga watt (GW) scale in high efficiency solar PV modules. The aim of the mission is to promote manufacturing of high efficiency solar PV modules in India and thus reduce import dependence in the area of renewable energy.

Over the past five years, India has made substantial progress in solar manufacturing. Solar module manufacturing capacity has

trebled from 5.8GW in 2016 to about 39 GW in December 2022 and it is further expected to reach 110 GW by 2026.

Due to advantage of High efficiency and less power degradation, the Mono crystalline solar modules made with Mono PERC Solar Cell technology are being widely used in Utility scale solar projects, Residential purposes, PERC solar panels can be used as regular rooftop photo-voltaics, EV solar roof chargers, and solar sheds. Building Integrated Photo-voltaics (BIPV), water surface power stations, and much more.

ITI is planning to implement 500 MW Solar Module in-house manufacturing facility with High Efficiency Mono Crystalline Solar Cell with an investment of Rs. 80 Cr in year 2024-25.

G) 4G RAN Manufacturing

ITI Limited has bagged a Purchase Order (PO) from BSNL worth Rs 2421.49 Crores for its 4G rollout under Reservation Quota (RQ) Order in the West Zone. The scope of work includes Planning, Engineering, Supply, Installation, Testing, Commissioning, integration and annual maintenance of 4G Mobile Network for 23,633 sites in West Zone of BSNL Network. ITI has upgraded the manufacturing infrastructure for mass manufacturing of 4G and future technology products. Currently ITI is manufacturing RRU (Remote Radio Unit), BBU (Base Band Unit) and ODC (Outdoor Cabinet) to supply against the BSNL RQ Order.

Also ITI has entered into Transfer of Technology with CDOT for manufacturing of 4G LTE RAN to be deployed for BSNL network. ITI has received Purchase order for Technological trials of indigenous 4G and 5G RAN from BSNL. PoC is expected to be completed by July 2024. ITI is also conducting the PoC in Railway, Secunderabad for Band 28 4G RAN and PoC is under progress. ITI is also exploring export opportunities of 4G RAN.

H) Multi Service Platform(MSP)/ Security Operation Centre (SOC) :

ITI has entered into an MOU with Tata Communications for setting up of Multiservice Platform/Security Operation Centre (SOC) in ITI Data centre in Bangalore. Various IT and security services like Identity Access Management, Email Security, Data Loss Prevention, Distributed Denial of Service (DDOS) Mitigation, Network Access Control, Endpoint Protection, Detection & Remediation, SIEM (Security Incident and Event Management) and Threat Intelligence & Advisory would be provided to various clients to fulfil their network security requirements. Implementation of Multiservice Platform/Security Operation Centre (SOC) is completed and ready to provide services to customers. ITI has received letter of empanelment of National Level System Integrator as SECaas Solution Provider on 11.01.2023 from BSNL.

V) Risk Management:

The Enterprise Risk Management (ERM) framework implemented as part of Governance, Risk Management and Compliance (GRC) in the Company is based on global best practices in Risk Management as covered by ISO 31000:2018 and IEC 31010:2019 and has enabled the Company to fully integrate the Risk Management into its normal business operations.

The Company's ERM policy framework is a structured process that involves:

- Identifying all external and internal risk-factors.
- Assessing the impact of these risks on the organization's business and financial targets
- Prioritizing the identified risk-factors.
- Exploring various alternatives for treating these risks.
- Implementing controls and monitoring mechanisms for managing the risks



ERM is an ongoing and dynamic process that requires iteration and adaptation to changing circumstances. The Company's ERM Manual is a well-structured framework having four layers of governance team's i.e.

- Level-1: URMSC (Unit Level Risk Management Committee)
- Level-2: ERMSC (ERM Steering Committee)
- Level-3: ERMGC (Enterprise Risk Management Governing Committee) or RMC (Risk Management Committee)
- Level-4: Risk Management Committee at Board Level

These Committees are responsible to monitor the policy implementation across all the Units by following approved ERM Process, ERM Governance Structure, Roles and Responsibilities of the relevant stakeholders, formation of Risk Registers, provide their continuous contribution to operation of ERM in all the units of Company.

The establishment and maintenance of the ERM framework is facilitating effective decision making process at different levels of the Company. The Risk Register maintained by the Company includes standalone risks identified for the Corporate as well as any significant risks from the Units that merit attention of the Corporate, which will be regularly be presented and reviewed by the Task Force Committee

All the Units submit and update ERM Risk Register to the ERM Steering Committee (ERMSC). As part of the policy operation ERMSC have conducted monthly risk management review meetings on 25th April 2023, 20th October 2023, 7th November 2023, 18th December 2023, 8th January 2024, 9th February 2024 and 12th March 2024 with all the Units (URMSC). In the Risk Management Committee Meeting held on 26th July 2023, 22nd January 2024 and the Board Meeting held on 11th August 2023, 13th February 2024, the high priority risks and mitigation plans proposed were reviewed.

As framed in the ERM Manual, Risk Management activities will be carried out on an ongoing basis as part of the routine business operations.

VI) Human Resources

As on 31st March 2024, Company had a total employee strength of 1676 as compared to 2094 at the end of previous financial year. The detailed information on material developments in Human Resources/ Industrial front is given in Directors Report.

VII) Internal Control Measures

ITI Limited has aligned its current systems of internal control and is intended to increase transparency and accountability in an organization's process. The systems for internal control are adequate and are operating effectively A detailed note on internal financial controls is provided in the Management Discussion and Analysis Report.

VIII) Financial Performance

Your Company has achieved a sales turnover of Rs. 1628 crore for the year ended 31st March 2024, as compared to Rs 1589 crore in the previous year. The detailed information on financial performance with respect to operational performance is given in Directors' Report.

IX) Details of Significant changes in Key Financial Ratios

Sl. No.	Particulars	FY 2023-24	FY 2022-23	Reasons for variation
1	Debtors Turnover	0.63	0.57	Due to improvement in realisation.
2	Inventory Turnover	5.02	5.33	Due to increase in average inventory yet to be utilised for production.

3	Interest Coverage Ratio	(0.53)	(1.03)	Due to increase in interest cost and reduction in EBITDA during the current year.
4	Current Ratio	0.89	0.97	Due to increase in current liability as some of the long-term debt become due for repayment.
5	Debt Equity Ratio	1.03	0.80	Due to reduction in Equity.
6	Operating Profit Margin (%)	(24.03)	(9.10)	Due to reduction in revenue and operating margin.
7	Net profit Margin (%)	(45.03)	(25.82)	Due to reduction in revenue and contribution/ margin.

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

There is significant change in the return on Net Worth compared to the immediately preceding financial year, the ratio has become negative due to loss during the FY 2023-24~

X) Environmental Protection and Conservation:

The Company's Units are spread across the Country at different locations viz. Bengaluru, Mankapur, Rae Bareli, Naini, Palakkad and Srinagar. Environment Protection & Management of the Units is governed by various Acts & Rules like The Environment (Protection) Act, 1986, The Air (Prevention and Control of Pollution) Act, 1981, The Water (Prevention and Control of Pollution) Act, 1974, Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2016, The Solid Wastes Management Rules, 2016, etc. All the Units ensured to comply with the applicable Acts and Rules.

XI) Technological conservation, Renewable energy developments, Foreign Exchange conservation:

Relevant information in this regard is disclosed in the Directors' Report.

XII) Cautionary Statement

Statements made in the Management Discussion and Analysis about your Company's objectives, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand/supply and price conditions in the domestic market in which your Company operates, changes in Government regulations, tax laws, statutes and other incidental/related matters.

Place: Bengaluru
Date : 12th August 2024

Rajesh Rai
Chairman and Managing Director
DIN: 10052045

Annexure 6

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANY'S (ACCOUNTS) RULES, 2014

A) CONSERVATION OF ENERGY:

a) Steps taken or impact on conservation of energy

The Company's operation involves low energy consumption. Nevertheless, energy conservation measures have already been taken wherever possible. Efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

- Installation of Solar power plant in factory area
- Replacement of outdated equipment with energy efficiency equipment.

b) Steps taken by company for utilizing alternate sources of energy and capital investment on energy conservation equipments

In its constant endeavour to conserve energy, ITI has established 5600 KW Solar Power Plant at all Production units, Corporate Office and MSP-Lucknow for meeting the captive requirements.

B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards Technology Absorption

- Joint development with CAIR DRDO for 1GE IP Encryptor for Natgrid
- Joint development with ISRO/SAC for IRNSS-RS receiver for Defence
- Development of Portable ventilator (SOAR) with ToT from DEBEL, DRDO
- Joint development of VHP (Versatile Hardware Platform) with CAIR DRDO

(ii) Specific areas of R&D work

- Design and Development of Secrecy products for new Defence and non-defence networks
- Design and development of Power supply units
- Development of Encryption Algorithms
- Support for legacy secrecy products supplied and networks executed to Defence
- Value addition of the existing products
- Provide Network and Security Solution designs

(iii) Benefits derived as a result of the above R&D

The following R&D Products were productionised, which contributed for more than Rs.10 Cr turnover to the Company.

- Encryption products TESD, SESD, Ananda BEU MKII
- Field Telephones
- Technical support for ASCON Phase IV proof of concept

(iv) Imported Technology

Imported during last three years reckoned from the beginning of the financial year - NIL

(v) Plan of Action

The following products are under development

- E1 BEU for Eastern command(Army)
- Integrated TESD
- SDR (Software defined Radio)
- IRNSS receivers for Defence & Commercial use
- High Capacity Radio Relay
- Multi Post Electronic Voting Machine
- MCEU for ASCON Ph-IV Secrecy
- Digital Mobile Radio

(vi) R&D Expenditure

a)	Capital	Rs. 5.11 Cr
b)	Revenue	Rs. 15.33 Cr
	TOTAL	Rs. 20.44 Cr

Total R & D Expenditure as a percentage of total turnover (Excluding Tax) is 1.61% and 1.25% (turnover including Tax).

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- Activities relating to exports, initiative taken to increase exports, development of new Export markets for products and services and export plans; NIL
- Total Foreign Exchange earnings and outgo
Earnings: NIL
Outgo : 7.64 Cr

Place: Bengaluru
Date : 12th August 2024

Rajesh Rai
Chairman and Managing Director
DIN: 10052045



ANNEXURE TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

The details of compliance by the Company with the norms of Corporate Governance, in accordance with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as amended read with Department of Public Enterprises Guidelines on Corporate Governance (DPE Guidelines), are as under:

1) OUR CORPORATE GOVERNANCE PHILOSOPHY

The Corporate Governance framework and philosophy is a reflection of the Company's corporate culture, policies, values and relationship with stakeholders which is driven relentlessly across the organisation. The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. As a good corporate citizen, the Company lays great emphasis on a corporate culture of integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

Our Corporate Governance is reinforced through the Company's Code of Conduct and Ethics, Corporate Governance Guidelines, Policies and Committee charters. The Board and Management processes, audits and internal control systems reflect the corporate governance framework principles.

2) BOARD OF DIRECTORS

a) Board Composition:

As on 31st March 2024, the ITI Board comprised 9 Directors represented by 4 Whole-time (Executive) Directors including Chairman & Managing Director, 2 Part-time (Ex-Officio) Directors (Government Directors) and 3 Part-time (Non-official) Director (Independent Director) (including one woman Independent Director).

The Composition of Board of Directors is not in line with the requirements of Listing Regulations and DPE guidelines. The Company does not have sufficient number of Independent Directors. Accordingly, the Company has taken up with the Administrative Ministry for appointment of requisite number of Independent Directors to fulfil the statutory requirements.

b) Category and attendance of Directors:

The particulars regarding composition of Board of Directors as on 31st March, 2024 and the details of other Directorships & Membership/Chairmanship of Committees of Board as on that date, attendance of each Director at Board Meetings held during 2023-24, last Annual General Meeting (AGM) are furnished below:

Name of Director & Director Identification Number	Designation	Total Board Meetings		Attendance at the last AGM	Other Directorship held in Public Companies	Other Committee memberships held	
		Held during tenure of Director	Attended during tenure of Director			As member	As Chair person
Executive Directors							
Shri Rajesh Rai DIN: 10052045	Chairman and Managing Director	6	6	YES	1	0	0
Shri Rajeev Srivastava DIN: 08921307	Director Finance & Chief Financial Officer	6	6	YES	1	2	1
Smt S Jeyanthi ¹ DIN: 10059174	Director Production/ Director HR (Addl Charge)	6	6	YES	Nil	4	0
Smt R Vasanthi ² DIN: 10059129	Director Production (Addl Charge)	1	1	NA	NA	NA	NA
Shri Rakesh Chandra Tiwari ³ DIN: 08953397	Director Marketing	4	4	YES	NA	NA	NA
Shri Ramana Babu C V ⁴ DIN: 10478320	Director Marketing	2	2	NA	Nil	1	0
Non – Executive Directors - Part time Official Directors							
Lt Gen M Unnikrishnan ⁵ Nair, AVSM, SM DIN: 09826740	Government Director	3	2	NA	NA	NA	NA
Shri R Shakya ⁶ DIN: 09800172	Government Director	4	4	YES	NA	NA	NA
Lt. Gen. Kanwar Vinod Kumar ⁷ DIN: 10366028	Government Director	3	3	NA	Nil	0	0
Shri Mukesh Mangal ⁸ DDG (AI&DIU) DIN: 10460089	Government Director	2	2	NA	Nil	1	Nil

Name of Director & Director Identification Number	Designation	Total Board Meetings		Attendance at the last AGM	Other Directorship held in Public Companies	Other Committee memberships held	
		Held during tenure of Director	Attended during tenure of Director			As member	As Chair person
Non – Executive Directors - Part time Non - Official Director							
Dr Raja Nayak ⁹ DIN: 06451006	Independent Director	6	6	YES	Nil	3	1
Shri Billeswar Sinha ¹⁰ DIN: 09393543	Independent Director	6	6	YES	Nil	1	1
Smt Mamta Palariya ¹¹ DIN: 07749007	Independent Director	6	6	YES	Nil	1	2

NOTE:

- Smt S Jeyanthi was appointed as Director Production with effect from 19th May, 2023
- Smt R Vasanthi, General Manager (Operation) has relinquished the additional charge of the post of Director Production w.e.f. 19th May 2023.
- Sri Rakesh Chandra Tiwari ceased to be Director (Marketing) with effect from 30th November, 2023. Additional Charge of Director Marketing was given to Sri Rajesh Rai, Chairman and Managing Director, for a period of 3 months with effect from 01st December, 2023 upto 29th February, 2024 or till appointment of regular incumbent or until further orders are issued, whichever is earliest.
- Sri Ramana Babu C V was appointed as Director Marketing with effect from 25th January, 2024. Accordingly, Sri Rajesh Rai, who was holding the additional charge of Director Marketing, relinquished the same position with effect from 25th January, 2024.
- Lt Gen M Unnikrishnan Nair ceased to be the Government Director of the company with effect from 15th September, 2023.
- Sri R Shakya ceased to be Government Director with effect from 09th January, 2024.
- Lt Gen Kanwar Vinod Kumar was appointed as director with effect from 20th October, 2023.
- Sri Mukesh Mangal was appointed as the Government Director with effect from 10th January, 2024.
- Sri Raja Nayak, Independent Director is the Chairman of Stakeholders Relationship Committee.
- Sri Billeswar Sinha, Independent Director is the Chairman of Nomination and Remuneration Committee.
- Smt Mamta Palariya, Independent Director is the Chairperson of Audit Committee and Corporate Social Responsibility Committee.
- Chairmanship/ Membership of Audit Committee and the Stakeholders Relationship Committee are only reckoned with.

NOTE:

- None of the Director / Key Managerial Personnel is related to each other and there are no inter se relationships between the Directors.
- As per the declarations received, none of the Non-executive Directors are holding any equity shares in the Company.
- Directors do not have any pecuniary relationships or transactions with the Company (except remuneration, including sitting fees, as they are entitled).
- None of the Director is on the Board of any Listed Company as on 31st March 2024.
- The Directors neither held membership of more than 10 Committees nor acted as Chairperson of more than 5 Committees across all the companies in which he/she is a Director.
- Video-conferencing facilities are also used to facilitate Directors residing at other locations to participate in the meetings.
- The Board periodically reviews the compliance reports of all laws applicable to the Company.

c) Core Skills / expertise / Competencies of the Board of Directors

Being a Government Company, all the Directors on the Board viz. Functional Directors, Government Directors and Independent Directors are appointed by the Government as per well laid down process for each category of Directors. The core skills, expertise and competence required for the Board to function effectively, in the context of the Company's business, forms an integral part of the Government's process for selection of the Directors. In view thereof, the Board of the Company has not identified any such core skills or expertise or competence required by a Director as required under Listing Regulations.

d) Independent Directors:

- The Independent Directors on the Board have registered with the Indian Institute of Corporate Affairs as notified under Section 150(1) of the Companies Act, 2013.
- During the year under review, no Independent Director has resigned from the Company.
- Details of Familiarization & Training programmes for Directors :**
The details of Familiarisation programme imparted to the Independent Directors of the Company is available on the Company's website at https://www.itild.in/Investor%20information/2022/Familiarisation%20programme-Independent%20Directors_updated_18_07_2022.pdf
- Separate Meeting of Independent Directors :**
A separate meeting of Independent Directors was held on November 2023, wherein the Independent Directors assessed the quality, quantity & timeliness of flow of information between the Company Management and the Board.
- Declaration of Independence:**
The Independent Directors of the Company have provided a declaration confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Listing Regulations and are registered with Independent Director's Databank maintained by Indian Institute of Corporate Affairs. It is affirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations are independent of the Management

e) Dates of Board Meetings:

During the year under review 6 Board Meetings were held on:

11th May, 2023 29th May, 2023 11th August, 2023
09th November 2023 13th February, 2024 21st March, 2024



3) BOARD COMMITTEES:

a) AUDIT COMMITTEE:

The terms of reference and Composition of the Audit Committee are in compliance with the Section 177 of the Companies Act, 2013 read with Rules made thereunder, Listing Regulations and the DPE Guidelines.

As on 31st March 2024, the Audit Committee consists of three Independent Directors details of which is as follows:

- Smt Mamta Palariya, Independent Director, Chairperson
- Smt S Jeyanthi, Executive Director, Member
- Dr Raja Nayak, Independent Director, Member and
- Shri Billeswar Sinha, Independent Director, Member

During the year ended 31st March 2024, 4 Audit Committee meetings were held on 29th May 2023, 11th August 2023, 09th November 2023 and 13th February 2024.

During the year under review, there was change in membership of the Committee, as mentioned below:

Sri Rakesh Chandra Tiwari, Director Marketing superannuated on 30.11.2023 and ceased to be a member of the committee.

With effect from 01.12.2023, Smt S Jeyanthi, Director Production and Director HR (Addn. Charge), was inducted as a member of the committee.

The details of attendance for Audit Committee meetings are as follows:

Name of the Member	Meetings held during tenure of Director	Meetings attended during tenure of Director
Smt Mamta Palariya	4	4
Smt S Jeyanthi	1	1
Dr Raja Nayak	4	4
Shri Billeswar Sinha	4	4
Shri Rakesh Chandra Tiwari ¹	3	3

1 Sri Rakesh Chandra Tiwari ceased to be member with effect from 30th November, 2023

2 Smt S Jeyanthi was inducted as member w.e.f 01st December 2023

Director Finance & Chief Financial Officer are the permanent invitees of the Committee and Company Secretary acts as Secretary of the Committee

b) NOMINATION AND REMUNERATION COMMITTEE (NRC)

The terms of reference and composition of the Nomination and

Name of the Director	Designation	Salary	Perquisites	PF contribution	Total
Shri Rajesh Rai	CMD	34,98,423	2,02,553	2,95,657	39,96,633
Shri R M Agarwal	Ex-CMD	-	-	-	-
Shri Rajeev Srivastava	Director Finance & CFO	23,32,885	2,75,171	2,79,513	28,87,569
Shri Venkateswarlu	Ex-Director	-	-	-	-
Shri Rakesh Chandra Tiwari	Ex-Director Marketing	29,55,760	3,60,550	2,11,259	35,27,569
Smt Shanmuga Priya	Ex-Company Secretary	-	-	-	-
Smt R Vasanthi	Ex-Director	2,97,097	-	33,416	3,30,513
Smt S Jeyanthi	Director Production and Additional Director HR	23,25,647	-	2,62,025	25,87,672
Smt Shalini Ghatak (W.e.f. 06.07.2023)	Ex-Company Secretary	7,56,829	-	83,848	8,40,677
C V Ramana Babu	Director Marketing	7,61,514	-	59,816	8,21,330

Remuneration Committee are as per the provisions of Section 178 of the Companies Act, 2013, Regulation 19 of Listing Regulations (except to the extent of exemptions provided to Government Companies). Being a Government Company, the appointment, terms and conditions of appointment of Directors on the Board of the Company is as per the Directives of Government of India.

The terms of reference of the Committee as per the provisions of the Companies Act, 2013 and Listing Regulations is limited to the extent of Senior Management i.e. one level below the Board and as per DPE Guidelines for performance related pay.

As on 31st March 2024, NRC comprised of:

- Shri Billeswar Sinha, Independent Director- Chairman;
- Smt Mamta Palariya, Independent Director- Member;
- Dr Raja Nayak, Independent Director- Member and
- Shri Mukesh Mangal, Government Director- Member

During the year ended 31st March 2024, the NRC meeting was held on 08th August 2023

The details of change in the tenure of member, if any, number of meeting held during the year and their attendance for the NRC Meetings are as under:

Name of the Member	Meetings held during respective tenure of Director	No. of Meetings attended
Shri Billeswar Sinha	1	1
Smt Mamta Palariya	1	1
Shri R Shakya ¹	1	1
Dr Raja Nayak	1	1
Shri Mukesh Mangal ²	0	0

1. Sri R Shakya ceased to be Government Director with effect from 09th January, 2024

2. Sri Mukesh Mangal was appointed as the Government Director with effect from 10th January, 2024

13) REMUNERATION OF DIRECTORS

(i) Remuneration to Whole-time Directors

The remuneration paid to Whole-time Directors for the financial year 2023-24 are as follows:

(Amt in Rs)

Name of the Director	Designation	Salary	Perquisites	PF contribution	Total
Shri Rajesh Rai	CMD	34,98,423	2,02,553	2,95,657	39,96,633
Shri R M Agarwal	Ex-CMD	-	-	-	-
Shri Rajeev Srivastava	Director Finance & CFO	23,32,885	2,75,171	2,79,513	28,87,569
Shri Venkateswarlu	Ex-Director	-	-	-	-
Shri Rakesh Chandra Tiwari	Ex-Director Marketing	29,55,760	3,60,550	2,11,259	35,27,569
Smt Shanmuga Priya	Ex-Company Secretary	-	-	-	-
Smt R Vasanthi	Ex-Director	2,97,097	-	33,416	3,30,513
Smt S Jeyanthi	Director Production and Additional Director HR	23,25,647	-	2,62,025	25,87,672
Smt Shalini Ghatak (W.e.f. 06.07.2023)	Ex-Company Secretary	7,56,829	-	83,848	8,40,677
C V Ramana Babu	Director Marketing	7,61,514	-	59,816	8,21,330

NOTE:

- Smt S Jeyanthi was appointed as Director Production with effect from 19th May, 2023
- Smt R Vasanthi, General Manager (Operation) has relinquished the additional charge of the post of Director Production w.e.f. 19th May 2023
- Sri Rakesh Chandra Tiwari ceased to be Director (Marketing) with effect from 30th November, 2023. Additional Charge of Director Marketing was given to Sri Rajesh Rai, Chairman and Managing Director, for a period of 3 months with effect from 01st December, 2023 upto 29th February, 2024 or till appointment of regular incumbent or until further orders are issued, whichever is earliest.
- Sri Ramana Babu C V was appointed as Director Marketing with effect from 25th January, 2024. Accordingly, Sri Rajesh Rai, who was holding the additional charge of Director Marketing, relinquished the same position with effect from 25th January, 2024

NOTES:

- The service contract/ notice period/ severance fee etc., for the above Directors are as per the terms of appointment made by the Government of India.
- During the year 2023-24, no bonus/ commission was paid and no Stock Options were issued to the Directors.
- During the year under review, no Performance related pay has been made to Executive Directors.

(ii) Part-time Government Directors' compensation

The Government Directors are not paid any remuneration, sitting fees, etc

(iii) Independent Directors' compensation

The Independent Directors are not paid any remuneration except sitting fees of Rs 10,000/- per meeting for attending meetings of the Board and Committees thereof. The sitting fees paid during the year 2023-24 are as under:

Details of Payment of Sitting Fee to Independent Director for attending Board and Committee Meetings during FY 2023

								Amt (in Rs)
Name of Independent Director	Board Meeting	Audit Committee	CSR	NRC	SRC	RMC	Independent Directors	Total
Mrs. Mamta Palariya	60,000	40,000	10,000	10,000	-	-	10,000	1,30,000
Mr. Billeswar Sinha	60,000	40,000	-	10,000	-	-	10,000	1,20,000
Mr.Raja Nayak	60000	40,000	-	10,000	10,000	20,000	10,000	1,50,000

(i) Details of payment of sitting fee to Independent Directors for attending Board Meeting during FY 2023

								Amt (in Rs)
Name of the Director	11.05.2023	29.05.2023	11.08.2023	09.11.2023	13.02.2024	21.03.2024	Total	
Mrs. Mamta Palariya	10,000	10,000	10,000	10,000	10,000	10,000	60,000	
Mr. Billeswar Sinha	10,000	10,000	10,000	10,000	10,000	10,000	60,000	
Mr.Raja Nayak	10,000	10,000	10,000	10,000	10,000	10,000	60,000	

(ii) Details of payment of sitting fee to Independent Directors for attending Audit Committee Meeting during FY 2023

						Amt (in Rs)
Name of the Director	29.05.2023	11.08.2023	09.11.2023	13.02.2024	Total	
Mrs. Mamta Palariya	10,000	10,000	10,000	10,000	40,000	
Mr. Billeswar Sinha	10,000	10,000	10,000	10,000	40,000	
Mr.Raja Nayak	10,000	10,000	10,000	10,000	40,000	

(iii) Details of payment of sitting fee to Independent Directors for attending Nomination and Remuneration Committee Meeting during FY 2023

			Amt (in Rs)
Name of the Director	11.08.2023	Total	
Mrs. Mamta Palariya	10,000	10,000	
Mr. Billeswar Sinha	10,000	10,000	
Mr.Raja Nayak	10,000	10,000	

(iv) Details of payment of sitting fee to Independent Directors for attending Stakeholders Relationship Committee Meeting during FY 2023

			Amt (in Rs)
Name of the Director	29.03.2024	Total	
Mr.Raja Nayak	10,000	10,000	



(v) Details of payment of sitting fee to Independent Directors for attending Corporate Social Responsibility Committee Meeting during FY 2023

Amt (in Rs)

Name of the Director	11.08.2023	Total
Mrs. Mamta Palariya	10,000	10,000

(vi) Details of payment of sitting fee to Independent Directors for attending Risk Management Committee Meeting during FY 2023

Amt (in Rs)

Name of the Director	26.07.2023	22.01.2024	Total
Mr.Raja Nayak	10,000	10,000	20,000

(vii) Details of payment of sitting fee to Independent Directors for attending Independent Directors Meeting during FY 2023

Amt (in Rs)

Name of the Director	09.11.2023	Total
Mrs. Mamta Palariya	10,000	10,000
Mr. Billeswar Sinha	10,000	10,000
Mr.Raja Nayak	10,000	10,000

(iv) The remuneration of senior management just one below the level of Board of Directors, appointment or removal of them including Chief Financial Officer and Company Secretary, as specified in Part A (E) of schedule (II) of Listing Regulations are governed by the Companies Act, 2013, Listing Regulations and DPE guidelines and the same is reported to the Board from time to time.

(v) The performance evaluation of the Directors (including Independent Directors) has not been carried out by the Nomination & Remuneration Committee, as being ITI Limited a Government Company, the powers relating to appointment, evaluation and the terms of Directors vests with the Government of India. Such performance evaluation is exempted for Government Companies under the provisions of the Companies Act, 2013.

(vi) The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

c) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures in servicing and protecting the interests of shareholders, maintaining cordial investor relations and overseeing the mechanism to review and redress investors' grievances. The Committee overseas and reviews the performance of Registrar and Share Transfer Agent and action taken by the Company.

The terms of reference and the composition of the SRC is in terms with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations.

As on 31st March 2024, SRC comprised of

- Dr Raja Nayak, Independent Director- Chairman;
- Shri Rajeev Srivastava, Director Finance- Member; and
- Smt S Jeyanthi, Director Production and Director HR (Addn. Charge)- Member

The Company Secretary acts as the Compliance Officer of the Company.

During the year ended 31st March 2024, one SRC meeting was held on 29th March 2024 in which all the Committee members were present

The details of change in the tenure of members, if any, number of meeting held during the year and their attendance for the SRC meetings are as under:

Name of the Member	Meetings held during tenure of Director	Meetings attended during tenure of Director
Dr Raja Nayak	1	1
Shri Rajeev Srivastava	1	1
Shri Rakesh Chandra Tiwari ¹	0	0
Smt S Jeyanthi ²	1	1

¹ Sri Rakesh Chandra Tiwari ceased to be member with effect from 30th November, 2023.

² Smt S Jeyanthi was inducted as member w.e.f 01st December 2023.

The Company endeavours to resolve complaints / grievances / queries of stakeholders / investors within a reasonable period of time. During the financial year 2023-24, the Company has received nil complaints from shareholders.

Investors Relations Cell:

The information frequently required by investors and analysts are available on the Company's website www.itiltd.in under the 'Investors' page. The website provides updates on financial statements, investor related events and presentations, annual reports, shareholding pattern along with media releases, and report on Corporate Governance, etc.

d) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Board has constituted the Corporate Social Responsibility (CSR) Committee to recommend, monitor and administer activities under the CSR Policy and to also oversee its performance / implementation. The terms of reference and composition of the CSR Committee are as specified in section 135 of the Companies Act, 2013 read with Rules made thereunder.

As on 31st March 2024, the Committee comprised of:

- Smt Mamta Palariya, Independent Director- Chairperson;
- Shri Rajeev Srivastava, Director Finance- Member; and
- Smt S Jeyanthi, Director Production and Director HR (Addn Charge)- Member

During FY 2023-24, one CSR Committee Meeting was held on 11th August 2023 and in which all the Members of the Committee were present

The details of change in the composition of Committee, if any, number of meeting held during the year and their attendance for the CSR Meeting are as under:

Name of the Member	Meetings held during tenure of Director	No. of Meetings attended during tenure of Director
Shri Rajeev Srivastava	1	1
Smt Mamta Palariya	1	1
Shri Rakesh Chandra Tiwari ¹	1	1
Smt S Jeyanthi ²	0	0

¹ Sri Rakesh Chandra Tiwari ceased to be member with effect from 30th November, 2023

² Smt S Jeyanthi was inducted as member w.e.f 01st December 2023

The CSR Policy is hosted on the website of the Company on the link <https://www.itild.in/csr>. The CSR Report, as required under the Companies Act, 2013 for the year ended 31st March 2024 is annexed to the Director's Report.

e) RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee to review the risk management process involving risk assessment and minimisation procedure. The terms of reference of Risk Management Committee are as specified in Listing Regulations

As on 31st March, 2024, the Risk Management Committee comprised of:

- Shri Rajeev Srivastava, Director Finance- Chairman
- Dr Raja Nayak, Independent Director- Member
- Shri Ramana Babu C V, Director Marketing- Member
- Smt S Jeyanthi, Director Production and Director HR(Addn Charge)- Member

During FY 2023-24 two Risk Management Committee Meeting was held on 26th August 2023 and 22nd January 2024 in which all the Members of the Committee were present.

The details change in the tenure of members, if any, number of meeting held during the year and their attendance for the Risk Management Committee Meeting are as under:

Name of the Member	Meetings held during respective tenure of Director	No. of Meetings attended
Shri Rajeev Srivastava	2	2
Shri Rakesh Chandra Tiwari ¹	2	1
Dr Raja Nayak	2	2
Smt R Vasanthi	2	1
Smt S Jeyanthi	2	1
Shri Ramana Babu	0	0

¹ Ceased to be Member of the Committee w.e.f. 30.11.2023

4) GENERAL BODY MEETINGS

a) Details of last three AGMs of the Company :

The date, time, venue of the previous AGMs, Special resolution passed during the last three years are given below:

Financial Year	Date & Time	Venue	Special Resolution(s) passed
2020-21	10 th November 2021 at 11.30 am		No
2021-22	28 th September 2022 at 11.30 am		<ul style="list-style-type: none"> Appointment of Dr Raja Nayak (DIN: 06451006) as an Independent Director of the Company Appointment of Shri Billeswar Sinha (DIN: 09393543) as an Independent Director of the Company Appointment of Smt Mamta Palariya (DIN: 07749007) as an Independent Director of the Company.
2022-23	28 th September 2023 at 11.30 am		No

b) Extraordinary General Meetings :

No Extraordinary General Meeting of the shareholders was held during the year 2023-24.

c) Postal Ballot :

During the year under review no resolution was passed through postal ballot. Any decisions on matters requiring approval of shareholders through postal ballot system will be obtained as per the procedures laid down in the Act.

5) MEANS OF COMMUNICATIONS

Quarterly/ Annual Results:

The audited/unaudited financial results are announced within the time prescribed under the Listing Regulations. The results are published in



leading newspapers like Business Standard/ Financial Express (in English), Sanjevani (in Kannada) and Dakshin Bharat Rashtramat (in Hindi). The financial results are also made available in the Company's website- <https://www.ititld.in/newspaperpublications>.

News Release, Presentation etc.:

The Company issues news releases on significant corporate decisions / activities and posts them on its website as well as notifies the stock exchanges as and when deemed necessary.

Website:

The Company's website www.ititld.in contains separate dedicated section for investors where relevant shareholder information is available. Full Annual Report, Shareholding Pattern, Corporate Governance Report, all disclosures made to stock exchanges, etc. are available on the web-site.

Investor Service Cell

The grievances / queries of shareholders are handled at Company's Corporate Office and at Integrated Registry Management Services Private Limited, Registrar & Transfer Agent (RTA) office in Bengaluru.

The investors can raise queries / grievances by sending email to cosecy_crp@ititld.co.in & irg@integrated.in.

SCORES (SEBI Complaints Redressal System)

SEBI has provided a centralised web-based complaints Redressal system named, SCORES, through which an investor can lodge complaint(s) against a Company for his grievance. The Company is also registered with SCORES to resolve the issue sent through SCORES platform.

Availability of Dispute Resolution Mechanism at Stock Exchanges:

The SEBI vide circular issued 30th May 2022 has issued Standard Operating Procedure (SOP), as per which in case of dispute between the Shareholder(s)/ investor(s) of the Company and the Registrar and Transfer Agent, the dispute can be referred to the Stock Exchange for resolution after exhausting all actions for resolutions complaints including those received through SCORES portal. The SEBI issued another circular dated 27th January 2023 for generating awareness on availability of Dispute Resolution Mechanism at Stock Exchange. Pursuant to the said circular, RTA has sent intimation to the physical shareholders on the same and action taken report on that was submitted to the SEBI.

SEBI had issued circular dated 27.01.2023 regarding generating awareness on availability of Dispute Resolution Mechanism at Stock Exchanges against Listed Companies / Registrar to an Issue and Share Transfer Agents (RTAs).

SEBI vide circular dated 31st July 2023 issued another circular as per which for streamlining the existing dispute resolution mechanism in the Indian Securities Market, common Online Dispute Resolution ("ODR") Portal was launched.

The ODR portal is launched for all claims, differences or disputes between the listed entity and its investor arising out of or in relation to the activities of the listed entity in the securities market shall be submitted to the ODR portal which includes mediation and/or conciliation and/or arbitration, in accordance with the procedure specified by the SEBI.

Accordingly, the Company has registered with SMART ODR Portal and as on 31st March, 2024, no complaints were received under ODR portal from the investors.

The shareholders are advised to avail the facility of Dispute Resolution Mechanism of Stock Exchanges in case of any dispute with the Company or RTA.

The web-link of SMART ODR portal is also disclosed in the website of the Company.

Green Initiative – Service of Documents in Electronic Form

The provisions of the Companies Act, 2013 and rules made thereunder permit paperless communication by allowing service of all documents in electronic mode. Further, the Ministry of Corporate Affairs (MCA) as well as the SEBI, has permitted that all communication to shareholders may be served electronically. In compliance thereof, the Company has adopted the practice of sending communications, including Annual Report, through email to those shareholders whose email id is available as per registered records.

6) CODE OF CONDUCT

The Code of Conduct for Board Members and Senior Management Personnel of the Company has been adopted by the Company, which is circulated to all concerned and is also hosted on the website of the Company at https://www.ititld.in/codes_and_policies. The Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the Code of Conduct for the year ended 31st March 2024 pursuant to SEBI listing regulations and no material financial or commercial transactions, which may have a potential conflict with the interest of the Company, were reported by them. A declaration to this effect, signed by the CMD is enclosed as **Annexure -b** to this report.

7) CODE FOR PREVENTION OF INSIDER TRADING

The Company has put in place "ITI code of conduct to Regulate, Monitor and Report Trading by Designated persons and immediate relatives of designated persons and for fair disclosure (Insider Trading Code), in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, for dealing in securities of ITI Limited.

The objective of the Insider Trading Code is to prevent purchase/sale of shares of the Company based on Unpublished Price Sensitive Information (UPSI). Under the Insider Trading Code, an Insider (connected person or a person in possession of UPSI) either on his own behalf or on behalf of any other person is prohibited to deal in the Company's shares when in possession of UPSI. Further the designated persons are also not allowed to trade in the securities of the Company during the closure of trading window period. To deal in securities of the Company beyond the specified limit, permission of Compliance Officer shall be required.

All designated persons are required to disclose related information periodically as defined in the Insider Trading Code. The Insider Trading Code of the Company is available on the website of the Company at https://www.ititld.in/codes_and_policies.

TRADING WINDOW

The Compliance Officer specifies the closure of trading window for dealing in securities of the Company to "Insiders" from time to time. Generally the trading window for dealing in securities of the Company remain closed for Insiders from the end of each quarter till 48 hours after the financial results for the quarter are filed with the stock exchanges. All the communications in this regard are sent to the Stock Exchanges, through mail to the Insiders and the notices also uploaded on the website of the Company at https://www.ititld.in/noc_of_trading_window.



8) DIVIDEND DISTRIBUTION POLICY

The Company has adopted the Dividend Distribution Policy, framed broadly in line with the provisions of Companies Act, 2013 and also taking into consideration, guidelines on “Capital Restructuring of Central Public Sector Enterprises” issued by Dept of Investment and Public Asset Management (DIPAM), Ministry of Finance, Dept. of Public Enterprises, SEBI and other guidelines, to the extent applicable. The policy shall deem to cover the amendments if any, issued by any of the regulatory authorities and / or Govt. of India from time to time.

This policy lays down the general framework for considering and deciding the distribution of dividend to the Company’s shareholders and / or retaining of earnings for sustained growth.

The said policy is available on the website of the Company at https://www.itilttd.in/codes_and_policies.

9) COMPLIANCE CERTIFICATE BY CEO/ CFO

In terms of Regulation 17(8) of Listing Regulations, the Compliance certificate issued by the CEO and CFO on the financial statements and internal controls relating to financial reporting for the year 2023-24 is enclosed as **Annexure-c** to this Annual report.

10) DISCLOSURES

a. During the year under review the Company did not enter into any contracts, arrangements and transactions with any related party which are not at arm’s length basis and ordinary course of business. No materially significant related party transactions are entered into that may have potential conflict with the interest of the Company at large. The Policy on Related Party Transactions is available on the website of the Company at https://www.itilttd.in/codes_and_policies.

b. NON-COMPLIANCES/STRICTURES/PENALTIES DURING THE LAST THREE YEARS

During FY 2023-24, the Company has complied with the requirements of Listing Regulations and DPE Guidelines except for the following :

Non-compliance with provisions of Regulation 17 of Listing Regulations:

- The Company has received notices from the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) regarding non-compliance with the requirements pertaining to the composition of the Board i.e. inadequate number of Independent Directors on the Board and had imposed monetary penalty for the same.
- The Company regularly pursues with Ministry of Communications for appointment of requisite number of Independent Directors so as to ensure compliance with Corporate Governance norms stipulated in the Listing Regulations.
- Between 01st October 2022 till 16th December 2022, the Board composition was 6 Directors including 3 independent Directors and hence was in compliance with the Listing regulations. Accordingly, the Company had filed application dated 30th November 2023, for waiver of penalty of Rs 1,02,23,520 imposed by both the Stock Exchanges up to 30th September 2022 for non-compliance with Listing Regulations.
- In response to the application for Waiver of penalty of Rs 1,02,23,520/, the Company has received letter dated 01st March 2023 from NSE favorably accepting the request to waive fine imposed till 30th September 2022.
- Pursuant NSE and BSE circular dated 31.03.2022 wrt processing of waiver applications by the Exchanges in case of commonly

listed entities, the decision of NSE will be binding on all other Exchanges which have levied penalties on the Companies for the same non-compliance.

- However, as on 31.12.2023 and 31.03.2024, the composition of Board of Directors was again noncompliant with Listing Regulations due to inadequate number of Independent Directors on the Board. In this regard, the Stock Exchanges has imposed fine to the Company for non-compliance of SEBI Regulations. The Company regularly submits its representations to the Stock Exchange, since being Government Company the power to appoint directors vests with Government of India.
- There were no other penalties or strictures imposed on the Company by Statutory Authorities for non-compliance related to Capital Market.

c) VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimization of employees who avail the mechanism, and allows direct access to the chairperson of the audit committee in exceptional cases. During the year, no person was denied access to the Audit Committee. The Whistleblower Policy is available on the website of the Company at <https://www.itilttd.in/vigilance>.

d) COMPLIANCE WITH THE MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements specified in Listing Regulations on Corporate Governance, excepting those non-compliances as observed in the Certificate on Corporate Governance and the Secretarial Audit Report. The reasons for non-compliance have been furnished separately as reply to the observations of Secretarial Auditors.

e) ADOPTION OF NON-MANDATORY REQUIREMENTS

- The requirement of maintenance of an office for the Non-executive Chairman and the reimbursement of expenses to him are not applicable to the Company as the Company has an Executive Chairman.
- The Company’s financial results are published in Business Standard/ Financial Express (in English), Sanjevani (in Kannada) and Dakshin Bharat Rashtramath (in Hindi). Further as required under Listing Regulations, the results of the Company including significant events and information are furnished immediately to the Stock Exchanges and also uploaded in the Company’s website www.itilttd.in for the information of shareholders and other investors. Hence the financial results are not being sent individually to the shareholders.
- The consolidated financial statement is disclosed with modified audit opinion.
- Internal Audit reports containing periodical reports includes significant findings, if any, and the same is reviewed by the Audit Committee periodically. The Chief of Internal Auditor reports directly to Chairman and Managing Director and Chairperson of Audit Committee and is a permanent invitee to the meeting of Audit Committee.

f) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES :

Foreign Exchange Risks are being hedged through derivatives such as Forward Contracts.



g) DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMAN AT WORK PLACE:

The disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is disclosed in Directors' Report.

h) DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT

As part of revival package approved by Cabinet Committee on Economic Affairs (CCEA), the Company received Capex from the Administrative Ministry from the budgetary allocation against which equity shares are allotted to President of India on preferential basis. The details of equity shares issued to the President of India against the Capex receipt is given below :

- Rs 71.56 crore capex was received towards CAPEX on 31st March 2022 against which 83,21,279 equity shares were issued on 25th May 2022 at Rs 86.00 per shares.
- Rs 80 crore was received towards CAPEX on 06th August 2022 against which 77,33,204 equity shares were issued on 28th September 2022 at Rs 103.45 per shares.
- Rs 107 crore was received towards CAPEX on 23rd March 2023 against which 1,13,09,586 equity shares were issued at Rs 93.40 per share.
- Detailed fortnight report on CAPEX utilization is being sent to Ministry of Communications, Administrative Ministry.

i) CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

A certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified, for the year ended 31.03.2023, from being appointed or continuing as directors of Company is enclosed as Annexure -a with this report.

j) RECOMMENDATIONS OF COMMITTEES:

During the financial year 2023-24, the Board has accepted all the recommendation of the Board Committees.

k) DETAILS OF TOTAL FEES PAID TO STATUTORY AUDITORS

The total amount paid to the Statutory Auditors for all services rendered by them to the Company during 2023-24 was Rs 15,00,000 plus GST.

l) GUIDELINES ON CORPORATE GOVERNANCE BY DPE

No Presidential Directives have been received during FY 2023-24 and also in last 3 years .

Details of administrative, office and financial expenses for the year under review and for the previous year are available in the annual accounts at note no. 28 and 30.

11) GENERAL SHAREHOLDER INFORMATION

a) AGM for Financial Year 2024

Date : 27th September 2024

Time : 11.30 a.m

Venue : The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated 05th May 2020 read with MCA circular dated 28th December 2022 and as such there is no

requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

b) Financial Calendar:

Tentative calendar for declaration of financial results for 2023-24 is given below:

Adoption of Quarterly Results for the quarter ending on	Tentative date of the meeting of the Board
30.06.2024 (with limited review by Statutory Auditors)	On or before 14.08.2024
30.09.2024 (with limited review by Statutory Auditors)	On or before 14.11.2024
31.12.2024 (with limited review by Statutory Auditors)	On or before 14.02.2025
31.03.2025 (audited)	On or before 30.05.2025

c) Listing on Stock Exchanges and payment of listing fees

Company's equity shares are presently listed in following stock exchanges:

Name & Address	Telephone/Fax/E-mail ID/ Website ID	Trading Symbol
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001	Telephone:022-22721233/4 Fax: 022-22721919 E-mail: bsehelp@bseindia.com Website: www.bseindia.com	523610

National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051	Telephone: 022-26598100-8114 Fax: 022-26598120 E-mail: ignse@nse.co.in Website: www.nseindia.com	ITI
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The Company had paid listing fee for 2023-24 to BSE and NSE

d) Custodian Fees

Custodian Fee to NSDL and CDSL for Company's equity, bearing the code INE248A01017, was paid for the Financial Year 2023-24.

e) Market Price Data

The details of high/low market prices of the shares of the Company during each month on BSE and NSE are as under:

Month	BSE (Rs per share)			NSE (Rs per share)		
	High Price	Low Price	Volume (in lakhs)	High Price	Low Price	Volume (in lakhs)
Apr-23	99.50	89.60	6.23	99.60	90.00	898.68
May-23	113.55	95.05	29.45	113.70	94.95	281.87
Jun-23	116.05	105.05	12.06	116.00	105.00	282.42
Jul-23	114.25	106.30	7.59	114.35	106.40	242.75
Aug-23	125.75	109.25	26.35	125.50	108.85	111.29
Sep-23	213.30	118.80	301.60	213.30	118.75	1265.10
Oct-23	337.00	184.30	463.07	337.50	184.20	1500.59
Nov-23	292.30	251.00	90.30	292.30	245.00	299.44
Dec-23	325.10	265.85	240.19	325.00	265.20	815.79
Jan-24	384.35	301.65	304.32	384.30	301.55	1631.00
Feb-24	366.00	265.35	138.21	366.00	265.45	267.24
Mar-24	302.10	227.00	105.22	302.40	226.55	252.05

f) Performance of the Company's shares in comparison to broad based indices such as BSE Sensex

g) Date of Book closure

The Register of Members and the Share Transfer Register of the Company would remain closed from 21st September 2024 to 27th September 2024 (both days inclusive).

h) Registrar and Share Transfer Agent

Integrated Registry Management Services Private Limited, a SEBI registered Category I Registrar and Share Transfer Agent (RTA) is the Company's Registrar and Share Transfer Agent.

Address : 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560003,

Phone No. : 080-23460815-818

Fax : 080-23460819

E-Mail : irg@integratedindia.in

i) Share Transfer System

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. A summary of transfer/ transmission of securities are noted at subsequent Board Meetings.

Pursuant to the Regulation 40 (10) of Listing Regulation-2015, certificate on yearly basis confirming due compliance of share transfer formalities by the Company, certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 2018 are sent to the stock exchanges.

In addition, a Reconciliation of Share Capital Audit Report confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is submitted to stock exchanges and is also placed before the Board on a quarterly basis.

j) Shareholding as on 31st March 2024:

i. Categories of shareholding as on 31st March 2024:

Sr. No.	Particulars	No. of Shareholders	No. of Shares	% to total
1.	Promoter-President of India	1	864485747	89.97
2.	Promoter Group-Governor of Karnataka	1	312500	0.03
3.	Institutions:			
	Mutual Fund	16	204353	0.02
	FIs	23	1073301	0.11
	Financial Institutions/ Banks	16	31695	0.00
	Insurance Companies	2	2539	0.00
	NBFCs registered with RBI	2	7751	0.00
4.	Central Government: Special National Investment Fund (SNIF)	1	75869381	7.90
5.	Non-Institutions:			
	Individuals	99294	17809765	1.85
	NRI	635	358749	0.04
	Bodies Corporate	295	656092	0.07
	Clearing Members	17	5966	0.00
	LLP	16	67078	0.01
	Trusts	2	2021	0.00
	Total	100321	960886938	100.00

ii. Distribution of Shareholding as on 31st March 2024

Sl. No.	Description	Holders	% of Holders	Holdings	% of Holdings
1	1-500	94471	94.17	7761824	0.81
2	501-1000	3381	3.37	2709758	0.28
3	1001-2000	1428	1.42	2147943	0.22
4	2001-3000	374	0.37	953064	0.10
5	3001-4000	182	0.18	648833	0.07
6	4001-5000	155	0.15	735510	0.08
7	5001-10000	202	0.20	1472364	0.15
8	10001 & above	128	0.13	944457642	98.29
	TOTAL	100321	100.00	960886938	100.00

iii. Dematerialization of Shares and liquidity

The Company's shares are admitted in to both the depositories i.e. National Securities Depository Limited ('NSDL') 95,04,95,694 shares and Central Depository Services (India) Limited ('CDSL') 98,02,540 shares in dematerialized mode. 5,88,704 equity shares are held in physical form.



The Company has a shareholders base of 1,00,321 as on 31st March 2024.

99.94% of total equity shares of the Company are held by the investors in dematerialized form with NSDL and CDSL.

The Company's shares are being traded under International Securities Identification Number (ISIN)-INE248A01017.

k) Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity

No GDRs/ ADRs/ Warrants or any convertible instruments have been issued by the Company and hence there would not be any impact on the equity.

l) Plant locations

ITI Limited has manufacturing units at Bengaluru in the State of Karnataka, Palakkad Unit in the State of Kerala, Rae Bareilly, Naini and Mankapur Units in the State of Uttar Pradesh and Srinagar Unit in the Union Territory of Jammu and Kashmir.

m) Address for correspondence with the Company

Shareholders/Investors may send their correspondence to the Company Secretary, ITI Limited, ITI Bhavan, Doorvani Nagar, Bengaluru- 560016, Karnataka, India.

n) Disclosures with respect to demat suspense account/unclaimed suspense account:

As on 31st March 2024, there were no unclaimed shares of the Company pending for transfer in the demat suspense account/unclaimed suspense account.

o) Investor Education and Protection Fund (IEPF):

In terms of the provisions of the Companies Act, 2013 read with rules made thereunder, as on 31st March, 2024, no amount is required to be transferred to IEPF.

p) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

No loans and/or advances are given to firms/companies in which directors are interested.

12) SECRETARIAL AUDIT REPORT AND CERTIFICATES FROM COMPANY SECRETARY IN PRACTICE

The Secretarial Audit for FY 2023-24, was conducted by Shri K N Nagesha Rao, Practicing Company Secretary with respect to compliance to the applicable provisions of the Companies Act, 2013, Listing Regulations, DPE guidelines, SEBI Regulations and other applicable laws. The Secretarial Audit Report forms part of Directors report.

The Annual Secretarial Compliance Report for the Year Ended 31st March 2024 issued by Shri D Venkateswarlu, Practicing Company Secretary was filed with the Stock Exchanges within the prescribed time.

Certificate from Shri D Venkateswarlu, Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Listing Regulations is enclosed as **Annexure-d** to this report.

13) COMPLIANCE

Your Company submits quarterly report on Compliance with the requirements of Corporate Governance as per the prescribed format to the Ministry of Communications and Stock Exchanges within 15 and 21 days respectively from the close of quarter.

14) DPE GRADING

Your Company submits a grading report on the compliance with the Corporate Governance with Ministry of Communications on quarterly and annual basis. As per the grading report, your Company was rated as 'Excellent' with a composite score of 95.56% for the year 2023-24.

Place: Bengaluru
Date : 12th August 2024

Rajesh Rai
Chairman and Managing Director
DIN: 10052045

Annexure- a

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

TO

The Members of ITI Limited
(CIN: L32202KA1950GOI000640)
ITI Bhavan, Doorvani Nagar,
Bengaluru - 560 016

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors (as enlisted in Table A) to ITI Limited having CIN: L32202KA1950GOI000640 and having registered office at ITI Bhavan, Doorvani Nagar, Bengaluru- 560 016 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my knowledge and based on the information and explanations furnished to me by the Company & its officers and according to the following verifications made:

- (i) Documents available on the website of the Ministry of Corporate Affairs;
- (ii) Verification of Directors Identification Number (DIN) status on the website of the Ministry of Corporate Affairs;
- (iii) Disclosures provided by the Directors (as enlisted in Table A) to the Company; and
- (iv) Debarment list of the BSE Limited and the National Stock Exchange of India Limited

I hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on March 31, 2024:

Table: A

S No	Name of the Director	DIN	Date of appointment in the Company
1.	Shri Rajeev Srivastava	08921307	15/10/2020
2.	Shri Rakesh Chandra Tiwari ⁶	08953397	07/01/2021
3.	Smt Mamta Palariya	07749007	10/11/2021
4.	Shri Billeswar Sinha	09393543	10/11/2021
5.	Dr. Raja Nayak	06451006	10/11/2021
6.	Shri Radhacharan Shakya ⁷	09800172	23/11/2022
7.	Lt Gen Madhavan Unnikrishnan Nair ²	09826740	16/12/2022
8.	Shri Rajesh Rai	10052045	21/02/2023
9.	Smt Sethuraman Jeyanthi ⁴	10059174	28/02/2023
10.	Smt. R Vasanthi ¹	10059129	28/02/2023
11.	Shri Rajesh Rai ³	10052045	21/02/2023
12.	Shri. Kanwar Vinod Kumar ⁵	10366028	20/10/2023
13.	Shri. Mukesh Manga ⁸	10460089	10/01/2024
14.	Shri Venkata Ramana Babu Chundru ⁹	10478320	25/01/2024

- 1) Completed term as Director (Production) on 19th May 2023
- 2) Ceased to be Nominee Director of the Company w.e.f 15th September 2023
- 3) Appointed as Chairman and Managing Director from 28th September 2023
- 4) Appointed as Director (Production) and entrusted the additional charge of Director (HR) w.e.f 28th February 2023
- 5) Appointed as nominee director of the Company w.e.f 20th October 2023
- 6) Ceased to be Director (Marketing) of the Company w.e.f 30th November 2023
- 7) Ceased to be Nominee Director of the Company w.e.f 9th January 2024
- 8) Appointed as nominee director of the Company w.e.f 10th January 2024
- 9) Appointed as Director (Marketing) w.e.f 25th January 2024
- 10) Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.



This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.



Place: Bengaluru
Date : Date: 2nd July 2024

D VENKATESWARLU
Practicing Company Secretary
FCS: 8554 :: CP: 7773
UDIN: F008554F000651295
PR No: 1617 / 2021

Annexure-b

Declaration

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel of the Company for the year ended 31st March, 2024

Place: Bengaluru
Date : 12th August 2024

Rajesh Rai
Chairman and Managing Director
DIN: 10052045

Annexure-c

CEO / CFO CERTIFICATION

(Issued in accordance with provision of Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015)

To

The Board of Directors of ITI Ltd

We have reviewed the balance sheet and profit and loss account and all its schedules and notes on accounts, as well as the cash flow statements and the Directors' report of ITI Limited for the year ended 31st March 2023 and that to the best of our knowledge and belief, we state that:

- (i) These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) These statements present a true and fair view of your Company's affairs and are in compliance with existing accounting standards and / or applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or in violation of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- We have disclosed, wherever applicable to your Company's Auditors and the Audit Committee of the Company's Board of Directors.
 - Significant changes in internal controls during the year covered by this report.
 - All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
 - Instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in your Company's internal control system.

Rajeev Srivastava
Director Finance & Chief Financial Officer

Rajesh Rai
Chairman and Managing Director

Place: Bengaluru
Date: 12th August 2024

Annexure- d

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of ITI Limited

I, D Venkateswarlu, Practicing Company Secretary have examined the compliance conditions of Corporate Governance of ITI Limited (CIN: L32202KA1950GOI000640) ('the Company'), for the year ended March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraph C, D and E of the Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises ("DPE").

I, state that compliance of conditions of Corporate Governance and preparation of Corporate Governance Report is the responsibility of the management of the Company

Managements' responsibility:

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance in the SEBI Listing Regulations

Auditors' Responsibility:

- Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- Our procedures include in depth verification of Secretarial records and other related documents for assessment of the compliance of the Corporate Governance Report.
- The particulars of the Corporate Governance Report have been verified basis the documentary evidence and supporting made available to us by the management of the Company.
- Our examination of the Corporate Governance Report was conducted in accordance with the Referencer issued by Institute of Company Secretaries of India (ICSI) on Corporate Governance Certification under SEBI (LODR).

Opinion:

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under SEBI (LODR) and DPE Guidelines except for the following:

- Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the guidelines on Corporate Governance for Central Public Sector Enterprises 2010, regarding the requirement of having atleast half of the Board of Directors as Independent Directors*

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the provisions of SEBI (LODR) and DPE Guidelines and it should not be used by any other person or for any other purpose.



Place: Bengaluru
Date : Date: 2nd July 2024

D VENKATESWARLU
Practicing Company Secretary
FCS: 8554 :: CP: 7773
UDIN: F008554F000651295
PR No: 1617 / 2021



EVENTS

Shri Satinder Kumar Jain, Sr. DDG (SU), DoT Visits ITI Limited

Shri Satinder Kumar Jain, Sr. DDG (SU), DoT, Ministry of Communications, Gol visited ITI Limited on April 15, 2023. During the visit, Shri Satinder Kumar Jain was taken around the facilities of Bangalore Plant at SMT Line, 4G Hangar, PCB, HDPE Duct, Telecom Testing Lab, 3D Printing, R&D Center, Data Center and Startup Hub.



Shri Satinder Kumar Jain also visited ITI Corporate Office. On the occasion, Shri Rajesh Rai, CMD, ITI Limited highlighted the progress of ongoing projects in the presence of Shri Rajeev Srivastava, Director (Finance), Shri Rakesh Chandra Tiwari, Director (Marketing), Smt S Jeyanathi, Additional Charge Director (HR), Smt R Vasanthi, Additional Charge Director (Production) and Senior Officers.



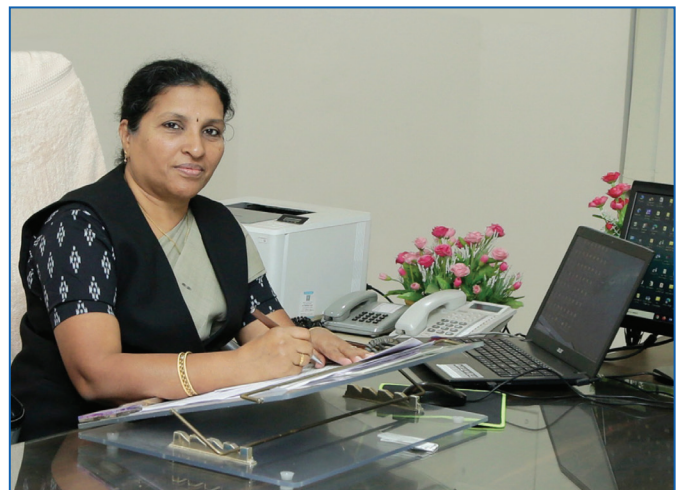
Dr Raja Nayak, Smt Mamta Palariya and Shri Billeswar Sinha, Independent Directors of ITI Limited Visit ITI Raebareli Plant and ITI Mankapur Plant

Dr Raja Nayak, Smt Mamta Palariya and Shri Billeswar Sinha, Independent Directors of ITI Limited visited ITI Raebareli Plant and ITI Mankapur Plant during the month of April 2023. During the visit to the ITI Raebareli Plant,

they were taken around the facilities of the plant at OFC Manufacturing Plant and they reviewed the progress of ongoing projects of the plant. They also visited ITI Mankapur Plant. They were taken around the facilities of the plant at HDPE Duct Manufacturing Plant and they reviewed the progress of ongoing projects of the plant.



Smt S Jeyanathi Assumes Charge as Director (Production), ITI Limited



Smt S Jeyanathi has joined the Board as Director HR (Addl. Charge) on 28th February 2023 and later taken over charge of Director Production on 19th May 2023.

ITI Limited Celebrates International Day of Yoga

ITI Limited celebrated the 9th edition of International Day of Yoga with the theme 'Yoga for Vasudhaiva Kutumbakam' at ITI Bangalore Plant on June 21, 2023. Shri Rajesh Rai, CMD, ITI Limited graced the occasion in the presence of Shri Rajeev Srivastava, Director (Finance), Shri Rakesh Chandra Tiwari, Director (Marketing), Shri T S Sudhakar, GM-B and R&D, Unit Head, ITI Bangalore Plant, Senior Officers and Employees. Ms. Anupama Yatiraj, Yoga Teacher from Bharati Yoga Kendra highlighted the benefits of yoga and demonstrated yoga asanas. Shri Rajesh Rai, CMD, Shri Rajeev Srivastava, Director (Finance), Shri R C Tiwari, Director (Marketing), Senior Officers and Employees of Bangalore Plant, Corporate Office and NS Unit participated in the yoga session.



Team of TRAI Officials Visit ITI Limited

A team of officials from Telecom Regulatory of India (TRAI), Dr. P. D. Vaghela, Chairman, Shri V. Raghunandan, Secretary, Shri Brajendra Kumar, Advisor and Shri K. Muralidhara, SRO visited ITI Limited on June 24, 2023. Shri Rajesh Rai, CMD, ITI Limited gave an overview of the Company in the presence of Shri Rajeev Srivastava, Director (Finance), Shri Rakesh Chandra Tiwari, Director (Marketing), Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Shri T S Sudhakar, GM-B and R&D, Unit Head, ITI Bangalore Plant and Senior Officers during their visit to ITI Corporate Office



Dr. P. D. Vaghela, Shri V. Raghunandan, Shri Brajendra Kumar and Shri K. Muralidhara also visited ITI Bangalore Plant. The team of TRAI officials witnessed the facilities of the plant at SMT Line, 4G Hangar, EVM's Hangar, Telecom Testing Lab, R&D Center and Startup Hub during their visit to ITI Bangalore Plant.



Shri Ajay Kumar Sahu, Member (Services), DCC Visits ITI Limited

Shri Ajay Kumar Sahu, Member (Services), DCC along with Shri Mukesh Mangal, DDC (SA-II) from DoT, Ministry of Communications, Gol visited ITI Limited on August 9, 2023. The officials were welcomed by Smt R Vasanthi, GM-B, Unit Head, ITI Bangalore Plant in the presence of Shri Rajesh Rai, CMD, ITI Limited, Shri Rajeev Srivastava, Director (Finance), Shri Rakesh Chandra Tiwari, Director (Marketing), Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Smt Ila Bahadur, EDR (TD) and Senior Officers at ITI Bangalore Plant. During the visit, Shri Ajay Kumar Sahu and Shri Mukesh Mangal were taken around the facilities of 4G Hangar, SMT Line, HDPE Plant, Telecom Testing Lab, R&D Center, Data Center and Startup Hub at the plant. Shri Ajay Kumar Sahu also held discussions with ITI Management Officers.



Shri Ajay Kumar Sahu, Member (Services) and Shri Mukesh Mangal, DDC (SA-II) also visited Corporate Office. Shri Rajesh Rai, CMD, ITI Limited gave an overview of the Company in the presence of Shri Rajeev Srivastava, Director (Finance), Shri Rakesh Chandra Tiwari, Director (Marketing), Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Shri



B. Kasiviswanathan, CVO, Smt Ila Bahadur, EDR (TD), Smt R Vasanthi, GM-B, Unit Head, ITI Bangalore Plant and Senior Officers. Shri Rajesh Rai also reviewed the progress of ongoing projects.



ITI Limited Celebrates 77th Independence Day

ITI Limited celebrated nation's 77th Independence Day with great fervor and patriotism at its Corporate Office on August 15, 2023. Shri Rajesh Rai, CMD, ITI Limited hoisted the tricolour national flag after inspecting the guard of honour which was followed by salute and national anthem in the presence of Shri Rakesh Chandra Tiwari, Director (Marketing), Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Senior Officers, Employees & family members, representatives of Employees' Union and Officers' Association and ITI School children at its Corporate Office, Bengaluru.



ITI Limited wins accolades from ISRO for its role in successful launch of Chandrayaan-3

ITI Limited has won accolades from ISRO (Indian Space Research Organisation) as a 'trusted partner' for playing a significant role in the successful launch of Chandrayaan-3 (LVM3-M4) which was launched from Satish Dhawan Space Center (SDSC) in Sriharikota on July 14, 2023.

India's third moon mission, Chandrayaan-3, had a perfect successful launch on-board a Mark-3 (LVM-3) rocket. The flight vehicle of this prestigious

mission had on its board 55 packages manufactured by ITI Palakkad Plant adhering to the stringent highest quality standards of ISRO.

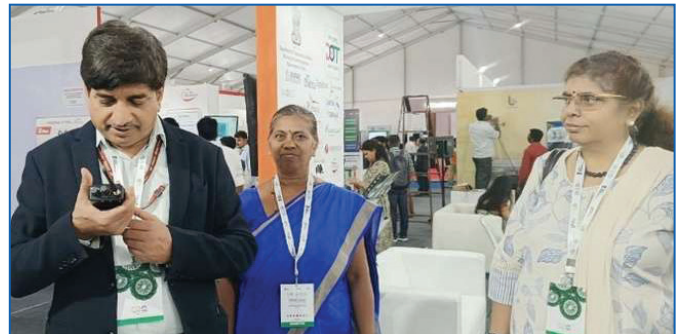
The Department of Telecommunications (DoT), Ministry of Communications, GoI also applauded ITI Limited for its contribution to ISRO in the successful launch of Chandrayaan-3 (LVM3-M4).

ITI Limited Participates in the G20 Digital Innovation Alliance Summit

ITI Limited participated in the G20 Digital Innovation Alliance Summit held from August 17 to 19, 2023 at the Bangalore Palace, Bengaluru. During the summit, ITI Limited showcased its spectrum of indigenous Telecom solutions at G20 DIA EXPO.

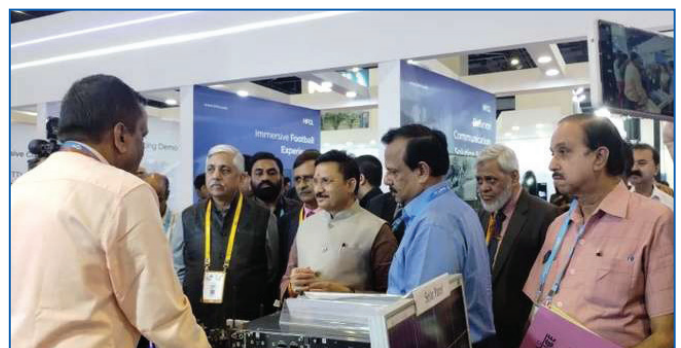


Shri Rajesh Rai, CMD, ITI Limited visited ITI stall and interacted with delegates and visitors. The G20 Digital Innovation Alliance aims to recognize and support innovators that have digital solutions for various world economies.



ITI Limited Participates in 'India Mobile Congress 2023'

The 7th edition of 'India Mobile Congress 2023', the country's biggest telecom industry event was organized by Department of Telecommunications (DoT) in association with Cellular Operators Association of India (COAI) at Pragati Maidan, New Delhi from October 27 to 29, 2023. The theme of IMC 2023, was 'Global Digital Innovation' and it provided an opportunity to showcase 6G, advancements in 5G networks, the increasing use of artificial intelligence (AI) in telecommunications, edge computing and developments related to India Stack.



ITI Limited participated in IMC 2023 exhibition at Stall No. 4.120, Hall 4 at Pragati Maidan, New Delhi. ITI Limited showcased its spectrum of products and services like Encryptors for Defense, OFC, HDPE Duct, Solar Panels, Telecom product portfolio of 4G RAN, GPON, Data Center, EVMs, Smart Energy Meters, Laptops and Smash PCs under 'Aatmanirbhar Bharat', 'Make in India' and 'Digital India' initiatives of GoI during the event. Shri Devusinh Chauhan, Minister of State for Communications and Dr. Neeraj Mittal, IAS, Chairman DCC & Secretary (Telecom) visited ITI stall and they had the glimpses of the products displayed in the exhibition.



ITI Limited Observes Rashtriya Ekta Diwas

ITI Limited observed Rashtriya Ekta Diwas at Corporate Office and across its Manufacturing Plants/Units to commemorate the birth anniversary of Sardar Vallabhbhai Patel, the 'Iron Man of India' on 31st October 2023. The day was celebrated in honor of Sardar Patel for his significant role in India's freedom movement and in the unification of the nation. On the occasion a Rashtriya Ekta Diwas pledge taking ceremony was organized to re-affirm the inherent strength and resilience of our nation to withstand the actual and potential threats to the unity, integrity and security of country and to encourage community building for country's development. The pledge was administered by Shri Rakesh Chandra Tiwari, Director (Marketing) in Hindi followed by Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR) in English and Shri Haratheesh H A, AGM-AM in Kannada to the employees at Corporate Office.



Air Vice Marshal Devendra Srivastava, Assistant Chief of Air Staff Operations (Communication & IT) Visits ITI Limited

Air Vice Marshal Devendra Srivastava, Assistant Chief of Air Staff Operations (Communication & IT), Air Head Quarters (Vayu Bhawan), New Delhi visited ITI Limited on December 19, 2023. Air Vice Marshal Devendra Srivastava visited ITI Bangalore Plant and inspected the facilities of the plant at 4G Hangar, SMT Line, PCB, Fabrication Shop and R&D.



Air Vice Marshal Devendra Srivastava also visited ITI Corporate Office. He held discussions with Shri Rajesh Rai, CMD, ITI Limited and reviewed the progress of the ongoing communications projects of Indian Air Force (IAF).



Shri Alok Kumar, IAS (Retd.), State Election Commissioner, Assam State Election Commission Visits ITI Bangalore Plant

Shri Alok Kumar, IAS (Retd.), State Election Commissioner, Assam State Election Commission visited ITI Bangalore Plant on December 15, 2023. Shri Alok Kumar was welcomed by Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Smt Ila Bahadur, ED (T & BD) and Smt R Vasanthi, GM-B, Unit Head, ITI Bangalore Plant. He held discussions with ITI Management Officers on the ongoing projects of the Company.





Shri Alok Kumar was taken around the facilities of the plant at SMT Line, 4G Hangar, PCB, Fabrication Shop, Data Center, R&D and EVM Lab during the visit. A live demonstration was also made about Electronic Voting Machines (EVMs) and its functions.



TATA Electronics Team Visits ITI Bangalore Plant

A team of officials, Dr. Charan Gurumurthy, Senior Vice President and Head Foundry, Assembly and Testing, Shri Mohamed Nowful, Head Technology Development, Package and Design from TATA Electronics Pvt Ltd and Shri Venkatesha Prasad, Head Partner Enablement from Tata Consultancy Services visited ITI Bangalore Plant on December 21, 2023.

The officials were welcomed by Shri Rajesh Rai, CMD, ITI Limited, Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR) and Smt R Vasanthi, GM-B, Unit Head, ITI Bangalore Plant in the presence of Senior Officers. During the visit, the officials were taken around the facilities of the plant at 4G Hangar, SMT Line, 3D Printing, Telecom Testing Lab, PCB, Fabrication & Molding, R&D, Data Center and Startup Hub. A discussion was also held by ITI Management Officers with the officials on 4G project.



Shri Saurabh Gupta, CGM (QA & I) Visits ITI Limited

Shri Saurabh Gupta, CGM (QA & I) from BSNL Quality Assurance & Inspection Circle, BSNL, Bengaluru visited ITI Limited on December 29, 2023. He was welcomed by Shri Rajesh Rai, CMD, ITI Limited in the presence of Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR) and Smt R Vasanthi, GM-B, Unit Head, ITI Bangalore Plant and Senior Officers. Shri Saurabh Gupta held discussions with ITI Management Officers on the ongoing 4G project.

Shri Saurabh Gupta also visited ITI Bangalore Plant and inspected the facilities of the plant at 4G Hangar, SMT Line, PCB, Fabrication Shop, Telecom Testing Lab, Data Center, R&D and EVM Lab.



Study Visit of the Standing Committee on Communications and Information Technology (2023-24) to Andaman & Nicobar Islands, Bengaluru and Goa from January 5 to January 9, 2024

A study visit of the Standing Committee on Communications and Information Technology (2023-24) to Andaman & Nicobar Islands, Bengaluru and Goa was organized from January 5 to January 9, 2024. As part of the study visit, the Standing Committee Members of Parliament under the Chairmanship of Shri Prataprao Jadhav visited Bengaluru on January 8, 2024. During their visit they held discussions on the subject 'Inter sectoral review of challenges of emerging technologies, entities and practices' with Shri Dindyalal Tosniwal, DDG (NT) from Department of Telecommunications, Ministry of Communications, GoI and Shri Rajesh Rai, CMD, ITI Limited, Shri Rajeev Srivastava, Director (Finance), Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Senior Officers and Dr. Rajkumar Upadhyay, CEO, C-DoT at Taj Bangalore, Devanahalli, Bengaluru.



Shri C V Ramana Babu Takes Charge of Director Marketing of ITI Limited



Shri C V Ramana Babu has taken over charge of Director Marketing of ITI Limited with effect from January 25, 2024. Shri C V Ramana Babu belongs to Indian Telecom Services (ITS) 1990 Batch. He holds a Bachelor degree in Electronics & Communications from Andhra University and Diploma in Public Policy and Sustainable Development from The Energy and Resource Institute (TERI), New Delhi. A highly

motivated and result oriented person having more than 30 years of rich experience in Project planning, execution, installation and commissioning and operations of various telecom networks.

ITI Limited Celebrates Nation's 75th Republic Day

ITI Limited celebrated nation's 75th Republic Day with great fervor and enthusiasm at its Corporate Office and across Manufacturing Plants/Units on January 26, 2024. Shri Rajesh Rai, Chairman and Managing Director, ITI Limited and Shri C V Ramana Babu, Director (Marketing) participated in the celebrations through video conference. Shri Rajeev Srivastava, Director (Finance), ITI Limited hoisted the tricolour national flag, after inspecting the guard of honour which was followed by salute and national anthem in the presence of Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Senior Officers, Representatives of Employees' Union and Officers Association, Officers, Employees and family members.



Speaking on the occasion, Shri Rajesh Rai, CMD, ITI Limited extended his warm greetings to the gathering through video conference. He paid homage to all the martyrs who sacrificed their lives for India's Independence and those who established the Indian constitution, the largest democracy in the world. Shri Rai gave an overview of the performance of the Company, underlined the status of ongoing projects. He also exhorted all the employees to execute the projects to meet the set targets for the year 2023-24 and take challenges to achieve new milestones, thereby contributing to the nation building.



Dr. Neeraj Mittal, IAS, Chairman DCC & Secretary (T) Visits ITI Limited

Dr. Neeraj Mittal, IAS, Chairman DCC & Secretary (T) along with Shri Ravi A Robert Jerard, DDG (S.R.I.), Shri S S Galgal, DDG (Technology), Karnataka LSA from DoT, Ministry of Communications, Gol and Dr. Rajkumar Upadhyay, CEO, C-DoT visited ITI Limited on March 8, 2024. Dr. Neeraj Mittal and the officials were welcomed by Shri Rajesh Rai, CMD, ITI Limited, Functional Directors and Senior Officers.

During the visit, 4G Manufacturing Hangar was inaugurated by Dr. Neeraj Mittal in the presence of Shri Rajesh Rai, CMD, ITI Limited, Shri Rajeev Srivastava, Director (Finance), Smt S Jeyanthi, Director (Production) and Additional Charge Director (HR), Shri C V Ramana Babu, Director (Marketing), Smt R Vasanthi, GM-B, Unit Head, ITI Bangalore Plant and Senior Officers at ITI Bangalore Plant.





The officials, Dr. Neeraj Mittal, Dr. Rajkumar Upadhyay, Shri Ravi A Robert Jerard and Shri S S Galgal were taken around the facilities of the plant at SMT Line, Fabrication and Moulding, Powder Coating, EMC Lab, R&D, Data Center and Startup Hub.



Dr. Neeraj Mittal, Dr. Rajkumar Upadhyay, Shri Ravi A Robert Jerard and Shri S S Galgal also visited ITI Corporate Office. Dr. Neeraj Mittal held discussions with Management Officers of the Company.



As part of the celebration of International Women's Day, the women employees of the organization were addressed by Dr. Neeraj Mittal, IAS, Chairman DCC & Secretary (T) and Shri Rajesh Rai, CMD, ITI Limited at ITI Bangalore Plant on March 8, 2024.



Shri Rajesh Rai, CMD, ITI Limited gave an overview of the Company. A presentation was also made on the performance of the Company during their visit.

MOU's Signed

ITI Limited to Spearhead Digital India's Security with Indigenous Operating System - BharOS

ITI Limited, country's first PSU post-independence and premier telecom manufacturing company has signed a Memorandum of Understanding (MoU) with JandK Operations Private Limited for manufacturing and providing of BharOS-enabled digital devices on February 15, 2024. This collaboration aims to manufacture and provide BharOS-enabled digital devices, including mobiles, routers, tablets and more, to enhance the digital

security infrastructure of Digital India. BharOS, acclaimed for its reliability and security, offers users a trustworthy environment, ensuring the integrity of their digital interactions. With this partnership, ITI Limited reaffirms its commitment to advancing India's digital landscape while prioritizing data security and user privacy.



ITI Limited Forges Partnerships with Lekha Wireless Solutions Private Limited, Niral Networks Private Limited and Insta ICT Solutions to Propel 5G Technology Adoption in India

ITI Limited, country's first PSU post-independence and premier telecom manufacturing company has signed Memorandum of Understanding (MoU) with Lekha Wireless Private Limited, Niral Networks Private Limited and Insta ICT Solutions Private Limited to create and manage entire Private 5G ecosystem for an enterprise i.e., plan, design, deploy, implement and manage. ITI Limited has formalized a strategic collaboration with Lekha Wireless, Niral Networks and Insta ICT Solutions aimed at driving the adoption of 5G technology in India and signed the Memorandum of

Understanding (MoU) on February 15, 2024. The signed MoU signifies the beginning of a significant partnership between these niche entities in the telecommunications sector. Under the terms of the MoU, ITI Limited will collaborate with Lekha Wireless, Niral Networks and Insta ICT Solutions on implementing 5G Private (Captive & Non-Captive) Network Solutions within the Company. This collaboration underscores the commitment of these organizations to leverage advanced technology for the enhancement of telecommunications infrastructure in India.



Shri Rajesh Rai, CMD, ITI Limited exchanging signed MoU with Shri Ramu T S, Founder & Director, Lekha Wireless Solutions Private Limited



Shri Rajesh Rai, CMD, ITI Limited exchanging signed MoU with Shri Abhijit Chaudhary, Director & CEO, Niral Networks and Shri Yeshwant Shinde, CEO, Insta ICT Solutions Founder & Director, Lekha Wireless Solutions Private Limited



STANDALONE FINANCIAL STATEMENTS

Material Accounting Policies

Corporate Information

India's first Public Sector Unit (PSU) - ITI Ltd was established in 1948. Ever since, as a pioneering venture in the field of telecommunications, it has contributed to 50% of the present national telecom network. With state-of-the-art manufacturing facilities spread across six locations and a countrywide network of marketing/service outlets, the company offers a complete range of telecom products and total solutions covering the whole spectrum of Switching, Transmission, Access and Subscriber Premises equipment.

ITI joined the league of world class vendors of Global System for Mobile (GSM) technology with the inauguration of mobile equipment manufacturing facilities at its Mankapur and Rae Bareli Plants in 2005-06. This ushered in a new era of indigenous mobile equipment production in the country. These two facilities supply more than nine million lines per annum to both domestic as well as export markets.

1) Basis of Preparation

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP), on accrual basis of accounting, except as stated herein. GAAP comprises the mandatory Accounting Standards (IND -AS) [as notified under section 133 of the Companies Act, 2013 read Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015] to the extent applicable, provisions of the Companies Act, 2013, which have been consistently applied except where a new Accounting Standard is initially adopted or revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

Basis of Measurement:

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which are measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- Defined benefit asset/(liability) recognised at the present value of defined benefit obligation less fair value of plan assets.

2) Use of Estimates

The preparation of the financial statements in conformity with the IndAS requires that the management make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, expenses and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all the available information, actual results could differ from the estimates and such differences are recognised in the period in which the results are ascertained.

3) Functional and presentation currency

Financial statements are presented in Indian Rupee (INR) which is the functional and presentation currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest lakhs except share and per share data.

4) Revenue Recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

a) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when significant risks and reward of ownership have been transferred to the customer as per the terms of sale agreement, neither continuing management involvement nor effective control over the goods is retained, recovery of the consideration is probable, and the amount of cost incurred and the revenue can be measured reliably. Timing of transfer of risks and rewards is evaluated based on Inco-terms of the sales agreement.

b) Ex- Works Contract

When specified goods are unconditionally appropriated to the contract after prior inspection and acceptance, if required.

c) FOR Contracts

In the case of FOR contracts, sale is recognised when goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period. Revenue is recognised even if goods are retained with the Company at the request of the customer.

d) Bill and Hold Sales

For bill-and-hold transactions, revenue is recognised when the customer takes title, provided that:

- it is probable that delivery will be made;
- the item is on hand, identified and ready for delivery to the buyer at the time when the sale is recognised;
- the buyer specifically acknowledges the deferred delivery instructions; the usual payment terms apply



e) Services and Construction contracts

Revenue on time-and-material and unit of work-based contracts, are recognized as the related services are performed. Fixed-price maintenance revenue is recognized rateably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or rateably using a percentage-of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. When it is probable that contract costs at completion will exceed total contract revenue, the expected loss at completion is recognised immediately as an expense.

Some contracts include multiple performance obligations, such as the supply of systems, equipment etc., and maintenance services. Consideration towards maintenance services is therefore identified and accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

For other fixed-price contracts, revenue is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to the work performed. No revenue is recognised if there is significant uncertainty regarding recovery of the consideration due or if the costs incurred or to be incurred cannot be measured reliably.

f) Interest income

Interest income is recognized using the effective interest rate method.

g) Dividend

Dividend income is recognised when the Company's right to receive dividend is established

h) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term unless increases in rentals are in line with the expected inflation or otherwise justified (Fair Value).

i) Duty Drawbacks

Duty drawback claims on exports are accounted on preferring the claims.

j) Other Income

Other Income not specifically stated above is recognised on accrual basis.

5) Property, plant and equipment, Capital Work-in progress

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses if any. Cost comprises of the purchase price and any attributable cost of bringing the PPE to its working condition for its intended use. Borrowing and other attributable costs relating to acquisition of the PPE which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such PPE are ready to be put to use. PPE are eliminated from the financial statements, either on disposal or when retired from such use. When significant parts of Plant and Equipment are required to be replaced at intervals, the same is recognised as a separate component.

Assets acquired free of cost or received as gift are stated at fair value which is credited to Other Equity at the time of acquisition or receipt less accumulated depreciation and impairment losses.

Capital work-in-progress

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work-In-Progress.

Income pertaining to construction period such as interest on advance to contractors, sale of tender documents etc., is set off against expenditure during construction.

Expenditure on development of leasehold land is capitalised as Land Development Expenditure and amortised over the lease period or useful, life whichever is lower.

6) Intangible Assets, Intangible Asset under Development

- a. Cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits, is recognised as an intangible asset when the same is ready for use. Intangible Assets not yet ready for their intended use as at the Balance Sheet date are classified as "Intangible Assets under Development"
- b. Cost of developmental work which is completed, wherever eligible, is recognized as an Intangible Asset.
- c. Cost of developmental work under progress, wherever eligible, is classified as "Intangible Assets under Development".
- d. Carrying amount includes amount funded by the Company to external agencies towards developmental project(s) and expenditure incurred by the Company towards material cost, employee cost and other direct expenditure.

7) Research and development expenses:

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement



of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. Tangible assets used in research and development are capitalized.

Expenditure incurred towards other development activity where the research results or other knowledge is applied for developing new or improved products or processes, are recognised as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the company has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

8) Impairment of Non-financial assets

At the end of each Balance Sheet date, carrying amount of assets are reviewed, if there is any indication of impairment based on internal/external factors. If the estimated recoverable amount is found to be lower than the carrying amount, then the impairment loss is recognised and assets are written down to the recoverable amount.

9) Depreciation /Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

Depreciation on additions and deletions to fixed assets during the year is provided on pro-rata basis as under:

- Depreciation is reckoned in full for the month of addition for the assets commissioned on or before 15th day of a month while no depreciation is reckoned for the month of addition for the assets commissioned after 15th of the month.
- In respect of assets sold, discarded, damaged or destroyed on or before 15th day of a month no depreciation is reckoned for the month of deletion while for the assets sold, discarded, damaged or destroyed after 15th of the month depreciation is reckoned in full for the month of deletion.
- Where cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and depreciated on straight line method over its estimated useful life.
- The Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amortization

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed periodically at each financial year end.

In the case of depreciable assets which have been revalued, depreciation is calculated on straight line method on the revalued amount. Incremental depreciation on account of Revaluation is recouped as a credit to the general Reserve, as per the Schedule II of the Companies Act 2013.

Disposal of property, plant and equipment

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

Particulars		(Years)
A.	(a) Building (other than factory buildings)	60
	(b) Factory building	30
	(c) Purely temporary erections	3
	(d) Building with dwelling units each with plinth area not exceeding 80 sqm.	30
B.	Furniture & Fittings	10
C.	Plant & Machinery	
	(a) General Rate (on double shift basis)	15
	(b) Special Rate: - Servers & Networks	6
	(c) Data Processing Machines including Computers	3
D.	Roads and compound Walls	10
E.	Office Machinery and Equipment	5
F.	Vehicles	8
G.	Assets costing less than ₹5,000/- are depreciated @ 100%	
	However, in respect of assets having original cost of ₹50,000/- and above, a residual balance of ₹5/- has been retained in the books.	

10) Leases

A lease is classified at the inception date as a finance lease or an operating lease.

Company as a Lessee

Finance leases are capitalised at lower of fair value and the present value of the minimum lease payments on commencement of the lease. Finance charges are recognised as Finance Costs in the Statement of Profit and Loss. A leased asset is depreciated over the useful life of the asset or lease term, whichever is lower.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.



The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Company as a lessor

Operating lease income is recognised over the lease term on straight line basis, except when the escalations are due to general inflation or otherwise justified. Contingent rents, if any, are recognised as revenue in the period in which they are earned.

11) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale is capitalised as part of the cost of the asset.

General borrowing costs are capitalised to qualifying assets by applying a capitalisation rate, which is the weighted average of the borrowing costs applicable to the general borrowings outstanding, other than specific borrowings, to the expenditure on that asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds, as also exchange differences to the extent regarded as an adjustment to the borrowing costs.

12) Government Grants

Grants from Government are measured at fair value and initially recognized as Deferred Income.

Amount lying under Deferred Income on account of acquisition of Fixed Assets is transferred to the credit of the Statement of Profit and Loss in proportion to the depreciation charged on the respective assets to the extent attributable to Government Grants utilised for the acquisition.

Amount lying under Deferred Income on account of revenue expenses is transferred to the credit of the Statement of Profit and Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the grant received.

13) Investments in joint venture and associates

Company accounts for its interests in associates and joint ventures at cost or in accordance with Ind AS 109 in the standalone financial statements but in the consolidated Financial statements under equity method.

14) Inventories

Raw materials, components and stores purchased for manufacturing/ production activities are valued at lower of cost and net realizable value, after providing for obsolescence, if any. Cost is calculated on weighted average rate as at the end of the year. Where same items are purchased as also manufactured, manufacturing costs are generally adopted.

Raw materials and production stores with ancillaries and fabricators are valued at lower of cost at the time of such issue and net realizable value, after providing for obsolescence, if any.

Manufactured items in stock and stock-in-trade are valued at lower of cost excluding interest charges, administration overheads & sales overheads and at the net realisable value, after providing for obsolescence, if any.

Precious metals scrap is brought to books at the year end at net realizable value.

15) Work-in-process

a. Work-in-process (production) is valued on the basis of physically verified quantities at lower of cost excluding interest charges, administration & sales overheads and at the net realisable value, after providing for obsolescence, if any.

b. Work-in-process (Installation) is valued at lower of cost as recorded in the work orders and net realizable value, after providing for obsolescence, if any.

16) Tools and Gauges

Expenditure on special purpose tools and fixtures is initially capitalized at cost and then amortized over production on a systematic basis, based on technical assessment.

Loose tools are charged to revenue at the time of issue.

17) Financial assets (Trade Receivables & Other receivables)

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that the assets may be impaired, same is reviewed for impairment.

18) Errors and Estimates

The Company revises its accounting policies, if the change is required due to a change in the Ind AS or if the change provides more relevant and reliable information to the users of the financial statements.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to statement of Profit or Loss is applied prospectively in the period(s) of change.

Discovery of errors and results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. Opening balances of the earliest period presented are also restated.

19) Income taxes

Income tax comprises of current and deferred income tax

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.



Deferred tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

20) Warranty Liability

Warranty liability for contractual obligation in respect of equipment sold to customers is accounted for the basis of an annual technical assessment.

21) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the functional currency exchange rate at the dates of the initial transactions.

22) Employee benefits

- Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- Post-employment benefit viz. gratuity and other long-term employee benefits viz. Privilege Leave, Sick Leave and LLTC are recognised as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services. Expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques.
- Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

- Expenditure related to voluntary retirement scheme (VRS) is written off in the year of incidence.
- Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company remits the contribution to the ITI Employees' Provident Fund Trust. The trust after making a portion of contribution to the government-administered pension fund as per the regulations, invests the remaining funds in specific designated instruments as permitted by appropriate regulations. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

23) Provision & Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. Expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets are not recognised in the financial statements. However, contingent liabilities unless the possibility of an outflow of resources embodying economic benefits is remote and contingent assets where an inflow of economic benefits is probable are disclosed in the notes.

Onerous Contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

24) Fair value measurement

The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:



Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For purposes of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

25) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

26) Financial Instruments

a) Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset are included in the cost of the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments at amortised cost,
- ii. Debt instruments at fair value through other comprehensive income (FVTOCI),
- iii. Debt instruments, derivatives and equity instruments at fair value through Profit or Loss (FVTPL),
- iv. Equity instruments (other than investments in associates – which is carried at cost) measured at fair value through other comprehensive income (FVTOCI).

Derecognition

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset has expired.

Embedded derivative

Embedded derivative, if required, is separated from host contract and measured at fair value.

27) Forward Contracts

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets

when the fair value is positive and as financial liabilities when the fair value is negative.

28) Cash and cash equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

29) Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

- a. Time barred dues from the Government / Government Departments / Government Companies are generally not considered as increase in credit risk of such financial asset.
- b. Where dues are disputed in legal proceedings, provision is made if any decision is given against the Company even if the same is taken up on appeal to higher authorities / courts.
- c. In case of dues outstanding for a significant period of time, on a case to case basis

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ (income) in the Statement of Profit and Loss. This amount is reflected in a separate line in Profit and Loss Statement as an impairment gain or loss.

30) Financial Liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at fair value through Profit and Loss as loans, borrowings, payables, or derivatives, as appropriate.

Loans, borrowings and payables, are stated net of transaction costs that are directly attributable.

b) Subsequent measurement

Measurement of financial liabilities depends on their classification, as described below:

- i. Financial liabilities at fair value through profit or loss.
- ii. Financial liabilities at fair value through Profit or Loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IndAS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.



c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

d) Trade and other payables

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

31) Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively.

32) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable

legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

33) Cash dividend and non-cash distribution to equity shareholders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

34) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

35) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

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

For & On Behalf of Board of Directors

Vasuki H S
Partner
M. No.. 212013

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

Standalone Balance Sheet as at 31.03.2024

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024		As at 31.03.2023	
I) ASSETS					
1. Non-current assets					
(a) Property, Plant & Equipment	1	266379.48		268408.07	
(b) Capital work-in-progress	2	14228.25		13863.12	
(c) Investment Property	3	6817.57		6827.78	
(d) Goodwill		0.00		0.00	
(e) Other Intangible assets		0.00		0.00	
(f) Intangible assets under development		0.00		0.00	
(g) Biological Assets other than bearer plants		0.00		0.00	
(h) Financial Assets					
(i) Investments	4(a)	40.55		40.55	
(ii) Trade receivables	4(b)	11528.53		19646.74	
(iii) Loans	4(c)	0.00		0.00	
(iv) Others	4(d)	3.00		3.00	
(i) Deferred tax assets (net)		0.00		0.00	
(j) Other non current assets	5	0.52	298997.90	0.52	308789.79
2. Current assets					
(a) Inventories	6	22220.13		24975.23	
(b) Financial Assets					
(i) Investments		0.00		0.00	
(ii) Trade receivables	7	244081.25		242927.83	
(iii) Cash and cash equivalents	8(a)	10526.11		935.78	
(iv) Bank Balances other than (iii) above	8(b)	72715.91		20548.13	
(v) Loans	9(a)	79957.52		73302.93	
(vii) Others	9(b)	218180.01		257975.43	
(c) Current Tax Assets (Net)		0.00		0.00	
(d) Other current assets	10	9638.68	657319.61	16207.31	636872.64
TOTAL			956317.51		945662.45
II) EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share capital	11	96088.69		94957.74	
(b) Other Equity	12	78857.76	174946.44	139015.31	233973.05
LIABILITIES					
1. Non-current Liabilities					
(a) Government Grants Unutilised	13	4496.42		4501.06	
(b) Financial Liabilities					
(i) Borrowings	14(a)	12000.00		18000.00	
(ia) Lease liabilities	14(b)	42.99		59.66	
(ii) Trade Payables	14(c)				
(A) total outstanding dues of micro enterprises & small enterprises		0.00		0.00	



Standalone Balance Sheet as at 31.03.2024 Contd...

₹ in Lakhs

B) total outstanding dues of creditors other than micro enterprises & small enterprises		10912.05		17399.02	
(iii) Others	14(d)	7933.30		7631.29	
(c) Provisions	15	5363.28		5141.35	
(d) Deferred tax liabilities(net)		0.00		0.00	
(e) Other non current liabilities	16	0.00	40748.04	0.00	52732.38
2. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	17(a)	167545.86		169583.52	
(ia) Lease liabilities	17(b)	16.67		15.01	
(ii) Trade Payables	17(c)				
(A) total outstanding dues of micro enterprises & small enterprises		8398.42		12895.01	
(B) total outstanding dues of creditors other than micro enterprises & small enterprises		147348.25		124773.18	
(iii) Others	18	200980.12		229026.90	
(b) Other current liabilities	19	200637.71		103221.54	
(c) Provisions	20	15696.00		19441.86	
(d) Current Tax Liabilities	21	0.00	740623.03	0.00	658957.02
TOTAL			956317.51		945662.45

Note : The accompanying Material Accounting Policies and notes form part of the financial statements

As per our report of even date

For: B.K.Ramadhyani & Co. LLP

Chartered Accountants

Firm Reg No.: 002878S/S200021

For & On Behalf of Board of Directors

Vasuki H S
Partner
M. No.. 212013

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

Statement of Standalone Changes in Equity

A. Equity Share Capital

₹ in Lakhs

Particulars	2023-24	2022-23
Balance at the beginning of the year	94,957.74	93,352.29
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	1,130.96	1,605.45
Balance as at end of the year	96,088.70	94,957.74

B. Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus						Revaluation Surplus	Other items of Other Comprehensive Income	Total
		Capital Reserve	Securities Premium	OCI-Remeasurement of DBP	Other Reserves	General reserve	Retained Earnings			
Balance as at 01.04.2023	10,700.00	305,827.30	35,230.29	2,680.34	-	235,316.61	-450,739.20	-	-	139,015.30
Any other adjustments							-1.35			
Changes in accounting policy / prior period errors										-
Restated balance at the beginning of the current reporting period	10,700.00	305,827.30	35,230.29	2,680.34	-	235,316.61	-450,740.55	-	-	139,015.30
Total Comprehensive Income for the current year				-2,120.51						-2,120.51
Dividends										
Transfer to retained earnings							-56,906.15			-56,906.15
Any other changes	-10,700.00		9,569.04							-1,130.96
Capital Grant received during the year *	-									-
Balance as at 31.03.2024	-	305,827.30	44,799.33	559.83	-	235,316.61	-507,646.68	-	-	78,857.76
Balance as at 01.04.2022	7,156.30	305,827.30	21,679.44	8,759.38	0.00	235,316.61	-414,729.56	-	-	164,009.48
Changes in accounting policy / Period errors *							-			-
Restated balance at the beginning of the current reporting period	7,156.30	305,827.30	21,679.44	8,759.38	-	235,316.61	-414,729.56	-	-	164,009.48
Total Comprehensive Income for the current year				-6,079.04						-6,079.04
Dividends										
Transfer to retained earnings							-36,009.64			-36,009.64
Capital Grant received during the year *	10,700.00									10,700.00
Any other change	-7,156.30		13,550.85							6,394.55
Balance as at 31.03.2023	10,700.00	305,827.30	35,230.29	2,680.34	-	235,316.61	-450,739.20	-	-	139,015.30



*** Note :**

Under the Rehabilitation Scheme approved by CCEA for the revival of ITI Limited sanctioned upon the Company being declared as a Sick Company as per provisions of Sick Industrial Companies Act (SICA), 1985, financial assistance of ₹415679 lakhs was sanctioned in February 2014. As part of the revival scheme. Capital grant received during FY 2022-23 of Rs. 10700 lakhs for which the company has issued shares of 11309586 Equity Shares @ ₹ 94.61 each, Face Value of ₹10/- each to President of India on 11.05.2023.

The accompanying Material Accounting Policies and 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

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RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

Standalone Statement of Profit and Loss for the year ended 31.03.2024

₹ in Lakhs

Particulars	Note No.	For the year ended 31.03.2024		For the year ended 31.03.2023	
INCOME					
I. Revenue from operations	22	126363.22		139544.51	
II. Other Income	23	4449.79		5254.88	
III. Total Income (I+II)			130813.01		144799.38
IV. EXPENSES:					
Cost of materials consumed	24	8372.89		16441.53	
Purchase of Stock-in-Trade	25 (a)	35636.55		27337.18	
Installation & Maintenance Charges	25 (b)	71839.34		77664.74	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	2525.62		(3322.78)	
Employee benefit expense	27	23179.60		22887.13	
Finance costs	28	24138.84		20958.40	
Depreciation and amortization expense	29	5312.25		4949.84	
Other expenses	30	16714.07		13892.97	
IV. Total Expenses			187719.15		180809.03
V. Profit/(Loss) before exceptional items and tax (III-IV)			(56906.15)		(36009.64)
VI. Exceptional Items					
(i) Income			0.00		0.00
(ii) Expenses			0.00		0.00
VII. Profit/(Loss) before tax (V + VI)			(56906.15)		(36009.64)
VIII. Tax expense:					
(1) Current tax			0.00		0.00
(2) Deferred tax			0.00		0.00
IX. Profit(Loss) for the period (VII-VIII)			(56906.15)		(36009.64)
X. Other Comprehensive Income					
A. (i) Items that will not be reclassified to profit or loss					
Remeasurements of Defined Benefit Plans			(2120.51)		(6079.04)
Change in Fair Value of Equity instrument through OCI			0.00		0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss			0.00		0.00
B. (i) Items that will be reclassified to profit or loss			0.00		0.00
(ii) Income tax relating to items that will be reclassified to profit or loss			0.00		0.00
XI. Total Comprehensive Income for the period (IX+X) Comprising Profit (Loss) and Other comprehensive Income for the period			(59026.65)		(42088.67)
XII. Earnings per equity share (for continuing operation):					
Basic & Diluted (Face value of ₹ 10/- each):			(5.93)		(3.81)
Weighted average number of shares			959620017		944488639

Note: The accompanying Material Accounting Policies and 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

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024



Standalone Cash Flow Statement for the year ended 31.03.2024

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT/(LOSS) BEFORE TAX		(56906.15)		(36009.64)
Adjustment For :				
Depreciation	5312.25		4949.84	
Financing Charges	24138.84		20958.40	
Profit On Sale Of Investments	0.00		0.00	
Interest/Dividend Received	(291.66)		(541.27)	
Loss On Sale Of Asset	114.83		0.00	
Profit On Sale Of Asset	(48.11)		(1628.83)	
Transfer From Grant-In-Aid	0.00		250.94	
Transfer From Grant-In-Aid	0.00		0.00	
Other Comprehensive Income	(2120.51)		(6079.04)	
Non-Cash Expenditure	1541.94	28647.58	2660.62	20570.67
OPERATING CASH PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		(28258.57)		(15438.97)
Adjustment For:				
Trade And Other Receivables	45587.86		3297.07	
Inventories	2299.57		(5635.69)	
Trade Payables	77739.04		(11600.84)	
Direct Taxes Paid	0.00	125626.47	0.00	(13939.46)
CASH GENERATED FROM OPERATIONS		97367.90		(29378.43)
NET CASH GENERATED BY OPERATING ACTIVITIES (A)		97367.90		(29378.43)
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase Of Fixed Assets Including:				
Capital Work-In-Progress	(3756.69)		(6069.97)	
Sale Of Fixed Assets	48.11		1628.83	
Investments	0.00		0.00	
Interest Received	291.66		541.27	
Proceeds from maturity/Deposit of Other Bank Balances	(52167.79)		8545.12	
Dividend Received	0.00	(55584.71)	0.00	4645.25
NET CASH USED IN INVESTING ACTIVITIES [B]		(55584.71)		4645.25
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds From Short Term Borrowings	(8052.67)		26370.79	
Share Application Money	0.00		10700.00	
Capex Grant Received and shares allotted	0.00		8000.00	
Adjustment with surplus	(1.35)		0.00	
Grant-In-Aid Received	0.00		0.00	
Financing Expenses	(24138.84)	(32192.86)	(20958.40)	24112.39
NET CASH USED IN FINANCING ACTIVITIES [C]		(32192.86)		24112.39
NET INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]		9590.34		(620.78)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		935.78		1556.54
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		10526.11		935.76

Note: The accompanying Material Accounting Policies and notes form part of the financial statements

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

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DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

Notes to the Financial Statements

Note No.1

Property, Plant & Equipment

₹ in Lakhs
FY 2023-24

PARTICULARS	GROSS BLOCK						DEPRECIATION					Net Carrying Value as at 31.03.2024
	GROSS AMOUNT 01.04.2023	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2024	ACCUMULATED DEP. 01.04.2023	FOR THE PERIOD	DELETION	ADJUSTMENTS	TOTAL 31.03.2024	
LAND:												
-FREE HOLD	220,890.09	-	-	-	-	220,890.09	-	-	-	-	-	220,890.09
-LEASE HOLD	777.13	-	-	-	-	777.13	1.89	0.27	-	-	2.16	774.97
ASSETS GIVEN ON LEASE	-	-	-	-	-	-	-	-	-	-	-	-
LAND DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING	14,958.31	55.32	-	-	-10.12	15,003.51	5,105.64	703.54	-	-1.35	5,807.83	9,195.68
PLANT & MACHINERY	50,714.07	1,880.15	1,670.98	-	-	50,923.24	18,283.50	3,846.38	1,670.96	-	20,458.92	30,464.32
OTHER EQUIPMENT	6,195.47	1,246.31	6.92	-	-	7,434.86	2,156.27	628.37	3.69	-	2,780.95	4,653.91
OFFICE M/C & EQPT	555.78	67.83	0.79	-	3.58	626.40	347.14	72.93	0.79	3.59	422.87	203.53
FURNITURE FIXTURE & FITTINGS	114.70	14.58	-	-	-	129.28	60.45	10.19	-	-	70.64	58.64
VEHICLES	175.80	-	3.34	-	-	172.46	103.99	16.58	3.34	-	117.23	55.23
ELECTRICAL INSTALLATION	29.49	21.31	-	-	-	50.80	-	3.39	-	-	3.39	47.41
RIGHT OF USE (CAR LEASE)	102.03	-	-	-	-	102.03	45.92	20.41	-	-	66.33	35.70
TOTAL	294,512.87	3,285.50	1,682.03	-	-6.54	296,109.80	26,104.80	5,302.06	1,678.78	2.24	29,730.32	266,379.48

Notes to the Financial Statements

Note No.1

Property, Plant & Equipment

₹ in Lakhs
FY 2022-23

PARTICULARS	GROSS BLOCK						DEPRECIATION				Net Carrying Value as at 31.03.2023	
	GROSS AMOUNT 01.04.2022	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUST-MENTS	TOTAL 31.03.2023	ACCUMU-LATED DEP. 01.04.2022	FOR THE PERIOD	DELETION	ADJUST-MENTS		TOTAL 31.03.2023
LAND:												
-FREE HOLD	220,957.17	-	67.08	-	-	220,890.09	-	-	-	-	-	220,890.09
-LEASE HOLD	777.13	-	-	-	-	777.13	1.62	0.27	-	-	1.89	775.24
ASSETS GIVEN ON LEASE	-	-	-	-	-	-	-	-	-	-	-	-
LAND DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING	14,706.58	251.73	-	-	-	14,958.31	4,400.43	705.21	-	-	5,105.64	9,852.67
PLANT & MACHINERY	44,848.89	5,925.54	60.36	-	-	50,714.07	14,649.31	3,694.17	59.98	-	18,283.50	32,430.57
OTHER EQUIPMENT	5,263.96	946.12	14.61	-	-	6,195.47	1,735.50	435.38	14.61	-	2,156.27	4,039.20
OFFICE M/C & EQPT	409.94	147.33	1.49	-	-	555.78	293.66	54.75	1.27	-	347.14	208.65
FURNITURE FIXTURE & FITTINGS	106.74	7.96	-	-	-	114.70	51.09	9.36	-	-	60.45	54.25
VEHICLES	148.06	27.74	-	-	-	175.80	87.75	16.24	-	-	103.99	71.81
ELECTRICAL INSTALLATION	29.49	-	-	-	-	29.49	-	-	-	-	-	29.49
RIGHT OF USE (CAR LEASE)	102.03	-	-	-	-	102.03	25.51	20.41	-	-	45.92	56.11
TOTAL	287,349.99	7,306.42	143.54	-	-	294,512.87	21,244.87	4,935.79	75.86	-	26,104.81	268,408.07

Notes:

- There is a charge of ₹7 lakhs on 400 D type and 624 E type quarters in favour of Govt. of Karnataka towards subsidy received in terms of Subsidised Industrial housing Scheme.
- Factory building is on the leased land measuring 30 Kanals for which extension for lease is under process with J&K Government.
- There is a charge on title of property, plant and equipment, and other assets of the company in favour of various lenders for an aggregate amount of Rs. 357694 lakhs as these assets are pledged as security for liabilities.
- Non-Availability of Title Deeds - Bangalore: - ITI Ltd is in possession of 435 acres of land at K.R. Puram. Out of this, the Company is having title deeds for an area of approximately 375 acres. For balance area, only record of rights exist with the Company for use of land and proper title deeds are not held by the Company.
Mankapur: Out of 191.03 acres of land purchased from private owners, title deed for 41.77 acres land are not available with the management.
Naini: - ITI Complex land (174.69 acres) was handed over by District Industrial Officer in 1969. The title deed of this land is still not transferred in the name of M/s ITI Ltd.
Palakkad: - The Company has Title/Lease deeds properties except in respect of land admeasuring 77 acres which has been resumed by Govt of Kerala and is under adjudication before apex court
 5. 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.
 6. Company is in the process of reconciling/recomputing the gross block and depreciation block details as per the respective Asset registers across all units/corporate office and currently furnished details of gross block/ depreciation block of the various assets whose written down value was not nil.
 7. Due to non-receipt of demand notice from Revenue Authorities towards property tax payable by ITI, Company is in the process of determining and payment of property taxes.

Notes to the Financial Statements

Note No.3

Investment Property:

₹ in Lakhs
FY 2023-24

PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Carrying Value as at 31.03.2024			
	GROSS AMOUNT 01.04.2023	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2024	ACCUMULATED DEP. 01.04.2023	FOR THE PERIOD		DELETION	ADJUSTMENTS	TOTAL 31.03.2024
LAND	6,497.55	-	-	-	-	6,497.55	-	-	-	-	-	6,497.55
BUILDING	382.35	-	-	-	-	382.35	52.12	10.21	-	-	62.33	320.02
TOTAL	6,879.90	-	-	-	-	6,879.90	52.12	10.21	-	-	62.33	6,817.57

Investment Property:

PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Carrying Value as at 31.03.2023			
	GROSS AMOUNT 01.04.2022	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2023	ACCUMULATED DEP. 01.04.2022	FOR THE PERIOD		DELETION	ADJUSTMENTS	TOTAL 31.03.2023
LAND	6,497.55	-	-	-	-	6,497.55	-	-	-	-	-	6,497.55
BUILDING	382.35	-	-	-	-	382.35	41.90	10.22	-	-	52.12	330.23
TOTAL	6,879.90	-	-	-	-	6,879.90	41.90	10.22	-	-	52.12	6,827.78

Notes:

- Land measuring 4653.75 sq.meters has been leased to Department of Telecommunications for a period of 99 years commencing from 3.10.1983.
 - Formal Conveyance/lease deeds in respect of Land (excepting part of lands at Bangalore & Mankapur) are yet to be executed by the respective State Governments.
 - Land measuring 1256.86 Sq. metres has been leased to Dept. of Telecommunications for a period of 99 years commencing from 10.07.1991.
 - 3 acres of land is leased to State Government for construction of Mini-Vrhdhana Soudha for a period of 99 years commencing from March, 1994.
 - 1.83 acres of land is leased to Southern Railways and 0.286 acres of land is leased to ESI corporation.
 - BSNL Telephone Exchange having area of 0.5733 acres of land
 - HPCL Petrol bunk, ITI Colony having area of 0.2222 acres of land
 - HPCL Petrol bunk, Old Madras Road, K.R.Puram having area of 0.3025 acres of land
 - EPFO, F-28 Bldg. having area of 0.6069 acres of land
 - Thumbay Aviation [Halipad - EC Plant] having area of 0.9182 acres of land
 - Embassy Services Pvt. Ltd. having area of Land and Building 0.776 acres and 6300 Sq.meters respectively.
- iv.) The company is in the process of engaging the registered valuer for obtaining the fair values of various investment properties and hence the disclosure of this information could not be given.



Notes to the Standalone Financial Statements

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 2				
CAPITAL WORK-IN-PROGRESS				
Capital Work-in-Progress at Cost	7131.82		7075.28	
Less: Provision	0.00		0.00	
TOTAL		7131.82		7075.28
Materials with Contractors	0.00		28.93	
Less : Provision	0.00		28.93	
TOTAL		0.00		0.00
Machinery at Cost				
In-Transit	7.41		7.93	
Awaiting Acceptance / Installation	7095.02		6786.44	
	7102.43		6794.38	
Less:Provision	6.00		6.53	
TOTAL		7096.43		6787.84
GRAND TOTAL		14228.25		13863.12

Capital Work in Progress Ageing Schedule					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
Projects in progress	463.00	901.06	831.13	11235.00	13430.19
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Machinery at cost- In Transit , Awaiting acceptance / Installation	357.70	433.77	0.00	6.59	798.06
TOTAL	820.70	1334.83	831.13	11241.59	14228.25
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
Projects in progress	166.75	160.27	0.00	6593.48	6920.50
Projects temporarily suspended	-	-	0.00	0.00	0.00
Machinery at cost- In Transit , Awaiting acceptance / Installation	1,733.05	1,329.07	2234.16	1646.34	6942.62
TOTAL	1899.80	1489.34	2234.16	8239.82	13863.12

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan*

CWIP completion schedule

Project Name	Less than 1 year	1-2 years	2-3 years	More than 3 years
1- NIFT	0.00	0.00	0.00	6582.06
2	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	6582.06

Project Name	Less than 1 year	1-2 years	2-3 years	More than 3 years
1- NIFT	0.00	0.00	0.00	6582.06
2	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	6582.06

Note: The Company was mandated to construct NIFT Building for which M/s. TCIL, (A Govt. Of India Undertaking) was engaged as PMC and the entire construction was given to TCIL. As on March 31, 2023, the entire building was constructed and handed over to NIFT but TCIL had not issued completion certificate for want of certain documents from Local Development authority. The Company referred this matter to the administrative mechanism for resolving the same on priority. As on 31.03.2024, pending receipt of completion certificate & certain documents, and resolution of the said matter, the NIFT building is outstanding as CWIP.

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 4(a)				
NON-CURRENT FINANCIAL ASSETS-INVESTMENTS				
Investment in Equity instruments				
Fully Paid at Cost (unquoted)		40.55	40.55	
16,21,800 Equity Shares of ₹10/- each fully paid up in India Satcom Limited				
TOTAL		40.55		40.55
As per IND AS 27 Separate Financial Statements, Investment in Joint Ventures is being carried at cost in the Standalone Financial Statements.				
NOTE NO. 4 (b)				
NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES				
Trade Receivables Considered Good - Secured	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
Trade Receivable Considered Good - UnSecured	11528.53		19646.74	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		11528.53		19646.74
Trade Receivables which have significant increase in Credit Risk	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
Trade Receivables – credit impaired	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		11528.53		19646.74

Trade Receivables ageing schedule	Outstanding for following periods from due date of payment					
	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	0.00	0.00	1440.54	5318.09	4769.90	11528.53
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	1440.54	5318.09	4769.90	11528.53

Trade Receivables ageing schedule	Outstanding for following periods from due date of payment					
	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	0.00	0.00	1440.54	15535.04	2671.16	19646.74
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	1440.54	15535.04	2671.16	19646.74



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 4(c)				
NON CURRENT FINANCIAL ASSETS - LOANS				
Loans Receivables considered good- Secured				
Loans & Advances	0.00		0.00	
Others	0.00		0.00	
	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
Loans Receivables considered good- UnSecured				
Loans & Advances	0.00		0.00	
Deposits	0.00		0.00	
Loans & Advances to related parties	0.00		0.00	
Others	0.00		0.00	
	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
Loans Receivables which have significant increase in Credit Risk	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		0.00		0.00

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 4(d)				
NON CURRENT FINANCIAL ASSETS OTHERS				
Other Financial Assets				
(i) Security Deposits	0.00		0.00	
(ii) Bank deposits with more than 12 months maturity	3.00		3.00	
(iii) Others	0.00		0.00	
GRAND TOTAL		3.00		3.00

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 5				
OTHER NON CURRENT ASSETS				
(i) Capital Advances	1.62		1.62	
Less: Provision	1.10		1.10	
TOTAL		0.52		0.52
(ii) Advances other than Capital advances				
Margin money	0.00		0.00	
Less: Provision	0.00		0.00	
TOTAL		0.00		0.00
(iii) Others	0.00		0.00	
Less: Provision	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		0.52		0.52

₹ in Lakh

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 6				
INVENTORIES				
a) Raw material and Production stores	10166.15		8041.77	
Less: Provision for Obsolescence	1797.40		1754.22	
		8368.75		6287.55
b) Material issued against Fabrication Contracts held by vendors	96.91		96.91	
Less: Provision	95.47		95.47	
		1.44		1.44
c) Non-Production Stores	1049.02		949.10	
Less: Provision for Obsolescence	237.41		237.41	
		811.61		711.69
d) Work-in-Process Production	5940.16		5626.31	
Less: Provision	575.42		606.76	
		5364.74		5019.55
e) Work-in-Process Installation	16.08		0.00	
Less: Provision	0.00		0.00	
		16.08		0.00
f) Manufactured Components	4411.22		4914.19	
Less: Provision	226.62		40.13	
		4184.60		4874.06
g) Finished Goods				
Stock-in-Trade	4068.77		6580.92	
Less: Provision	1018.46		1019.56	
		3050.31		5561.36
h) Stock Reconciliation Account	19.47		19.47	
Less: Provision	10.33		10.33	
		9.14		9.14
i) Goods Pending Inspection / Acceptance		384.88		1141.60
j) Material-in-Transit Advances				
Considered Good	28.58		493.99	
Considered Doubtful	238.76		238.76	
	267.34		732.75	
Less: Provision	238.76		238.76	
		28.58		493.99
k) Material received and In-Transit Advances		0.00		874.86
l) Tools and Gauges		0.00		0.00
GRAND TOTAL		22220.13		24975.23



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 7				
CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES				
Trade Receivables Considered Good - Secured	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
Trade Receivables Considered Good - UnSecured				
- Gujnet	5012.39		6419.28	
- Other than Gujnet	239641.93		236508.55	
	244654.32		242927.83	
Less: Allowance for Bad and doubtful debts	573.07		0.00	
TOTAL		244081.25		242927.83
Trade Receivables which have significant increase in Credit Risk	5914.16		7070.95	
Less: Allowance for Bad and doubtful debts	5914.16		7070.95	
TOTAL		0.00		0.00
Trade Receivables – credit impaired	570.62		580.68	
Less: Allowance for Bad and doubtful debts	570.62		580.68	
TOTAL		0.00		0.00
GRAND TOTAL		244081.25		242927.83

As per Ind AS 109, the receivables in the Company should be put to impairment test using the expected credit loss model. Ind AS 109 allows the use of practical expedients when measuring expected credit loss on trade receivables, and states that a provision matrix is a example of such an expedient. Majority of trade receivables originate from Government owned entities, which are not exposed to high risk, the Company is making specific provisions based on case to case reviews and approved by Board. Whereas, for other customers, provision is determined using expected credit loss model on case to case basis.

Trade Receivables ageing schedule						
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
(i) Undisputed Trade receivables – considered good	42199.72	18099.63	23552.09	25249.54	117820.71	226921.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	17732.63	17732.63
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	5914.16	5914.16
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	570.62	570.62
TOTAL	42199.72	18099.63	23552.09	25249.54	142038.12	251139.10
Less: Allowance for Bad and doubtful debts	0.00	0.00	0.00	0.00	7057.85	7057.85
TOTAL	42199.72	18099.63	23552.09	25249.54	134980.27	244081.25
Trade Receivables ageing schedule						
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
(i) Undisputed Trade receivables – considered good	32713.80	10856.19	32345.44	32116.04	117494.54	225526.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	17401.81	17401.81
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	7070.95	7070.95
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	580.68	580.68
Total	32713.80	10856.19	32345.44	32116.04	142547.98	250579.46
Less: Allowance for Bad and doubtful debts	0.00	0.00	0.00	0.00	7651.63	7651.63
Total	32713.80	10856.19	32345.44	32116.04	134896.35	242927.83

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 8 (a)				
CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS				
a) Cash-on-Transit	0.00		0.00	
b) Cash on hand	2.30		3.56	
c) Cheques & Stamps on Hand	0.42		0.46	
d) Balance with Banks :				
- On Current Account	10523.39		931.76	
TOTAL		10526.11		935.78
NOTE NO. 8 (b)				
CURRENT FINANCIAL ASSETS - BANK BALANCE OTHER THAN ABOVE				
Balance with Banks :				
- On Escrow Account	18028.10		16240.59	
- On Current Account (Apprentices)	410.61		424.46	
Unpaid Dividend	0.00		0.00	
LC Margin money	0.00		0.00	
On Savings Account(Apprentices Security Deposits)	0.00		0.00	
On short term deposit (margin money)	181.77		173.07	
On current Account(Margin money)	0.00		0.00	
On Fixed Deposit Account- Morre than 3 months but Less than 12 months maturity	54095.43		3710.01	
Others	0.00		0.00	
		72715.91		20548.13
NOTE NO. 9 (a)				
CURRENT FINANCIAL ASSETS - LOANS				
Secured Advances recoverable in cash or for value to be received				
Vehicles	0.00		0.00	
House building	0.00		0.00	
Other Deposits	1068.17		1147.76	
Less: Provision	0.00		0.00	
TOTAL		1068.17		1147.76
Un secured Advances recoverable in cash for value to be received				
Advances Recoverable -Considered Good	54808.02		27744.09	
Less : Provision	0.00		0.00	
		54808.02		27744.09
Loans Receivables which have significant increase in Credit Risk	536.60		536.60	
Less : Provision	536.60		536.60	
		(0.00)		0.00
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
TOTAL		54808.02		27744.09



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
Claims and Expenses Recoverable - Inland				
Considered Good	21961.58		41428.03	
Less : Provision	1060.97		0.00	
		20900.61		41428.03
Loans Receivables which have significant increase in Credit Risk	1770.82		992.29	
Less : Provision	1770.82		992.29	
		0.00		0.00
Loans Receivables – credit impaired	10.32		10.32	
Less : Provision	10.32		10.32	
		0.00		0.00
TOTAL		20900.61		41428.03
Claims and expenses recoverable - Foreign				
Considered Good	1.25		6.10	
Less : Provision	0.00		0.00	
		1.25		6.10
Loans Receivables which have significant increase in Credit Risk	1204.32		1204.32	
Less : Provision	1204.32		1204.32	
		0.00		(0.00)
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
TOTAL		1.25		6.10
Advance for Civil Works/ Capital Goods				
Considered Good	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
Loans Receivables which have significant increase in Credit Risk	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
TOTAL		0.00		0.00
Vehicle advance	0.00		0.00	
Loans & Advances to related parties	0.00		0.00	
Other Deposits	3600.94		3387.01	
Less: Provision	421.47		421.47	
	3179.47		2965.54	
Interest accrued but not due on short term deposits	0.00		11.42	
TOTAL		3179.47		2976.96
GRAND TOTAL		79957.52		73302.93

- a) Claims and expenses recoverable - inland- includes ₹1690.20 Lakhs recoverable from M/s HCL Infosystem Ltd . as compensation on account of excess amount spent by ITI Ltd. MANKAPUR. The above is on the basis of agreement entered into between ITI, HCL and Alcatel.
- b) Claim Recoverable - in land -includes ₹1049.41 Lakhs due from M/S Himachal futuristic communications towards LD. The Company has filed a legal case and the matter is pending before Delhi High court and the hearing is on 04.09.2024.
- c) Rent Receivable includes of ₹5847.90 Lakhs on a premises leased out upto the period ended 31.03.2011 and no rental income for the period subsequent to 31.03.2011 for the same premises has been recognised on accrual basis due to uncertainty of realization.
- d) Claim Receivable includes of ₹1023.00 Lakhs receivable from M/s. Mindarray towards encashment of letter of credit

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 9(b)				
CURRENT FINANCIAL ASSETS OTHERS				
Other Financial assets				
(i) Security Deposits		498.56		35.61
(ii) Unbilled Revenue				
Government				
- Gujnet	5365.13		5307.00	
- Others	212102.50		252548.00	
Non Government	0.00	217467.63	0.00	257855.00
(iii) Others		213.82		84.82
TOTAL		218180.01		257975.43

The Other Current Financial assets include UBR of Rs.217467.63 lakhs, the revenue which has been recognized over the last few years based on the work performed, the billing of which would happen upon fulfilling the terms of contract

NOTE NO. 10				
OTHER CURRENT ASSETS				
Taxes & Duties in put	9379.36		14827.89	
Deposits with Customs Department	0.00		942.30	
Payment of Advance tax (Net of refunds)	0.00		0.00	
Deposits with Excise Authorities	259.32		437.12	
WCT Recoverable	0.00		0.00	
TOTAL		9638.68		16207.31

NOTE NO. 11				
I. EQUITY SHARE CAPITAL				
a) Authorised 2,80,00,00,000 equity shares of ₹10 each	280000.00		280000.00	
b) Issued 96,08,86,938 equity shares of ₹10 each (Previous Year 949577352 equity shares of ₹10 each)	96088.69		94957.74	
c) Subscribed and Fully Paid-up 96,08,86,938 equity shares of ₹10 each (Previous Year 949577352 equity shares of ₹10 each)	96088.69		94957.74	
d) Subscribed & not fully paid up	0.00		0.00	
e) Par value per share	10.00		10.00	
f) Calls unpaid	0.00		0.00	
g) Forfeited shares	0.00		0.00	
h) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
Particulars		As at 31.03.2024		As at 31.03.2023
Number of shares outstanding O.B		949577352		933522869
Add: Issues during the year*		11309586		16054483
Less: Buy back/forfiture during the year		0		0
Number of shares outstanding C.B		960886938		949577352

* The Company has allotted 11309586 equity shares issued at Rs.94.61 to the President of India on 11.05.2023, against capital grant of Rs.10700 Lakhs.

i) The rights and preferences and restrictions attaching to the above class of shares

- Each holder of Equity share is entitled to one vote per share.

- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



j) List of share holders holding more than 5% shares			
Name	No. of shares held		No. of shares held
1. President of India	864485747		855912566
2. Special National Investment Fund	75869381		73132976
k) During last 5 years:			
i) Aggregate number of shares allotted without being received in cash	0.00		0.00
ii) Aggregate number of shares allotted as fully paid up by way of bonus shares	0.00		0.00
iii) Aggregate number and class of shares bought back	0.00		0.00
	As at 31.03.2024		As at 31.03.2023
II) PREFERENCE SHARES :			
A) Authorised			
70000000 Preference Shares of Rs.100 each			
	70000		70000
I) Shareholding of Promoters			
Shares held as at 31.03.2024			
Name of the Promoter	No of shares	% of total shares	% change during the period ended 31.03.2024
1. President of India	864485747	89.97	1.00
2. Government of Karnataka	312500	0.03	0.00
₹ in Lakhs			
Particulars	As at 31.03.2024		As at 31.03.2023
NOTE NO. 12			
OTHER EQUITY			
1) Capital Reserves			
i) Free Land Gifted			
O.B As per last B/S	25.30		25.30
Additions	0.00		0.00
Total	25.30		25.30
Deductions	0.00		0.00
Closing balance		25.30	25.30
ii) Capital Grant in aid			
As per last Balance Sheet	305802.00		305802.00
Transfer from Grant in aid (capital)	0.00		0.00
Closing Balance		305802.00	305802.00
TOTAL CAPITAL RESERVES		305827.30	305827.30
2) Securities premium reserve			
O.B as per last B/S	35230.29		21679.44
Additions	9569.04		13550.85
Total	44799.33		35230.29
Less: FPO Issue Expenses *	0.00		0.00
Closing balance		44799.33	35230.29
3) Revaluation Reserve			
i) Revaluation reserves- Land			
Opening balance as per last B/S	0.00		0.00
Less-Reversal on sale of land	0.00		0.00
Closing Balance		0.00	0.00
ii) Revaluation reserves-Buildings			
Opening balance as per last B/S	0.00		0.00
Less-Transfer to General Reserve	0.00		0.00
Closing Balance		0.00	0.00
TOTAL-REVALUATION RESERVE		0.00	0.00

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
4) Retained Earnings				
i) General reserve:				
Opening balance as per last B/S	235316.61		235316.61	
Prior Period Adjustments	0.00		0.00	
Add: Transfer from Revaluation Reserve (Dep)	0.00		0.00	
Less-Transfer to P&L	0.00		0.00	
Less-Transfer to Surplus	0.00		0.00	
Closing Balance		235316.61		235316.61
ii) Profit on Sale of Fixed Assets				
Opening balance as per last B/S	0.00		0.00	
Less-Transfer to Surplus	0.00		0.00	
Closing Balance		0.00		0.00
iii) Sale of Technical know-how				
As per last Balance Sheet	3.50		3.50	
Less-Transfer to P&L	0.00		0.00	
Closing Balance		3.50		3.50
iv) Industrial Housing Subsidy				
As per last Balance Sheet	6.79		6.79	
Less-Transfer to P&L	0.00		0.00	
Closing Balance		6.79		6.79
v) Investment allowance reserve				
As per last Balance Sheet	0.00		0.00	
LESS: Transfer to General reserve	0.00		0.00	
Closing Balance		0.00		0.00
vi) Surplus				
As per last Balance sheet	(450749.48)		(414739.85)	
Add: Profit/(Loss) for the year	(56906.15)		(36009.63)	
Add: Transfer from General Reserve	0.00		0.00	
Add: Transfer from Profit on sale of fixed assets	0.00		0.00	
TOTAL	(507655.62)		(450749.48)	
Less- Appropriations	1.35		0.00	
Less-Transfer from P&L A/C-(Loss for the year)	0.00		0.00	
Closing Balance		(507656.97)		(450749.48)
TOTAL-RETAINED EARNINGS		(272330.07)		(215422.59)
5) Share application money pending allotment		0.00		10700.00
6) Other Comprehensive Income				
Remeasurement of Defined Benefit Plans (Actuarial Gain)				
Opening Balance	2680.34		8759.38	
Changes during the Year	(2120.51)		(6079.04)	
Closing balance		559.83		2680.34
GRAND TOTAL - OTHER EQUITY		78857.76		139015.31



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 13				
NON-CURRENT LIABILITIES				
Government Grants Unutilised:				
i) Free Equipment gifted				
Opening balance as per last B/S	0.00		0.00	
Less-Transfer to P&L	0.00		0.00	
Closing Balance		0.00		0.00
ii) Grant-in-aid (Capital) :				
As per last Balance Sheet	4.64		4.64	
Add:Receipts during the year	0.00		0.00	
Total	4.64		4.64	
Less: Transfer to revenue GIA/Capital reserves	0.00		0.00	
Less: Transfer to Profit & Loss Account	4.64		0.00	
Closing Balance		0.00		4.64
iii) Grant-in-aid (Revenue)				
As per last Balance Sheet	4496.42		4245.48	
Add : Receipts during the year*	0.00		0.00	
Total	4496.42		4245.48	
Less: Transfer to Profit & Loss Account	0.00		(250.94)	
Closing Balance		4496.42		4496.42
GRAND TOTAL		4496.42		4501.06
NOTE NO. 14 (a)				
NON-CURRENT FINANCIAL LIABILITIES -BORROWINGS				
I Borrowings - Secured				
(a) Bonds	0.00		0.00	
(b) Term Loans				
(i) From Banks	0.00		0.00	
(ii) From Others	0.00		0.00	
(c) Deferred payment liabilities	0.00		0.00	
(d) Deposits	0.00		0.00	
(e) Loan from related parties	0.00		0.00	
(f) Liability Component of compound financial instruments	0.00		0.00	
(g) Other Loans	0.00		0.00	
II Borrowings - Unsecured				
(a) Bonds	0.00		0.00	
(b) Term Loans				
(i) From Banks	0.00		0.00	
(ii) From Others	0.00		0.00	
Loan from Government of India *	12000.00		18000.00	
Interest accrued and due on above	0.00		0.00	
(c) Deferred payment liabilities	0.00		0.00	
(d) Deposits	0.00		0.00	
(e) Loan from related parties	0.00		0.00	
(f) Liability Component of compound financial instruments	0.00		0.00	
(g) Other Loans	0.00		0.00	
		12000.00		18000.00
GRAND TOTAL		12000.00		18000.00
<p>The Company had received a soft loan of Rs. 30,000 lakhs from the Department of Telecommunications, Ministry of Communications, Government of India during the year 2014-15 for payment of salaries of employees, repayable in five years after the Company starts earning profit with a moratorium of two years. As per DoT letter dated 29.04.2022 and 24.03.2023, Company was advised to repay the soft loan from FY 2022-23 failing which penal interest shall be levied as per sanction terms. Accordingly, Company has made a provision for Rs. 148.56 lakhs towards penal interest up to FY 2023-24. However, considering the fact that soft loan was provided towards salary of employees during implementation period of revival plan and company is still under revival plan and not come out of BIFR and incurring losses, Company has requested for conversion of soft loan into Grant in aid, which is under consideration.</p>				

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 14(b)				
NON-CURRENT FINANCIAL LIABILITIES -LEASE LIABILITIES				
Finance Lease Liabilities	42.99		59.66	
Operating lease liabilities	0.00		0.00	
GRAND TOTAL		42.99		59.66
NOTE NO. 14(c)				
NON CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES				
For goods supplied				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	10912.05		17399.02	
- Other than Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		10912.05		17399.02
For Expenses and Services				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
- Other than Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
For Other Liabilities				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
Disputed Dues				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		10912.05		17399.02

Trade Payables Ageing Schedule					
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
(i) MSME	1218.77	3034.49	2220.26	4438.53	10912.05
(ii) Others	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	0.00	0.00
TOTAL	1218.77	3034.49	2220.26	4438.53	10912.05

Trade Payables Ageing Schedule					
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	882.38	4181.57	2015.59	10319.48	17399.02
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	0.00	0.00
Total	882.38	4181.57	2015.59	10319.48	17399.02



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 14(d) NON-CURRENT FINANCIAL LIABILITIES - OTHERS				
Security deposit received	7933.30		7631.29	
GRAND TOTAL		7933.30		7631.29
NOTE NO. 15 NON CURRENT PROVISIONS				
(i) For Employee Benefits				
For privilege Leave				
As per Last Balance Sheet	5111.65		4572.04	
Less : Transfer to Corporate	0.00		0.00	
Add: Provision for the period	229.99		539.61	
Less: Payments	20.08		0.00	
TOTAL		5321.56		5111.65
For sick Leave				
As per Last Balance Sheet	29.71		47.23	
Less : Transfer to Corporate	0.00		0.00	
Add: Provision for the period	12.01		(17.52)	
Less: Payments	0.00		0.00	
TOTAL		41.72		29.71
(ii) Others		0.00		0.00
GRAND TOTAL		5363.28		5141.35
NOTE NO. 16 OTHER NON-CURRENT LIABILITIES				
	0.00		0.00	
GRAND TOTAL	0.00	0.00	0.00	0.00
NOTE NO. 17 (a) CURRENT FINANCIAL LIABILITIES -BORROWINGS				
I Borrowings - Secured				
(a) Loans repayable on demand				
(i) From Banks	149526.45		157561.05	
(ii) From Others	19.41		22.47	
(b) Loan from related parties	0.00		0.00	
(c) Deposits	0.00		0.00	
(d) Current maturities of Long Term Borrowings	0.00		0.00	
(e) Others	0.00		0.00	
TOTAL		149545.86		157583.52
II Borrowings - Unsecured				
(a) Loans repayable on demand				
(i) From Banks	0.00		0.00	
(ii) From Others	0.00		0.00	
(b) Loan from related parties	0.00		0.00	
(c) Deposits	0.00		0.00	
(d) Current maturities of Long Term Borrowings	18000.00		12000.00	
(e) Others	0.00		0.00	
TOTAL		18000.00		12000.00
GRAND TOTAL		167545.86		169583.52

Cash credit from State Bank of India and other members of the consortium of Banks against hypothecation of current assets including all kind of Stocks, receivables etc. and fixed assets of the Company. Interest rate for the said facility is 2.75% above 6 months MCLR.

Deposits, fallen due and not claimed for refunds, is shown as current liabilities as at 31.03.2024

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 17(b)				
CURRENT FINANCIAL LIABILITIES -LEASE LIABILITIES				
Finance Lease Liabilities	16.67		15.01	
Operating lease liabilities	0.00		0.00	
GRAND TOTAL		16.67		15.01
NOTE NO. 17(c)				
CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES				
For goods supplied				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	7275.61		5767.42	
- Other than Gujnet				
- Micro small and medium enterprises	8398.42		12895.01	
- Others	126407.77		111152.25	
- Provision for Doubtful Creditors	0.00		0.00	
TOTAL		142081.80		129814.68
For Expenses and Services				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		489.77	
- Other than Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	10928.35		3537.07	
TOTAL		10928.35		4026.84
For Other Liabilities				
- Micro small and medium enterprises	0.00		0.00	
- Others	2736.52		3826.67	
TOTAL		2736.52		3826.67
Disputed Dues				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		155746.67		137668.19

Trade Payables Ageing Schedule					
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
(i) MSME	2811.62	1600.33	1892.24	2094.24	8398.42
(ii) Others	66600.77	41133.07	4248.17	19332.78	131314.79
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	16033.45	16033.45
Total	69412.39	42733.39	6140.42	37460.47	155746.67
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
(i) MSME	3859.89	2799.52	2273.09	3962.52	12895.01
(ii) Others	28104.90	18378.17	22839.33	39049.94	108372.34
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	16400.82	16400.82
Total	31964.79	21177.69	25112.42	59413.28	137668.19

A list of micro, small and medium enterprises to whom the Company owe any sum together with interest outstanding to the extent identified. The company is in the process of compiling full list of MSME vendors.



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
AS PER ENCLOSURE:				
Disclosure of dues/payments to micro and small 'enterprises to the extent such enterprises are identified by the company.				
(a) Principal amount remain unpaid for the period ended	8398.42		12895.01	
(b) Interest due thereon remaining unpaid for the period ended.	55.24		68.25	
(c) The amount of interest paid and principal paid beyond the appointed day during the period	0.00		0.00	
(d) Amount of interest due and payable for delay in payments (which have been paid but beyond the appointed day during the period) but without adding interest under the MSMED Act, 2006.	0.00		0.00	
(e) Amount of interest accrued and remaining unpaid for the period ended.	0.00		0.00	
(f) Amount of further Interest remaining due and payable even in succeeding years (until such date when interest dues above are actually paid to small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006).	0.00		0.00	
NOTE NO.18				
CURRENT FINANCIAL LIABILITIES - OTHERS				
Unbilled Dues				
Government				
- Gujnet	4545.19		5011.06	
- Other than Gujnet	121398.68		140547.18	
Non Government	0.00		0.00	
Interest Accrued but not due on Borrowings	3004.76		2556.20	
Interest Accrued and due on Borrowings	0.00		0.00	
Unpaid matured deposits and interest accrued thereon	0.00		0.00	
Unpaid matured debentures and interest accrued thereon	0.00		0.00	
Unclaimed Dividend	0.00		0.00	
For Expenses and Services	9251.14		11485.08	
For Other Liabilities	20447.44		26675.34	
Other payables	834.96		660.60	
Salary Payable	4209.35		2747.87	
Royalty Payable	1007.54		1007.54	
Wage revision Arrears	1006.06		1006.28	
Deposits from Contractors	7818.80		7263.30	
Misc.Liabilities	27456.20		30066.45	
Preference Shares	0.00		0.00	
TOTAL		200980.12		229026.90
NOTE NO.19				
OTHER CURRENT LIABILITIES				
Income received in advance	11.22		2.66	
Duties & Taxes	4105.84		3628.85	
Advances from Customers	196520.65		99590.03	
TOTAL		200637.71		103221.54

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 20				
CURRENT LIABILITIES - PROVISIONS				
For Taxation				
As per last Balance Sheet	0.00		0.00	
Add: Provisions during the period	0.00		0.00	
Less: Adjustments of provisions relating to earlier years	0.00		0.00	
TOTAL		0.00		0.00
For Gratuity				
As per Last Balance Sheet	16605.23		13226.54	
Add: Provision for the period	2903.81		4397.69	
Less: Transfer to gratuity trust	5990.00		1534.99	
Add: Transfer from gratuity trust	5715.10		2724.78	
Add: Transfer from Corporate	0.00		0.00	
Less: Payments	5627.39		2208.78	
TOTAL		13606.75		16605.23
For Privilege Leave				
As per Last Balance Sheet	2664.53		1992.69	
Less : Transfer to Corporate	0.00		0.00	
Add: Provision for the period	2089.96		3443.48	
Less: Payments	2820.21		2771.66	
TOTAL		1934.28		2664.52
For Sick Leave				
As per Last Balance Sheet	1.53		2.50	
Add: Provision for the period	0.32		(0.97)	
Less: Payments	0.00		0.00	
TOTAL		1.85		1.52
For L L T C provision				
As per Last Balance Sheet	170.57		177.16	
Add: Provision for the period	9.40		57.76	
Less: Payments	26.85		64.35	
TOTAL		153.12		170.58
GRAND TOTAL		15696.00		19441.86
NOTE NO. 21				
CURRENT TAX LIABILITIES				
	0.00		0.00	
	0.00		0.00	
	0.00		0.00	
TOTAL		0.00		0.00
NOTE NO. 22				
REVENUE FROM OPERATIONS				
i) Sale of Products (net of GST)				
Sale of Finished Goods	5103.65		5944.54	
Sale of Traded Goods	38669.62		16198.06	
TOTAL		43773.27		22142.60
ii) Sale of services		82589.95		117399.93
iii) Other Operating Revenues:				
a) Sale of Scrap	0.00		1.98	
b) Income from DLRC Project	0.00		0.00	
c) Non competing fee	0.00		0.00	
d) Grant In Aid-Revenue	0.00	0.00	0.00	1.98
TOTAL		126363.22		139544.51



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Sales under broad heads :		
1. Mini PDO	0.09	1.21
2. Electronic Switching Equipments/SMPS/SSTP	0.00	750.64
3. MLLN	0.00	0.00
4. Inverter Trolley	0.26	0.00
5. NCM	3.97	0.00
6. Telephone	102.50	18.47
7. G-PoN	0.00	0.10
8. Job Work	0.00	0.00
9. Solar Panel	337.44	122.29
10. SMPS	0.00	0.00
11. 4G Radio	0.00	0.00
12. GSM Franchise	0.00	0.00
13. NGN	0.00	0.00
14. NFS	501.96	595.18
15. ASCON	0.00	0.00
16. DEFENCE	316.40	399.88
17. Smart Energy meters	0.00	(1155.62)
18. BBWT	0.00	0.00
19. HDPE Pipe	903.29	251.97
20. OFC	2756.19	1139.08
21. MAHANET	935.22	412.79
22. WIFI-HOTSPOT	0.00	0.00
23. GUJNET	0.00	0.00
24. BNG	0.00	0.00
25. DDOS	0.00	0.00
26. Min PC Mfg / Tab PC	398.26	3548.92
27. CCMS	0.00	0.00
28. GSM WZ	0.00	0.00
29. ONT/OLT	157.08	0.00
30.SSTP	0.00	0.00
31.STM	0.00	0.00
32.SEM(NET)	0.00	0.00
33. MOBILE SHOWROOM	7.59	52.77
34. MCEU	135.00	0.00
35. WIFI ACCESS POINT	0.00	2.50
36. IP ENCRYPTORS MHA	0.00	0.00
37. SOLAR LED STREET LIGHT	4199.16	1378.86
38. FACE SHIELD / Sanitary Napkin Vending Machine	0.67	20.21
39. SMART PARCEL DELIVERY SYSTEM	0.00	0.00
40. COMPONENT SCREENING VSSC	0.00	0.00
41.SMART CARD	0.00	31.52
42. VENTILATOR/MEDICAL DEVICES	0.00	0.00
43. USOF Bharath Net Project	0.00	0.00
44. TANFINET	0.00	0.00
45. IAF DATA CENTRE UPGRADATION	0.00	0.00
46. IAF 4G LTE	1440.53	10066.92
47. ASCON PHASE IV	0.00	0.00
48. AIRTEL FTTH ROLLOUT	0.00	0.00
49. BHARATNET ANDAMAN & NICOBAR	0.00	0.00
50. FMS-MCWWB	0.00	215.64
51. CCTV	333.29	0.00
52. POLES	0.00	597.81
53. Installation Trading OMC	43.97	0.00
54. 3D PRINTING	34.92	23.25
55. CONTRACT MANUFACTURING	26.23	6.45
56. IT- COMPUTER ACCESSORIES	3697.72	1168.98
57. OTHER STATE GOVT.	442.31	1814.15
58. OTHERS	26999.22	678.64
TOTAL	43773.27	22142.60



₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
Service Income under broad heads :				
1. SSTP AMC	14.94		56.21	
2. TELECOM TESTING & LABS	140.14		76.28	
3. SMART PAECCEL SERVICES	0.00		0.00	
4. Data Center	3241.49		2616.94	
5. Skill Development	23.89		31.49	
6. SWAN	0.00		0.00	
7. GSM	4293.14		5519.78	
7a. GSM AMC (GST Turnover)	0.00		121.40	
8. NFS	4247.31		6654.22	
9. G-PoN I&C	1322.23		1054.57	
10. ASCON AMC	0.00		665.04	
11. DEFENCE AMC	39.48		85.94	
12. NGN AMC	213.74		321.87	
13. BBWT	0.00		0.00	
14. MAHANET UNBILLED	0.00		24829.19	
14a. MAHANET (GST Turnover)	2037.86		0.00	
15. WIFI-HOTSPOT	311.41		0.00	
16. GUJNET	7478.78		6655.23	
17. BNG	479.24		482.90	
18. DDOS	345.57		450.11	
19. MLLN AMC	1346.06		1571.27	
20. CCMS AMC	73.95		77.77	
21. E-TENDERING	444.37		1648.16	
22. FMS-MCWVB	2613.00		2619.88	
23. SMPS	186.57		81.07	
24. USOF Bharath Net Project	489.96		675.31	
25. GSM WZ	0.00		0.00	
26. WIFI ACCESS POINT	0.00		0.00	
27. SWM-ICT-WASTE MANAGEMENT	8707.00		324.54	
28. IAF DATA CENTRE UPGRADATION	0.00		0.00	
29. Geo Fencing Project	689.42		243.08	
30. COMPONENT SCREENING VSSC	0.00		667.11	
31. IT - WEB PORTAL	0.00		412.50	
32. OMC AMC	397.53		320.77	
33. TANFINET	5794.29		12803.43	
34. IAF 4G LTE	0.00		0.00	
35. FIBER NETWORK	0.23		0.00	
36. RAILWAY	625.53		138.71	
37. NMS	55.31		55.31	
38. E-GOVERNANCE/E-SEVA	2.05		0.00	
39. OCB AMC	0.00		7.18	
40. TPA	54.30		502.76	
41. AADHAR BUSINESS/SAAS	313.78		4.98	
42. Reliability Labs	158.55		161.91	
43. AIRTEL FTTH ROLLOUT	48.97		1539.97	
44. BHARATNET ANDAMAN & NICOBAR	0.00		0.00	
45. CCTV Services	2609.09		947.82	
46. Survey work	0.00		0.00	
47. ASCON -PHASE IV	15033.72		37648.34	
48. SAAS	262.94		171.90	
49. CONTRACT MFG	712.52		111.74	
50. MLLN I&C	0.00		4.87	
51. OTHER AMC	5231.37		4960.58	
52. Others	12550.22		77.80	
TOTAL		82589.95		117399.93



₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
Earnings in Foreign Currency				
Export of goods calculated on FOB basis	0.00		0.00	
Royalty, Knowhow, Professional and Consultancy fees	0.00		0.00	
Interest and Dividend	0.00		0.00	
Services	0.00		0.00	
TOTAL		0.00		0.00

The Company has signed a contract dated 01.10.2020 with the Ministry of Defence for the execution of Army Static Switched Communication Network (ASCON) Phase IV project worth Rs. 8,280.36 Crore. It includes Installation, commissioning, and maintenance of telecom equipment, NMS, mobile nodes, and civil works for providing the complete infrastructure at various sites and roll-out of the optical fiber network. The implementation of the project is to be completed in three years and thereafter it must be maintained for ten years including a two-year warranty. 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 mainly delayed because of the Country-of-Origin Issue which has been resolved now and PoC is expected to be completed by 30.06.2024. The project timeline has been revised upto Dec 2025.

NOTE NO. 23

OTHER INCOME

a) Interest Income				
i) Interest on Inter Corporate Advances	0.00		0.00	
ii) Interest - Others	291.66		541.27	
TOTAL		291.66		541.27
b) Dividend from Non-Trading Investments		0.00		0.00
c) Net Gain/Loss on Sale of Investment		0.00		0.00
d) <u>Other Non-operating income (Net of expenses directly attributable to such income)</u>				
i) Profit on Sale of Assets	48.11		89.66	
Less: Transfer to Capital Reserves	0.00		0.00	
TOTAL	48.11		89.66	
ii) Commission	0.00		0.00	
iii) Rent	2340.29		1806.11	
iv) Lease Rent	334.91		309.15	
v) Transport Charges	0.00		0.00	
vi) Sale of Scrap	548.35		675.56	
vii) Water Charges/Electricity Charges	5.45		5.21	
viii) Forfeited Bank Guarantee	0.00		16.10	
ix) Excess Provision Withdrawn	4.95		0.00	
x) Reimbursement of VRS	0.00		0.00	
xi) Withdrawal of Liability no Longer Required	302.30		3.80	
xii) Waiver of Liquidated Damages	37.53		0.00	
xiii) Compensation for Srinagar Loss	0.00		0.00	
xiv) Waiver of Interest Charges	0.00		0.00	
xv) Transfer from Revenue Grant-in-Aid	0.00		0.00	
xvi) Revenue Grant-in-Aid - VRS	0.00		0.00	
xvii) Revenue Grant-in-Aid*	0.00		0.00	
xviii) Transfer from Capital Grant-in-Aid	0.00		0.00	
xix) Compensation for Acquisition of Land by SWR/NHAI	0.00		1539.17	
xx) Misc. Income	531.60		268.84	
TOTAL (i to xx)		4153.49		4713.61
e) Adjustment to the carrying value of investments(write back)		0.00		0.00
f) Grants relating to Previous Years		0.00		0.00
g) Net gain /loss on foreign currency translation and transaction(other than considered as finance cost)		4.64		0.00
GRAND TOTAL		4449.79		5254.88

Karnataka Industrial Area Development Board (KIADB) acquired the Company's land of 738 Sqm at Electronic City, Bengaluru for Bengaluru Metro Rail Project for total compensation of ₹1606.24 lakh. The Company accounted ₹1539.17 lakh as income (Compensation -₹1606.24 lakh minus Cost of land ₹ 67.07 lakh) in the accounts of 2022-23. Further, since the above land parcel was mortgaged with consortium Bankers led by SBI as collateral security towards working capital finance, Company vide its letter dated 06.04.2022 to SBI, has duly disclosed the status of land at Electronic City, Bengaluru with details of land acquisition by NHAI and BMRCL in the past and sought NoC w.r.t. acquisition of 738 sq. mtr. of land at Electronic City, Bengaluru by Karnataka Industrial Area Development Board [KIADB] for Bengaluru Metro Rail Project. SBI did not raise any objection in this regard.

There is compensation amount of ₹ 2908.01 lakh receivable by the Company from South Western Railways (SWR) towards sale of land of 1320 sqm at K.R.Puram, Bengaluru. The Company accounted the compensation amount in the accounts for the year 2020-21 as per the rate fixed by the Special Land Acquisition Officer (SLAO), Bengaluru. Further, SWR communicated in meeting dated 15.03.2023, the guideline value of the above land ₹1172.16 Lakhs given by the Sub-Registrar K.R. Puram vide letter dated 14.03.2023. However, the company vide letter no. ITI/BGP/HR/2021/8009 dated 08.05.2023 conveyed its non-acceptance to the rate offered by SWR vide letter dated 14.03.2023 and it is decided that matter would be taken up with appropriate authority in this regard.

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
NOTE NO. 24				
COST OF MATERIAL CONSUMED				
Opening Stock	7869.03		8293.69	
Add: Prior Period Adjustment due to Price Revision	0.00		0.00	
Purchases/Transfers	11321.78		16534.65	
Material for Installation & Maintenance	0.00		0.00	
TOTAL		19190.81		24828.34
Less:				
Closing Stock	10213.00		8138.69	
Issue to Revenue and Others	604.92		248.12	
Material Transferred to Other Units	(0.00)		(0.00)	
TOTAL		10817.92		8386.81
Add: Stores Indirect expenses relating to RM & Prodn. Stores		0.00		0.00
CONSUMPTION		8372.89		16441.53
Raw materials consumed under broad heads				
Particulars				
1. Electronic Goods & Components	7016.58		14734.40	
2. MNIC	0.16		12.23	
TOTAL		7016.74		14746.63
Value of Imports on CIF basis				
Raw Materials and Production Stores		375.23		349.64
Components and Spare Parts		0.00		171.62
Material in transit		0.00		0.00
Capital Goods		0.00		0.00
TOTAL		375.23		521.25
Value of Imported Raw Materials, Store and Spare parts consumed and Value of Indigenous Materials Consumed and percentage of each to the total consumption.				
Particulars	March, 2024	%	March, 2023	%
Imported	375.23	4.48	521.25	3.17
Indigenous	7997.66	95.52	15920.27	96.83
TOTAL	8372.89	100.00	16441.53	100.00
NOTE NO. 25 (a)				
PURCHASE OF STOCK-IN-TRADE				
Goods purchased under broad heads				
Particulars				
1. Mini PDO	0.00		0.00	
2. Electronic Switching Equipments/SMPS/SSTP	0.00		0.00	
3. MLLN	0.00		0.00	
4. Inverter Trolley	0.00		0.00	
5. NCM	0.00		0.00	
6. Telephone	0.00		0.00	
7. G-PoN	0.00		0.00	
8. Job Work	0.00		0.00	
9. Solar Panel	0.00		0.00	
10. SMPS	0.00		0.00	
11. 4G Radio	0.00		0.00	
12. GSM Franchise	0.00		0.00	



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
13. NGN	0.00	0.00
14. NFS	483.14	572.86
15. ASCON	0.00	0.00
16. DEFENCE	0.00	0.00
17. Smart Energy meters	0.00	0.00
18. BBWT	0.00	0.00
19. HDPE Pipe	0.00	0.00
20. OFC	0.00	657.60
21. MAHANET	907.16	400.41
22. WIFI-HOTSPOT	0.00	0.00
23. GUJNET	0.00	396.14
24. BNG	0.00	0.00
25. DDOS	0.00	0.00
26. Min PC Mfg / Tab PC	0.00	0.00
27. CCMS	0.00	0.00
28. GSM WZ	0.00	0.00
29. ONT/OLT	0.00	0.00
30.SSTP	0.00	0.00
31.STM	0.00	0.00
32.SEM(NET)	0.00	0.00
33. MOBILE SHOWROOM	6.68	40.89
34. MCEU	0.00	0.00
35. WIFI ACCESS POINT	0.00	0.00
36. IP ENCRYPTORS MHA	0.00	0.00
37. SOLAR LED STREET LIGHT	4195.44	0.00
38. FACE SHIELD / Sanitary Napkin Vending Machine	0.00	3.59
39. SMART PARCEL DELIVERY SYSTEM	0.00	0.00
40. COMPONENT SCREENING VSSC	0.00	0.00
41.SMART CARD	0.00	0.00
42. VENTILATOR/MEDICAL DEVICES	0.00	0.00
43. USOF Bharath Net Project	0.00	13.39
44. TANFINET	0.00	7259.73
45. IAF DATA CENTRE UPGRADATION	0.00	0.00
46. IAF 4G LTE	1481.13	9158.71
47. ASCON PHASE IV	0.00	4759.19
48. AIRTEL FTTH ROLLOUT	0.00	0.00
49. BHARATNET ANDAMAN & NICOBAR	0.00	0.00
50. FMS-MCWWB	0.00	202.70
51. CCTV	306.63	0.00
52. POLES	0.00	553.53
53. Installation Trading OMC	40.23	0.00
54. 3D PRINTING	0.00	0.00
55. CONTRACT MANUFACTURING	0.00	0.00
56. IT- COMPUTER ACCESSORIES	3626.60	1080.02
57. OTHER STATE GOVT.	408.42	1669.02
58. OTHERS	24181.12	569.41
TOTAL	35636.55	27337.18

₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
NOTE NO. 25 (b)		
Installation and Maintenance charges		
Service Expenses under broad heads :		
1. SSTP AMC	7.56	11.75
2. TELECOM TESTING & LABS	0.00	0.00
3. SMART PAECCEL SERVICES	0.00	0.00
4. Data Center	2421.89	2091.81
5. Skill Development	20.76	27.71
6. SWAN	0.00	0.00
7. GSM	4057.02	5216.19
7a. GSM AMC (GST Turnover)	0.00	0.00
8. NFS	3209.78	6388.00
9. G-PoN I&C	607.76	513.26
10. ASCON AMC	0.00	594.21
11. DEFENCE AMC	0.00	0.00
12. NGN AMC	207.32	312.22
13. BBWT	0.00	0.00
14. MAHANET UNBILLED	0.00	24084.32
14a. MAHANET (GST Turnover)	1976.72	0.00
15. WIFI-HOTSPOT	294.28	0.00
16. GUJNET	4939.03	4344.63
17. BNG	383.23	383.23
18. DDOS	326.56	425.35
19. MLLN AMC	606.53	435.08
20. CCMS AMC	68.04	71.55
21. E-TENDERING	334.34	1235.29
22. FMS-MCWVB	2456.26	2462.69
23. SMPS	150.18	60.71
24. USOF Bharath Net Project	458.31	482.13
25. GSM WZ	0.00	0.00
26. WIFI ACCESS POINT	0.00	0.00
27. SWM-ICT-WASTE MANAGEMENT	8006.00	298.58
28. IAF DATA CENTRE UPGRADATION	0.00	0.00
29. Geo Fencing Project	634.26	222.51
30. COMPONENT SCREENING VSSC	0.00	613.75
31. IT - WEB PORTAL	0.00	377.44
32. OMC AMC	364.81	294.09
33. TANFINET	4305.35	2034.73
34. IAF 4G LTE	0.00	0.00
35. FIBER NETWORK	0.21	0.00
36. RAILWAY	514.25	126.69
37. NMS	51.16	51.16
38. E-GOVERNANCE/E-SEVA	1.85	0.00
39. OCB AMC	0.00	0.00
40. TPA	0.00	0.00
41. AADHAR BUSINESS/SAAS	286.47	4.58
42. Reliability Labs	0.00	0.00
43. AIRTEL FTTH ROLLOUT	156.80	1077.18
44. BHARATNET ANDAMAN & NICOBAR	27.71	0.00
45. CCTV Services	2403.39	876.54
46. Survey work	0.00	0.00
47. ASCON -PHASE IV	14809.53	17709.90
48. SAAS	176.10	123.18
49. CONTRACT MFG	82.68	0.00
50. MLLN I&C	0.00	4.38
51. OTHER AMC	4995.77	4404.84
52. Others	12497.43	305.08
TOTAL	71839.34	77664.74



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
NOTE NO. 26		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Accretion/(Decretion) to WIP		
WIP - Production :		
Closing Balance	5940.16	5594.97
Less: Opening Balance	5594.97	6902.72
TOTAL	345.19	(1307.75)
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	345.19	(1307.75)
WIP - Installation:		
Closing Balance	0.00	0.00
Less: Opening Balance	0.00	0.00
TOTAL	0.00	0.00
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	0.00	0.00
Accretion/(Decretion) to Manufacturing Components		
Closing Balance	4403.41	4900.12
Less: Opening Balance	4900.12	4270.98
TOTAL	(496.71)	629.13
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	(496.71)	629.13
WIP - Installation:		
Closing Balance	0.00	0.00
Less: Opening Balance	0.00	0.00
TOTAL	0.00	0.00
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision/effects of WIP	0.00	0.00
TOTAL	0.00	0.00
Accretion/(Decretion) to Stock-in-Trade		
Stock-in-Trade :		
Closing Balance	3958.84	6431.14
Less: Opening Balance	6431.14	2429.75
Total	(2472.30)	4001.40
Add: Write Off during the Year	98.20	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	(2374.10)	4001.40
Stock of Scrap		
Closing Balance	0.00	0.00
Less: Opening Balance	0.00	0.00
Add : Prior Period Adjustments	0.00	0.00
TOTAL	0.00	0.00
GRAND TOTAL	(2525.62)	3322.78

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
NOTE NO. 27				
EMPLOYEE BENEFIT EXPENSES				
i) SALARIES & WAGES				
Salaries & Wages	16724.09		17162.32	
Less: Other Revenue Accounts	0.00		0.00	
TOTAL	16724.09		17162.32	
Bonus	15.32		5.38	
Wage revision arrear payments	0.00		0.00	
Incentive	7.45		10.55	
TOTAL		16746.86		17178.25
ii) CO'S CONTRIBUTION TO PF AND OTHER FUNDS:				
Provident Fund & Pension Fund	1918.56		1881.52	
Employees State Insurance	11.22		18.94	
Gratuity Trust Fund	1640.31		1433.52	
Leave Salary- PL	1470.48		843.78	
Sick Leave	4.78		5.96	
Deposit Linked Insurance/Group Insurance	18.32		22.26	
TOTAL		5063.67		4205.98
iii) WORKMEN AND STAFF WELFARE EXPENSES				
Welfare Expenses - Canteen	308.69		300.24	
Welfare Expenses - Education	3.68		3.73	
Medical Expenses	479.79		546.76	
LTC/LLTC	9.40		57.76	
Uniforms	0.18		1.84	
Others	567.90		341.63	
TOTAL		1369.64		1251.96
iv) VOLUNTARY RETIREMENT SCHEME				
VRS Payments		(0.58)		250.94
v) Actuarial Gain/(Loss)		0.00		0.00
GRAND TOTAL		23179.60		22887.13
RELATED PARTY TRANSACTIONS				
KEY MANAGERIAL PERSONNEL-SALARY & PERQUISITES				
Name		Mar, 2024		Mar, 2023
Shri Rajesh Rai- CMD		39.97		4.12
Shri R M Agarwal- Ex. CMD		0.00		8.87
Shri Rajeev Srivastava- Director Finance		28.88		24.22
Shri Ramana Babu - Director Marketing		8.21		0.00
Shri Rakesh Chandra Tiwari -Ex- Director Marketing		35.28		45.98
Smt S Jeyanthi - Director(Production)/(HR - Addl.charge)		25.88		2.04
Shri Venkateswarlu - Ex. Director (Production)		0.00		42.07
Smt R Vasanthi- Ex. Director (Production) - Addl. Charge		3.31		2.04
Smt Shalini Ghatak- Company Secretary -w.e.f 06.07.2023		8.41		0.00
Smt Shanmuga Priya- Ex. Company Secretary		0.00		16.20



DISCLOSURE REPORT UNDER IND AS 19

Defined Benefit Plan

The Employees Gratuity Fund Scheme Managed by a Trust is a defined benefit Plan. The Present value of Obligation is determined based on Actuarial Valuation. The obligation for Leave encashment is recognized based on Actuarial Valuation which is unfunded.

₹ in Lakhs

		Gratuity		Privilege Leave		Sick Leave	
I Summary of results							
S.N	Assets / Liability	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a	Present value of obligation	13,645	16,729	7,169	7,776	44	31
b	Fair value of plan assets	126	124	0	0	0	0
c	Net assets / (liability) recognized in balance sheet as provision	-13,519	-16,605	-7,169	-7,776	-44	-31
II Actuarial & Demographic Assumptions							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a	Discounting Rate	7.21	7.18	7.21	7.18	7.21	7.18
b	Future salary Increase	5.36	2.75	5.36	2.75	5.36	2.75
c	Attrition at Ages	6.90	12.35	6.90	12.35	6.90	12.35
III Plan Liability							
Date Ending		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Present value of obligation as at the end of the period	13,645	16,729	7,169	7,776	44	31
IV Service Cost							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Current Service Cost	448	526	637	537	3	3
b)	Past Service Cost including curtailment Gains/Losses	0	0	0	0	0	0
c)	Gains or Losses on Non routine settlements	0	0	0	0	0	0
d)	Total Service Cost	448	526	637	537	3	3
V Net Interest Cost							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Interest Cost on Defined Benefit Obligation	1201	1030	558	450	2	3
b)	Interest Income on Plan Assets	9	122	0	0	0	0
c)	Net Interest Cost (Income)	1192	907	558	450	2	3
VI Change in Benefit Obligation							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Present value of obligation as at the beginning of the period	16729	15007	7776	6565	31	50
b)	Acquisition adjustment	0	0	0	0	0	0
c)	Interest Cost	1201	1030	558	450	2	3
d)	Service Cost	448	526	637	537	3	3
e)	Past Service Cost including curtailment Gains/Losses	0	0	0	0	0	0
f)	Benefits Paid	-6010	-2725	-2652	-2915	0	0
g)	Total Actuarial (Gain)/Loss on Obligation	1277	2891	849	3139	8	-24
h)	Present value of obligation as at the End of the period	13645	16729	7169	7776	44	31

DISCLOSURE REPORT UNDER IND AS 19... Contd...

		Gratuity		Privilege Leave		Sick Leave	
VII Bifurcation of Actuarial Gain/Loss on Obligation							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-207	568	-147	349	-1	2
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	494	112	505	111	3	0
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	990	2211	491	2679	6	-27
VIII Actuarial Gain/Loss on Plan Asset							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Expected Interest Income	9	122	0	0	0	0
b)	Actual Income on Plan Asset	22	49	0	0	0	0
c)	Actuarial gain /(loss) for the year on Asset	13	-73	0	0	0	0
IX Balance Sheet and related analysis							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Present Value of the obligation at end	13,645	16,729	7,169	7,776	44	31
b)	Fair value of plan assets	126	124	0	0	0	0
c)	Unfunded Liability/provision in Balance Sheet	-13,519	-16,605	-7,169	-7,776	-44	-31
X The amounts recognized in the income statement.							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Total Service Cost	448	526	637	537	3	3
b)	Net Interest Cost	1,192	907	558	450	2	3
c)	Net actuarial (gain) / loss recognized in the period	0	0	849	3,139	8	-24
d)	Expense recognized in the Income Statement	1,640	1,434	2,045	4,127	12	-19
XI Other Comprehensive Income (OCI)							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Net cumulative unrecognized actuarial gain/(loss) opening	0	0	0	0	0	0
b)	Actuarial gain / (loss) for the year on PBO	-1,277	-2,891	0	0	0	0
c)	Actuarial gain /(loss) for the year on Asset	13	-73	0	0	0	0
d)	Unrecognized actuarial gain/(loss) for the year	-1,264	-2,964	0	0	0	0
XII Change in plan assets							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Fair value of plan assets at the beginning of the period	124	1781	0	0	0	0
b)	Actual return on plan assets	22	49	0	0	0	0
c)	Employer contribution	5,990	1019	0	0	0	0
d)	Benefits paid	-6,010	-2,725	0	0	0	0
e)	Fair value of plan assets at the end of the period	126	124	0	0	0	0



DISCLOSURE REPORT UNDER IND AS 19... Contd...

		Gratuity		Privilege Leave		Sick Leave	
XIII Major categories of plan assets (as percentage of total plan assets)							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Government of India Securities	0	0	0	0	0	0
b)	State Government securities	0	0	0	0	0	0
c)	High Quality Corporate Bonds	0	0	0	0	0	0
d)	Equity Shares of listed companies	0	0	0	0	0	0
e)	Property	0	0	0	0	0	0
f)	Funds Managed by Insurer	100%	100%	0	0	0	0
g)	Bank Balance	0	0	0	0	0	0
	Total	100%	100%				

XIV Change in Net Defined Benefit Obligation							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Net defined benefit liability at the start of the period	16,605	13,227	7,776	6,565	31	50
b)	Acquisition adjustment	0	0	0	0	0	0
c)	Total Service Cost	448	526	637	537	3	3
d)	Net Interest cost (Income)	1,192	907	558	450	2	3
e)	Re-measurements	1,264	2,964	849	3,139	8	-24
	Difference in Opening	0	0	0	0	0	0
f)	Contribution paid to the Fund	-5,990	-1,019	-2,652	-2,915	0	0
g)	Benefit paid directly by the enterprise	0	0	0	0	0	0
h)	Net defined benefit liability at the end of the period	13,519	16,605	7,169	7,776	44	31

XV Bifurcation of PBO at the end of year in current and non current.							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Current liability (Amount due within one year)	4300	5972	1,931	2,665	2	2
b)	Non-Current liability (Amount due over one year)	9345	10758	5238	5112	42	30
	Total PBO at the end of year	13,645	16,729	7,169	7,776	44	31

XVI Expected contribution for the next Annual reporting period							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Service Cost	504	517	561	427	42	14
b)	Net Interest Cost	975	1192	517	558	3	2
c)	Expected Expense for the next annual reporting period	1478	1,709	1,078	985	46	16

XVII Sensitivity Analysis of the defined benefit obligation.

a)	Impact of the change in discount rate	31.03.2024
	Present Value of Obligation at the end of the period	13,645
a)	Impact due to increase of 0.50%	-161
b)	Impact due to decrease of 0.50 %	167

31.03.2024
7,169
-117
123

31.03.2024
44
-1
1

b)	Impact of the change in salary increase	31.03.2024
	Present Value of Obligation at the end of the period	13,645
a)	Impact due to increase of 0.50%	111
b)	Impact due to decrease of 0.50 %	-111

31.03.2024
7,169
124
-120

31.03.2024
44
1
-1

DISCLOSURE REPORT UNDER IND AS 19... Contd...

XVIII Maturity Profile of Defined Benefit Obligation

S.N	Year	Amount	Amount	Amount
a)	0 to 1 Year	4,300	1,931	2
b)	1 to 2 Year	3,169	1,570	21
c)	2 to 3 Year	2,344	1,179	9
d)	3 to 4 Year	1,324	726	5
e)	4 to 5 Year	895	527	2
f)	5 to 6 Year	414	254	1
g)	6 Year onwards	1,199	982	4

XIX Summary of results

S.N	Assets / Liability	Leave Travel Concession	
		31.03.2024	31.03.2023
a)	Present value of obligation	152	171
b)	Fair value of plan assets	0	0
c)	Net assets / (liability) recognized in balance sheet as provision	-152	-171

XX Actuarial & Demographic Assumptions

S.N	Particulars	31.03.2024	31.03.2023
a)	Discounting Rate	7.21	7.18
b)	Future salary Increase	5.36	2.75
c)	Attrition at Ages	6.90	12.35

XXI Actuarial Value

	Present value of obligation as at the end of period	152	171
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XXII Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013

S.N	Particulars	31.03.2024	31.03.2023
a	Current liability (Amount due within one year)	43	64
b	Non-Current liability (Amount due over one year)	109	107
c	Total PBO at the end of year	152	171



₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
NOTE NO. 28				
FINANCE COSTS				
i) Interest Expense:				
Cash Credit	17514.15		14422.22	
Public Deposits	0.00		0.00	
Bonds	0.00		0.00	
Term Loan	0.00		0.00	
Others*	3030.54		3720.67	
ii) Bank charges	3594.15		2785.67	
iii) Government Guarantee Fee	0.00		0.00	
iv) Expenses on Issue of Bonds/Loans	0.00		0.00	
v) Net Gain / Loss from Foreign Currency Translations & Transactions	0.00		29.85	
TOTAL		24138.84		20958.40
*Interest expenses others includes Interest on Delayed Payment of PF to Trust.				
NOTE NO. 29				
DEPRECIATION AND AMORTIZATION EXPENSES				
Fixed Assets	5312.25		4946.02	
Tools and Gauges	0.00		3.82	
TOTAL	5312.25		4949.84	
Less: Transfer from Revaluation Reserve	0.00		0.00	
NET DEPRECIATION		5312.25		4949.84
NOTE NO. 30				
OTHER EXPENSES				
DRE Written off	0.00		0.00	
VRS Expenditure	0.00		0.00	
MANUFACTURING EXPENSES:				
Cosumption of Stores and Spares	23.87		9.57	
Power and Light	1831.81		1849.09	
Water Charges	348.00		333.66	
Excise Duty	0.00		0.00	
REPAIRS AND MAINTENANCE:				
i) Plant Machinery and Equipment	135.83		270.71	
ii) Vehicles	27.97		88.84	
iii) Buildings	1134.81		877.03	
iv) Other Equipments	202.35	1500.96	158.29	1394.87
Cost and Expenses on Tools	0.00		0.00	
Experimental Work and Training Expenses	6.83		6.78	
Expenses on Minor Equipment & Work	3.70		0.75	
Royalty	0.00		884.61	
Loss of Stock due to Fire	0.00		88.25	
Scrap and Salvages	0.00		0.00	
Factory Expenses	1105.84		926.29	

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
TOT CHARGES:				
i) Technical Assistance	0.00		0.00	
ii) Technical Knowhow fee	0.00		0.00	
iii) Documentation Charges	0.00		0.00	
iv) Training Assistance	0.00		0.00	
v) Others	0.00	0.00	0.00	0.00
Liquidated Damages		5478.15		1246.75
Demurage Charges		0.00		0.67
Net gain /loss on foreign currency translation and transaction(other than considered as finance cost)		0.00		0.00
TOTAL MANUFACTURING EXPENSES		10299.18		6741.28
ADMINISTRATION EXPENSES:				
Rent	130.50		154.69	
Rates and Taxes	873.66		1056.47	
Insurance	111.91		129.75	
TRAVELLING EXPENSES				
Inland	420.91		562.09	
Foreign	0.00		0.00	
Postage, Telegram, Telex Expenses	25.46		25.61	
Telephone and Trunk Call Charges	63.67		44.24	
Remuneration to Auditors				
Audit Fees	22.01		27.04	
For Taxation Matters	3.30		1.50	
For Company Law Matters	0.00		0.00	
For Management Services	0.00		0.00	
For Reimbursement of Expenses	1.20		1.18	
For Other Services	3.35		1.33	
Legal fees	178.51		135.76	
Other Professional fees	186.94		264.36	
CISF/ Private Security Expenses	1121.86		1002.28	
Printing, Stationary and Duplicating Charges	47.26		64.94	
Transport Expenses	293.18		291.40	
News Papers, Magazines & Periodicals	9.68		14.70	
Mechanised Accounting Expenses	0.11		2.40	
Lease Charges	0.00		0.00	
Licence fee/Segment Charges	1.72		2.40	
CSR Expenditure	2.00		16.64	
Expenses on Follow on Public Offer (FPO)	0.00		0.00	
Office Expenses	629.85		580.43	
Provision for Obsolescence of RM Stores	453.26		0.00	
Obsolete RM & Production Stores Write off	2.28		0.00	
Provision for Capital WIP Write off	0.00		0.00	
Provision for Debtors/Advance	150.64		2639.38	
Bad Debts Write off	271.56		0.78	



₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
Claims and Expenses Charge off	664.20		20.47	
Loss on Sale of Assets	112.20		0.00	
Penalties and Late fees	71.44		17.35	
Adjustment to the Carrying Amount Investments	0.00		0.00	
Net Loss on Sale of Investments	2.63		0.00	
TOTAL ADMINISTRATION EXPENSES		5855.29		7057.17
C. SELLING EXPENSES				
Selling Agency Commission	23.31		4.11	
Advertisement Expenses	9.23		16.98	
Exhibition and Publicity Expenses	26.98		9.64	
Packing Expenses	1.10		6.70	
Forwarding Expenses	510.93		53.68	
Discount Allowed	0.00		0.00	
Warrenty Expenses	0.01		0.00	
Sales Promotion Expenses	0.03		0.00	
Entertainment Expenses	(14.55)		1.56	
Cost of Tender Forms	2.56		1.84	
TOTAL SELLING EXPENSES		559.60		94.51
TOTAL OTHER EXPENSES		16714.07		13892.97
In case of back to back arrangements, Liquidated damages is accounted on net basis.				
Expenditure in Foreign Currency :				
Royalty	0.00		0.00	
Knowhow	0.00		0.00	
Professional / Consultation Fees	0.00		0.00	
Interest	0.00		0.00	
Others	0.00		0.00	
Total		0.00		0.00

Notes to the Standalone Financial Statements ...Contd...

Additional Disclosures

PARTICULARS

NOTE NO. 31

1 Corporate information:

ITI Limited is a Public Limited Company incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in the business of Manufacture, sale & servicing of Telecommunication equipments and building communication network infrastructures using Internet Protocol (IP) / Multi Protocol Label Switching (MPLS) Technology, Optical Fibre Cable (OFC), Microwave Radio and Satellite communication channels. Further, Company is engaged in turnkey contracts/solutions and provides customized support.

- 2 An amount of Rs.16500 Lakhs has been received from Department of Telecommunications ('DoT') - Government of India, towards payment of wage revision arrears during 2014-2015. An amount of Rs.15493.72 lakhs has been paid towards payment of wage revision arrears and remaining amount of Rs.1006.06 lakhs is outstanding in Other Current Liabilities.
- 3 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 confirmations. However, in the opinion of the management, the Trade Receivables, current assets and loans and advances are realisable in the ordinary course of the business.
- 4 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.1192700 lakhs under execution with adequate margin, expected conversion of unbilled revenue of Rs. 217468 lakhs into billed revenue / realization by completing the contract 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.
- 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 board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Indian Accounting Standard ('IndAS') 108. The Company has determined that there are no reportable operating segments within the meaning of IndAS 108 as the revenue recognition is through contracts similar in nature. Further, the MCA vide its notification dated 23.02.2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting. The Company is of the view that such exemption is applicable due to execution of certain defence projects and accordingly no information is furnished as required under the applicable accounting standard.
- 6 **a) As per Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures the following transactions are entered into with the Joint Ventures of the company viz. India Satcom Ltd.,(ISL).**

₹ in Lakhs

	31.03.2024	31.03.2023
Purchase of goods\Services	-	-
Sale of goods\Services	-	-
Amount Outstanding:		
- Due from the related party	-	-
- Due to the related party	-	-
Provision for doubtful debts against dues from related party.	-	-
Written Off during the period	-	-
b) Remuneration paid to Key Management Personnel [As required under Ind AS 24]		
Shri Rajesh Rai- CMD	39.97	4.12
Shri R M Agarwal- Ex. CMD	-	8.87
Shri Rajeev Srivastava- Director Finance	28.88	24.22
Shri Ramana Babu - Director Marketing	8.21	-
Shri Rakesh Chandra Tiwari -Ex- Director Marketing	35.28	45.98
Smt S Jeyanthi - Director(Production)/(HR - Addl.charge)	25.88	2.04
Shri Venkateswarlu - Ex. Director (Production)	-	42.07
Smt R Vasanthi- Ex. Director (Production) - Addl. Charge	3.31	2.04
Smt Shalini Ghatak- Company Secretary -w.e.f 06.07.2023	8.41	-
Smt Shanmuga Priya- Ex. Company Secretary	-	16.20
7 Earnings Per Share(for continuing operation):	31.03.2024	31.03.2023
Profit after tax	-56906.15	-36009.64
(-) Preference Dividend	0.00	0.00
Dividend tax	0.00	0.00
Profit available to equity shareholders	-56906.15	-36009.64
No. of Shares at beginning of the year	949577352	933522869
No. of Shares at the end of the year	960886938	949577352
Weighted average number of shares during the period	959620017	944488639
Earning per equity share (for continuing operation): Basic & Diluted (in Rs.)	-5.93	-3.81



Notes to the Standalone Financial Statements ...Contd...

8 Since the Company has no virtual certainty of sufficient future taxable income, deferred tax asset is not being recognised on unabsorbed depreciation and carried forward losses of the Company under IndAS 12.

9 JOINT VENTURES:

The financial reporting of interests in Joint Ventures as per Ind AS 28:

(a) India Satcom Limited	31.03.2024	31.03.2023
#2, Kadugodi Industrial Area, Whitefield, Bengaluru 560 067, Karnataka - India		
Company's stake in equity participation	49.06%	49.06%
Place of incorporation of JV - India		
10 a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,001.84	2,033.31
b) Commitments in respect of other contracts not provided for-	-	-
11 Contingent Liabilities & Commitments		
<u>(a) Claims against the companies not acknowledged as debt</u>	31.03.2024	31.03.2023
- Outstanding letters of credit & guarantees	191,074.42	132,149.64
- Tax Dues		
----- Litigations		
-----Direct Tax matters	691.72	691.72
-----Indirect Tax matters	21,242.07	13,371.38
----- Other tax dues		
-----Direct Tax matters	212.31	177.51
-----Indirect Tax matters	5,634.01	5,915.37
- Other claims - Litigated	27,821.35	27,718.38
- Other claims - Others	54.80	18.20

i) Claims against the company not acknowledged as debt includes ₹17075.79 Lakhs claimed by M/s Alphion Corporation, Company has to recover the same amount from BSNL on a back to back basis contract related to GPON. The matter is still pending for disposal before the Hon'ble High Court of Karnataka & after February, 2023, it is not yet listed for further hearing by the court.

ii) The Company has received a demand for property tax from BBMP for the years from 2008-09 to 2023-24 for Rs.7938.21 lakhs as one time settlement to be deposited. However, the Company has appealed BBMP to revise the demand amount on the ground that Company is a sick industry under a revival plan by the BIFR and are eligible for such exemption.

(iii) The company has received notices levying penalties amounting to Rs.54.80 lakhs from BSE/ NSE for not having sufficient number of independent directors/ women directors. However, on a request to BSE/ NSE stating the reason for non-compliance being a public sector undertaking, the penalties have been waived till the second quarter of FY 2022-23. The company is confident that the subsequent levies would also be waived. Hence, no provision has been made for these penalties.

(iv) The claims amount includes claim by HFCL of Rs.1193.88 lakhs towards Liquidated Damages and confirmed by the Arbitrator. However, the Company has filed an appeal against the said claim in the High Court of Delhi.

(v) The claims against the company includes claim of balance amount by RECAP Ventures Pvt Ltd of Rs.615.13 lakhs from the due date till the filling of petition for providing CCMS boxes under EESL tender .

vi.) Due to the financial crunch, there have been delayed remittance of some of the statutory dues including contribution to the provident fund. The company has provided interest for the delay on an estimated basis as the actual amount of interest/penalty payable is unascertainable.

vii.) The company has disclosed a contingent liability of Rs.5634.01 lakhs (Previous Year Rs.5,915.37 Lakhs) towards additional central sales tax liability for non-collection/submission of C/D forms for the past years on the estimated basis. The actual liability may vary based on the collection and submission of the statutory forms and adopting the applicable tax rate at the time of tax assessments.

(viii) Interest and penalties on arrears of all overdue statutory liabilities (including undisputed) could arise as and when assessed and determined by the respective authorities.

(ix) Interest on Royalty payable to C-DOT has not been provided in view of substantial dues (which are more than the royalty amount) outstanding for a long time towards rent payable for the premises taken on lease by C-DOT. The interest amount was not ascertainable.

(b) Other litigations

(i) Claim Recoverable - (inland) - Rs.1049.41 lakhs due from M/S Himachal futuristic communications on account of Liquidated Damages. The Company has filed a legal case and the matter is pending before Delhi High court.

(ii) Bruhat Bengaluru Mahanagara Palike (BBMP) constructed road in ITI land in Krishnarajapuram without permission of ITI which is used by general public despite the stay order from High court of Karnataka.

Notes to the Standalone Financial Statements ...Contd...

ITI Limited filed a complaint in the Magistrate Civil Court dated 18.05.2022 in furtherance of acting against M/s Mind array Systeme Private Limited. The case is under city commercial court Bengaluru.

ITI Limited supplied LED Street Light to Infos park , the realization for the same is pending. ITI has filed a case against M/s Infos Park for the cheque which was dishonoured by the bank.

Karnataka Power Transmission Corporation Limited is using 5 Acres of Land and no lease agreement has been entered for the same.

12. Write-back of liabilities of earlier years amounting to Rs.302.30 lakhs comprises Naini Unit Rs.45.58 lakhs and RO Chennai Rs.249.83 lakhs and RO Mumbai Rs.6.88 Lakhs (Previous year Rs.3.80 Lakhs comprises Naini Unit Rs.2.86 lakhs, RO BG Rs.0.94 Lakhs).

- 13 **Value of Imported Raw Materials, Store and Spare parts consumed and Value of Indigenous Materials Consumed and percentage of each to the total consumption**

	31.03.2024	31.03.2023
Imported	375.23	521.25
Indigenous	7,997.66	15,920.27
Total	8,372.89	16,441.53

- 14 The Company is a Sick Company as per provisions of the Sick Industrial Companies Act (SICA), 1985 and is currently under a revival plan after it was referred to the Board for Industrial and Financial Reconstruction (BIFR). The Cabinet Committee on Economic Affairs (CCEA) approved financial assistance of Rs.415679 lakhs in February 2014 for the revival of the Company under the Rehabilitation Scheme.

- 15 As a part of the approved financial assistance, an amount of Rs.113256 lakhs have been received towards Capital Grant and Rs.189279 lakhs towards revenue grant till FY 2022-23. Shares have been allotted to the President of India towards the Capital Grant received, on various dates in accordance with the BIFR order dated 08.01.2013 at prevailing market price or average share price for three months prior to the date of allotment, whichever is lower. There were no grants received under BIFR revival plan during FY 2023-24.

Out of the total capital Grant, amount of Rs.18700 lakhs was received during the FY 2022-23. Of this, shares were allotted for Rs.8,000.00 lakhs grant amount, 77,33,204 shares @ Rs. 103.45 per share have been allotted on 28.09.2022 (each Rs. 10 fully paid up at premium of Rs. 93.45 per share) and for the amount of Rs.10700.00 lakhs , 11309586 equity shares issued at Rs.94.61 to the President of India during FY 2023-24 on 11.05.2023. The total financial assistance received till the Balance Sheet date amounts to Rs.302535 lakhs.

- 16 Land proposed to be leased to Bangalore Metropolitan Transport Corporation, BMTC, measuring 12.15 acres is in possession of the BMTC. Pending Government of India approval for the lease, lease terms and agreement yet to be finalised. Lease rental will be recognised on finalisation of the terms. An amount of Rs.285 lakhs received earlier from the BMTC under an agreement to sell is held under deposits.

- 17 Lease agreement with ESIC has expired in the month of July 2016 and renewal lease agreement has not been entered, as the revised lease rent is not settled with ESIC. Further, Company is in the process of identifying, reviewing and renewing all the lease agreements expired, where Company is lessor.

- 18 **Value of Imports on CIF basis**

	31.03.2024	31.03.2023
Raw Materials and Production Stores	375.23	349.64
Components and Spare Parts	-	171.62
Material in transit	-	-
Capital Goods	-	-
TOTAL	375.23	521.26

- 19 Rent from C-DoT, Government of India aggregating Rs.5847.90 lakhs has not been realised for the years 2005-06 to 2010-11. Due to uncertainty of realisation, recognition of gross rental revenue aggregating Rs.12679.92 lakhs for the financial years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 & 2023-24 on accrual basis is deferred, which is in conformity with Ind AS.

Southern Railways were paying rent for 1.83 acres of land used as access road to their facilities, without any written lease agreement till June 1990. However, since the approach road was being used by the public and the residents of the locality, Southern Railways stopped paying rent. Presently, the land is used by the public as right of way.

The title deeds of all the immovable properties , as disclosed in Note 1 and Note 3 to the financial statements are held in the name of the Company except those mentioned below:

(i) Land measuring 77 Acres at Palakkad valuing Rs.19470 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.

(ii) ITI Complex land 174.69 acres valuing Rs.9282 lakhs (Carrying Value) was handed over to Naini Unit by District Industrial Officer in 1969 which is not in the name of the Company.

(iii) Transfer of title of 196.37 acres of land (factory area) valuing Rs.11620 Lakhs (Appx) acquired against Gazette No 10574(1). SHA.U/18.II.666/Bha-72 dtd 09.01.1973 pertaining to Villages Ballapur, Chhajapur & Malikmau Aima, Raebareli transfereed by Industries Department, Raebareli dated 12.11.1973 is pending due to non submission of proof of compensation paid by ITI Limited to the land owners at the time of land acquirement.



Notes to the Standalone Financial Statements ...Contd...

- 20 An amount of Rs.2144 lakhs is receivable from M/s.Karvy Data Management Services Limited and M/s.Telva Systems, which is overdue. The company has not made any provision for bad debts in this case as the corresponding liability of similar amount to vendors (back-end partners) is payable only upon recovery of this amount. Provision is made for Rs.242 lakhs being the difference between the amount receivable and payable.
- 21 No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.
- 22 No proceedings has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and the rules made thereunder.
- 23 The Company has borrowings from Banks on the basis of security of current assets. The Stock and Debtors Statement filed by the Company with banks are in agreement with the books of accounts
- 24 The Company has not been declared as a Wilful Defaulter by any banks or other Financial Institutions or other lenders
- 25 As per the information available with the management, the Company does not have any transactions with Companies stuck off under Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956, in respect of Investments in Securities, Receivables, Payables, Shares held by Stuck off Company and other outstanding balances.
- 26 The Company does not have any charges or satisfaction of charges which is yet to be registered with ROC beyond the statutory period.
- 27 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 28 The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 29 The Company has not traded or invested in Crypto or Virtual Currency during the Current or Previous year.
- 30 The borrowings obtained by the Company from banks and financial institutions have been applied for the purpose for which such loans are taken

31	The ratios and the formula used for calculating the ratios are as under	Numerator	Denominator	31.03.2024	31.03.2023	% Variance	Reasons for variance > 25%
	a. Current Ratio	Current Assets	Current Liabilities	0.89	0.97	-8.17%	
	b. Debt Equity Ratio	Total Debt	Shareholder's Equity	1.03	0.80	28.75%	Due to reduction in Equity.
	c. Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-1.15	-0.85	35.29%	Due to increase in interest cost, repayment of borrowing and reduction in EBITDA.
	d. Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	-0.28	-0.15	90.36%	Due to increase in loss and reduction in Equity.
	e. Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	5.02	5.33	-5.82%	
	f. Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	0.63	0.57	10.53%	
	g. Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	0.87	0.83	4.82%	
	h. Working Capital Turnover Ratio	Net Sales	Working Capital	-1.52	-6.31	-75.98%	Due to reduction in working capital
	i. Net Profit Ratio [%]	Net Profit	Net Sales	-45.03%	-25.82%	74.40%	Due to reduction in revenue and contribution/margin.
	j. Return on Capital Employed	Earning before interest and taxes	Capital Employed	-0.17	-0.06	170.50%	Due to reduction in EBIT and capital employed.

Notes to the Standalone Financial Statements ...Contd...

32 Details of CSR Activities

	31.03.2024	31.03.2023
(i) Amount required to be spent by the Company during the year	NA	NA
(ii) Amount of expenditure incurred	2.00	5.00
(iii) Shortfall at the end of the year	NA	NA
(iv) Total previous years shortfall	Nil	Nil
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Armed Forces Flag Fund (AFFDF)	Armed Forces Flag Fund (AFFDF)
The Company has satisfied conditions specified under Section 135 of the Act and becomes liable to comply with the provisions of the Section 135 and Companies Rules, 2014 but since there are no profits, section 135 of the said Act is not applicable.		

33 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 including women Independent Director. However, the proposal for the appointment of requisite number of Independent Directors including Women Independent Director on the Board of the Company is under process with the Administrative Ministry.

34 Lease agreement with NIFT has expired in the month of November 2018 and is pending approval from the concerned ministry. The company has intimated that the matter has been referred to the administrative mechanism for resolving the same on priority.

35 The material subsequent events for the year ended 31.03.2024 have been appropriately disclosed/presented/ recognized in the financial statements. During the year 2024-25, the directors are not aware of any other matter or circumstances since the financial year end and the date of this report, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Company and the results of its operations.

36 Control of the company lies with the Honorable President, Government of India and other nominees. In light of the same, the company is a 'government-related entity' (with regards to the Government of India) as defined by "Ind AS 24 (Related Party Disclosures)" i.e., an entity that is controlled, jointly controlled or significantly influenced by a government.

37 There are no indicators of impairment identified during the year. Also, carrying amount has been reviewed as at the balance sheet date and there is no impairment of Assets for the year. (Previous Year: Nil).

38 a) Confirmation of balances from BSNL & Defence, with whom the company has significant accounts receivables/payables is in the process during the year and is under negotiation/discussion regarding open items of reconciliations statements drawn up duly signed off. Necessary entries will be incorporated after completion of such discussions/negotiations thereon.

b) Confirmation of balances from all other parties with whom Company has/had transactions have not been fully obtained. Necessary entries will be incorporated after receiving confirmation of balances and completion of reconciliation thereon."

39 The preparation of financial statements requires the use of accounting estimates which may significantly vary from the actual results. Management also needs to exercise judgment while applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

a) Estimation of defined benefit obligation -

Estimation of defined benefit obligation involves certain significant actuarial assumptions. Estimates and judgments are periodically evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

b) Useful life of property, plant and equipment -

The estimated useful life of property, plant and equipment is based on Company's accounting policy.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.



Notes to the Standalone Financial Statements ...Contd...

40 The carrying value of financial instruments by categories are as follows -

₹ in Lakhs

Particulars	Financial assets/liabilities at FVTPL as at March 31,2024	Financial assets/liabilities at fair value through OCI as at March 31,2024	Amortized cost as at March 31,2024
Financial Assets:-			
Investments	0.00	0.00	41
Trade receivables	0.00	0.00	255,610
Loans	0.00	0.00	79,958
Cash and cash equivalents	0.00	0.00	10,526
Other bank balances	0.00	0.00	72,716
Other financial assets	0.00	0.00	218,183
Total financial Assets	0.00	0.00	637,033
Financial Liabilities:			-
Borrowings	0.00	0.00	179,546
Trade Payables	0.00	0.00	166,659
Other financial liabilities	0.00	0.00	208,913
Total Financial Liabilities	0.00	0.00	555,118
Particulars	Financial assets/liabilities at FVTPL as at March 31,2023	Financial assets/liabilities at fair value through OCI as at March 31,2023	Amortized cost as at March 31,2023
Financial Assets:			
Investments	0.00	0.00	41
Trade receivables	0.00	0.00	262,575
Loans	0.00	0.00	73,303
Cash and cash equivalents	0.00	0.00	936
Other bank balances	0.00	0.00	20,548
Other financial assets	0.00	0.00	257,978
Total financial Assets	0.00	0.00	615,380
Financial Liabilities:			
Borrowings	0.00	0.00	187,584
Trade Payables	0.00	0.00	155,067
Other financial liabilities	0.00	0.00	236,658
Total Financial Liabilities	0.00	0.00	579,309

41 a) **Level 1** - This hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

b) **Level 2** - This hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

c) **Level 3** - This hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

Particulars	Level 1	Level 2	Level 3
As at March 31, 2024			
Financial liabilities measured at fair value:		Nil	
Total			
As at March 31, 2023			
Financial liabilities measured at fair value:		Nil	
Total			



Notes to the Standalone Financial Statements ...Contd...

- 43 The amortised cost of financial instruments is considered as same as their carrying value in absence of the material impact on financial statements. In case of long term security deposits, discounting is not performed due to no material impact on financial statements.
- 44 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 45 No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 46 No dividends have been declared or paid during the year by the Company.
- 47 The company is in the process of reconciling form 26AS/AIS/TIS with its books of accounts. Upon completion adjustment entries, if any, will be made in the books of accounts.
- 48 The company is in the process of compiling/collecting the required data to be provided as per the amendment to schedule III as specified vide notification dated 24.03.2021 Upon completion the required data/disclosures will be furnished.
- 49 a) All amounts disclosed in the Ind AS Financial Statements and notes have been rounded off to the nearest rupees in lakhs except as otherwise stated.
- b) Previous year figures have been regrouped/recast wherever necessary for purposes of comparability.
- c) Current year's figures of Assets and liabilities have been grouped as financial and non-financial assets under current and non-current as required under Schedule III (Division II) effective from 01.04.2016.
- d) The financial statements of the company for the year ended March 31, 2023 were approved for issue by the Board of Directors.
- 50 The companies objective when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an appropriate capital structure of debt and equity. The Board of Directors (BOD) has the primary responsibility to maintain strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in financial markets so as to maintain investors, creditors & markets confidence and to sustain future development of the business. The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company. The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary. The company has monitored the long term debt equity ratio which is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Long term debt (including current maturities of long term debts)	12000.00	18000.00
Equity (Including capital reserve)	174946.44	233973.05
Long term Debt to Equity Ratio	0.07	0.08

51 Financial risk factors :

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk-Interest rate	Short-term borrowings at variable rates	Sensitivity analysis	Company has taken all the borrowings at competitive market rate of interest. NO derivative have been taken by the company for hedging purposes.
Credit risk	Cash and cash equivalents and trade receivables	Ageing Analysis	Diversification of bank deposits in public sector bank. Company has primary receivables from public sector undertaking.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Maintain adequate cash and cash equivalents



a) Market Risk :

i) Interest rate risk - The company has obtained borrowings at variable rate of interest. Hence company is exposed to change in interest rate. Companies borrowings are denominated in INR currency “

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	149526.45	157561.05
Fixed rate borrowings	30000.00	30000.00
Total borrowings	179526.45	187561.05

ii) Sensitivity - Profit or loss is sensitive to higher/lower expense from borrowings as a result of change in interest rates. The below table summarizes the impact of increase/decrease in interest rates on Profit or loss.

Impact on profit before tax		
Particulars	As at March 31, 2024	As at March 31, 2023
Interest rates- Increase by 50 Bsc points	-7,47.63	-7,87.81
Interest rates- Increase by 50 Bsc points	7,47.63	7,87.81

b) Credit Risk - Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables . Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

(i) Credit Risk on trade receivables - Trade receivables are typically unsecured and are derived from revenue earned from customers. Major trade receivables are mainly derived from execution of contracts. These are considered good based on the recovery analysis performed by the company.

Company has customers Central/state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectable in full, based on the payment security mechanism in place and historical payment behavior. Considering the above factors and the prevalent regulations, the trade receivables continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(ii) Credit Risk on other financial assets - The Company considers that all the financial assets that are not impaired and past due for each reporting dates under review are of good credit quality. The Company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets. Further, cash and cash equivalents are held with public sector banks and do not have any significant credit risk.”

c) Liquidity Risk

The Company’s principal sources of liquidity are cash and cash equivalents generated from operations. Company manages our liquidity needs by continuously monitoring cash in flows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls. Short term liquidity requirements consist mainly of trade payable, current maturities of long term borrowings, etc. arising during the normal course of business as at each reporting date. Company maintains a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements. Company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals.

- 52 There was a non-provision of Rs. 115.56 Lakhs towards bills payable to various vendors during FY 2022-23 w.r.t. Bangalore Plant, N.S. Unit and RO Kolkata. It is to confirm that provision/payment of the same amount has been duly accounted in the FY 2023-24.
- 53 Ind AS 115 has become effective from 1st April 2018. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

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

For & On Behalf of Board of Directors

Vasuki H S
Partner
M. No.. 212013

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

ANNEXURE -1

Disclosure of Related Party Transactions (standalone) for the Quarter & year ended 31.03.2024

32. Related Party Disclosures

a) Associate/Joint Venture

Name of the Entity	Place of Business	Ownership Interest Held by Company		Ownership Interest Held by Non-Controlling Interests		Principal Activities
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	
INDIA SATCOM LIMITED	India	49.06%	49.06%	50.94%	50.94%	VSAT Manufacturing & Servicing

b) Key Managerial Personnel's Details:

₹. In Lakhs

Name of Directors/ Key Management Personnel's	For the Quarter ended 31.03.2024	For the year ended 31.03.2024	For the year ended 31.03.2023
Shri Rajesh Rai - CMD	10.12	39.97	4.12
Shri Rajeev Srivastava - Director (Finance) & CFO	7.34	28.88	24.22
Shri. C.V. Ramana Babu - Director (Marketing)	8.21	8.21	
Smt S Jeyanthi - Director (Production) w.e.f 20/05/2023 & Director HR - Addl. Charge	6.83	25.88	2.04
Smt R Vasanthi - Director (Production) - Addl. Charge - till 19/05/2023*	-	3.31	2.04
Smt Shalini Ghatak - Company Secretary (W.e.f. 06.07.2023)*	2.89	8.41	-
Shri R M Agarwal- EX CMD	-	-	8.87
Shri Rakesh Chandra Tiwari - Ex- Director (Marketing)	-	35.28	45.98
Shri D. Venkateswarlu -Ex- Director (Production)	-	-	42.07
Smt Shanmuga Priya - Ex- Company Secretary	-	-	16.20
Dr. Raja Nayak - Independent Director	0.50	1.50	1.80
Shri. Shri Billeswar Sinha - Independent Director	0.30	1.20	1.30
Smt Mamta Palariya - Independent Director	0.30	1.30	1.80

* Part of the year

c) The transactions with Related Parties other than Key Management Personnel are as follows (Previous Year figures are shown in brackets) :-

Particulars	Associate/ Joint Venture	
	INDIA SATCOM LIMITED	
Purchase of Goods	Nil	
Sale of Goods		
Rendering Services		
Services Received		
Rent Received (Lease)		
Interest Income		
Dividend Income on Investments		
Loan Outstanding (including Interest) as on 31.03.2024		
Trade Payables Outstanding as on 31.03.2024		
Trade Receivables Outstanding as on 31.03.2024		
Investment in Equity as on 31.03.2024		40.55 lakhs (40.55L)
Advances for Purchase Outstanding as on 31.03.2024		Nil



d.)	All transactions dealt with related parties are on arm's length basis.
e.)	All Outstanding balances(other than loan) are Unsecured and is repayable in cash within next 6 months. For Outstanding balance of loans refer note f below.
f.)	Loans to Related Parties.
	Nil
g.)	Management Contracts including deputation of Employees:-
	Nil
	Transaction with Government and Government Related Entities :- As ITI is a government entity under the control of Ministry of Communications (MoC), the company has provided detailed disclosures required under Ind AS 24 wrt related party transactions with government and government related entities.
h.)	However as required under Ind AS 24, following are the individually significant transactions :- 1. Buyback of Shares. 2. Bonus Issued. 3. Dividend Paid.

CAPITAL EXPENDITURE ON AMENITIES 2023-24

₹ In Crores

PARTICULARS	GROSS BLOCK AT COST					DEPRECIATION					NET BLOCK	
	AS AT 31-03-2023	ADDITIONS DURING THE YEAR	ASSETS SOLD/SCRAPPED DURING THE YEAR	TRANSFERS AND ADJUSTMENTS	AS AT 31-03-2024	UPTO 31-03-2023	FOR THE YEAR	ASSETS SOLD/SCRAPPED DURING THE YEAR	TRANSFERS AND ADJUSTMENTS	UPTO 31-03-2024	AS AT 31-03-2024	AS AT 31-03-2023
	1	2	3	4	5=1+2-3-4	6	7	8	9	10= 6+7-8-9	11= 5-10	12
TOWNSHIP	1104.34	0.02	0.00	0.00	1104.36	110.90	0.50	0.00	0.00	111.40	992.96	993.44
TRANSPORT	7.27	0.00	0.00	0.00	7.27	6.65	0.15	0.03	0.00	6.77	0.50	0.62
MEDICAL	8.37	0.00	0.00	0.00	8.37	3.69	0.06	0.00	0.00	3.75	4.62	4.68
CANTEEN	6.16	0.00	0.00	0.00	6.16	3.42	0.10	0.00	0.00	3.52	2.64	2.74
SCHOOL CLUBS, AUDITORIUM SOCIAL AND CULTURAL ACTIVITIES	12.85	0.00	0.00	0.00	12.85	5.64	0.09	0.00	0.00	5.73	7.12	7.21
VEGETABLE FARMS, PARKS ETC.	0.05	0.00	0.00	0.00	0.05	0.03	0.00	0.00	0.00	0.03	0.02	0.02
TOTAL	1139.04	0.02	0.00	0.00	1139.06	130.33	0.90	0.03	0.00	131.20	1007.86	1008.71

REVENUE EXPENDITURE ON AMENITIES 2023-24

PARTICULARS	TOWNSHIP	TRANSPORT	MEDICAL	CANTEEN	SCHOOLS, CLUBS, AUDITORIUM, SOCIAL AND CULTURAL ACTIVITIES	VEGETABLES FARMS, PARKS ETC.	2023-24	2022-23
Pay and Allowances	6.18	1.09	2.63	0.64	0.03	0.00	10.57	12.82
Uniforms	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03
Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05
Supplies and Other Services	0.06	0.00	3.15	2.92	0.00	0.00	6.13	5.52
Power, light & water	2.64	0.00	0.10	0.04	0.01	0.00	2.79	3.36
Transport Charges	0.00	1.50	0.00	0.00	0.00	0.00	1.50	1.64
Rent, Rates, Taxes and Insurance	0.11	0.03	0.00	0.00	0.00	0.00	0.14	0.18
Maintenance and repairs	2.76	0.25	0.11	0.01	0.01	0.46	3.60	2.92
Depreciation - Buildings	0.35	0.01	0.02	0.04	0.06	0.00	0.48	0.63
Depreciation - Plant, Machinery, Equipment & Vehicles	0.13	0.15	0.04	0.00	0.01	0.00	0.33	0.36
General Overheads	0.02	0.01	0.80	0.00	0.00	0.00	0.83	0.62
	12.25	3.04	6.85	3.65	0.12	0.46	26.37	28.13
LESS :								
Recoveries/adjustments								
Rent	11.21	0.00	0.00	0.00	0.00	0.00	11.21	17.48
Power, Light & Water	0.92	0.00	0.00	0.00	0.00	0.00	0.92	0.85
Transport Charges	0.00	0.02	0.00	0.00	0.00	0.00	0.02	0.05
Capitation & other Recoveries	0.00	0.00	0.01	0.06	0.00	0.00	0.07	0.11
Sales proceeds	0.00	0.03	0.00	0.15	0.00	0.00	0.18	0.15
Indirect expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Allocated to Township, Medical & office use	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	12.13	0.05	0.01	0.21	0.00	0.00	12.40	18.64
Net Expenditure	0.12	2.99	6.84	3.44	0.12	0.46	13.97	9.49
Interest on Capital outlay notional	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48
TOTAL EXPENDITURE	0.12	2.99	6.84	3.44	0.12	0.46	13.97	9.97
Previous year	-3.82	3.64	6.83	2.66	0.47	0.19	9.97	9.97



STANDALONE INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ITI LIMITED

Report on Indian Accounting Standards Standalone Financial Statements of ITI Limited

Our Audit report on Indian Accounting Standards Standalone Financial Statements of the Company for the financial year 2023-24 under audit as approved by the BOD on May 28, 2024 and reported upon by us on the same date, has been revised by us in the light of the comments made in the supplementary audit carried out by Comptroller and Auditor General of India (CAG) in terms of section of 143(6) of the Companies Act, 2013. Accordingly, this audit report supersedes our earlier audit report dated May 28, 2024. Our audit procedures on events subsequent to the date of our original audit report issued on May 28, 2024, is restricted solely to observations made by CAG.

Disclaimer of Opinion

We were engaged to audit the accompanying Indian Accounting Standards Standalone Financial Statements of ITI Limited ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'SFS').

We do not express an opinion on the accompanying SFS 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 SFS.

Basis for Disclaimer of Opinion

- 1) The SFS of the Company for the year ended March 31, 2023, as approved by the Board of Directors on May 29, 2023, was reported upon by the earlier auditor M/s GRSM & Associates, Chartered Accountants vide their report issued on the same date. Vide this report, they had qualified their opinion on the said SFS due to the significance of the matters described in the 'Basis for qualified opinion' section of their report and their inability to quantify/ascertain the impact of the items on the SFS and for the said financial year. Their qualifications and observations may continue to impact the SFS for the current year. Management has not provided us with any quantification of the effect of these items on the current years' SFS and we are accordingly unable to comment on the same.
- 2) In terms of SA 510 - Initial Audit Engagements -Opening Balances issued by the Institute of Chartered Accountants of India ('ICAI'), we sought details and current status of certain items of assets and liabilities reflected in the SFS as at March 31, 2024. Management did not furnish us requisite breakup and current status of cumulative debit and credit balances aggregating to Rs. 3,563.55 lakhs & 10,652.02 lakhs respectively carried forward from the said Balance Sheet and reflecting debit and credit balances in the same accounts aggregating to Rs. 3,690.45 lakhs & Rs. 15,500.23 lakhs respectively as at March 31, 2024. Summaries of such accounts are furnished in Annexure-D to this report.
- 3) The land (Freehold/leasehold) records maintained by the Company and detailed records held by the civil engineering department ('Civil')

could not be correlated, in the absence of an appropriate coding/cross-referencing system (refer note 1 to SFS). All the deficiencies in documentation to the extent identified and other matters have been based on the records maintained by Civil. Attention of the members is invited to paragraph 1(c) of "Annexure A" of our audit report on matters required to be dealt with in terms of The Companies (Auditors' Report) Order, 2020 ("the Order"), wherein we have expressed our inability to comprehensively identify land not in the name of the Company. Many of these deficiencies have significant bearing on the title of the Company to such properties.

- 4) Attention is drawn to note 1 to SFS regarding property tax payable in respect of land and buildings being recognized either being based on estimates or not determined at all in the absence of demands from the revenue authorities and/or pending updations/reconciliations of land records as per asset records with records of Civil. Due to non-availability of proper records, adequacy / completeness / correctness of provisions recognized, its impact on SFS could not be ascertained.
- 5) 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 Property, Plant, & Equipment ('PPE') and Investment property (IP), whether any amortization of the same is required, income derived therefrom, etc.) were not furnished to us. The original cost and written down value of such assets as at March 31, 2024, aggregated to Rs. 7,657.03 lakhs & Rs. 7,592.54 lakhs respectively. The Company has recognized income to an extent of Rs. 334.91 lakhs on certain items of land and buildings although the relevant leases had expired and to the best of our knowledge, are yet to be renewed. Further, the Company has also not furnished the fair values of its IPs, the basis of determining its fair value, 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 accordance with IndAS 40 – Investment Property.
- 6) In terms of the Material Significant Accounting Policies, the Company has not provided any documentation as to the evaluation carried out to test for any impairment of assets in compliance with IndAS 36 'Impairment of Assets'.
- 7) Capital work in progress as at March 31, 2024, included the following assets, which to the best of our knowledge has been put to use but continued therein ostensibly for want of certain documents. We are unable to validate the carrying value/ageing data with the relevant documents and the effect of non-recognition of depreciation in the SFS.

Description of asset	Carrying value as at March 31, 2024 (Rs. In lakhs)
New Data Centre	2,669.45
Other Capital Work in Progress	3,923.39
NIFT building (Refer Note 2 to SFS)	6,582.06

- 8) The Company has not identified lease contracts entered into by it as a lessee/lessor within the meaning of IndAS 116 – Leases and has not consequently adopted the principles of recognition, measurement



and disclosure contemplated therein, contrary to accounting policy but has expensed off/taken to income from/to rent payable/receivable to the statement of profit and loss as per contractual terms. Security deposits paid/received thereon not recognized in the Statement of Profit or Loss in accordance with Ind AS 109 – Financial Instruments.

- 9) The Company did not have a system of appropriating payments received against specific bills raised in Tally Prime software (books of accounts) and only maintains a running account of bills raised and payments received. Consequently, the Company has certain excel workings based on which the age-wise data in respect of trade receivables as specified in Schedule III of the Companies Act, 2013 are furnished. We could not independently validate the ageing data so furnished with the books of accounts and have relied on such excel workings. Further, the Company has also not obtained confirmation of balances / statements of account / reconciliation with books of accounts. The data furnished in note 4(b) and 7 to the SFS could not be validated by us. Trade receivables include Rs. 18,099.63 lakhs & Rs. 1,95,310.44 lakhs representing debts exceeding 6 months but less than one year and debts exceeding one year and ranging up to/beyond three years. 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.
- 10) The Company has not made provision for credit losses in respect of the following items included under Current Assets - Financial Assets, which are doubtful of recovery:
- Rs. 5,847.90 lakhs, receivable from C-DOT towards rent from premises leased out to them for the period from 2005-06 to 2010-11.
 - Recoverable from HCL Infosystems Limited of Rs. 1,690.20 lakhs as compensation on account of the excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.
 - Recoverable from Himachal Futuristic Communications Ltd of Rs. 1,049.41 lakhs towards Liquidated Damages.
 - Receivable from Mindarray towards encashment of letter of credit of Rs. 1,023.00 lakhs.
 - Receivable from South Western Railway of Rs. 2,908.02 lakhs towards consideration receivable for sale of land.
 - Amounts receivable held under the head Claims and Expenses recoverable Inland amounting to Rs. 344.48 lakhs (breakup not available).
- Accordingly, if provision for credit losses were made by the Company, the loss for the year would have been higher and the net current assets lesser by Rs. 12,863.01 lakhs.
- 11) The Company had received soft loan from the Government of India (GoI) 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 not consequently adopted the principles of recognition, measurement and disclosure contemplated therein.
- 12) Inventories with book value of Rs. 22,220.13 lakhs, included several old items lying in the various site/stores for which NRV as at March 31, 2024, was not made available. The Company's inventories

included old inventory and has not performed any ageing, usefulness and serviceability assessment held at various units to ascertain obsolete inventory. Company did not furnish the physical verification reports which was reportedly conducted as explained to us and in the absence of any excess/shortage list readily available we could not verify if there were any adjustments required to be made to the books of account. A ready list of inventories was not furnished to confirm the bifurcation of raw materials & production stores, materials issued against fabrication contracts, non-production stores, work in process production/installation, manufactured components, finished goods, stock reconciliation account, material in transit and goods pending inspection. We have relied on such list furnished in various excel sheets and could not independently validate the stock records with amounts as furnished in note 6 to the audited SFS. In the absence of full data, we are unable to obtain sufficient appropriate audit evidence regarding the valuation of such stores and spares and whether the same is in accordance with IndAS 2 – Inventories.

- 13) In respect of certain current/non-current liabilities complete details/nature and ageing in respect of each amounts payable, reasons for their pendency, reasons for non-claim by parties, confirmation/statement of account/reconciliation were not made available.
- 14) Reference is invited to note 17(c) to SFS regarding disclosure of information pertaining to vendors under Micro, Small and Medium Enterprises Development Act, 2006, pending identification of such vendors and consequential non-provision for interest, if any, in terms of section 23 of the said act, consequent effect on SFS not ascertained.
- 15) The Company has not carried-out any fair valuation as was required in terms of the IndAS 109 'Financial Instruments' in respect of all 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.
- 16) The Company's contribution to ITI Employees Provident Fund Trust ('PF Trust') covering all units as detailed in point 22(e) of the Material Accounting Policies has been considered as a defined contribution plan and not that to a defined benefit plan both for the current year and prior years. Accordingly, the liability to the trust should have been evaluated actuarially and recognized rather than 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.
- 17) The Company has not evaluated actuarially its liability to the Kalyanakari Death Benefit Scheme of its employees in the event of shortfall between the funds available from recoveries from employees & interest thereon and amount payable to deceased employees in any year.
- 18) The Company has not reconciled its books of accounts with its GST returns filed across all its units/divisions/corporate office (turnover, exempt turnover, taxes payable, input tax credit available and availed and tax deducted at source) in the absence of which we are unable to ascertain any effect on the SFS. Company to examine the advances received by it and identify the goods and service portion of the respective advances received based on respective contracts and ensure GST remittance on such service portion of advances received. Matter may be examined by the Company regarding such compliance and appropriate action be taken. Pending such bifurcation



of goods and service portion we are unable to ascertain if there is GST liability on advances and consequent interest provision thereon in the books of accounts. The Company has not filed its annual return of reconciliation of turnover between books and returns for certain registrations pertaining to financial years 2021-22 and 2022-23 respectively, contrary to rule 80 of the CGST Rules, 2016.

- 19) The Company has not reconciled the entries in Form 26AS and AIS in the Income Tax portal website with the books. Due to lack of adequate ready data/reconciliation, we are unable to independently validate the entries in Form 26AS / AIS / TIS and consequent disclosures in the SFS of advance tax/refunds/disputed taxes, if any.
- 20) The Company has reported to the extent ascertained in respect of contingent liabilities and capital commitments as detailed in note 31 to SFS. In the absence of full and comprehensive list across all divisions of the Company with testing of the probability of the liability devolving 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 in this respect.
- 21) The Company has not identified warranty obligations as a distinct performance obligation within the meaning of IndAS 115 – Revenue from contracts with customers and recognizes the same as and when obligations arise on the plea that it generally has a back-to-back claim against its vendors. The Company has not provided us with the requisite documentation indicating such rights in each and every contract entered into by it.
- 22) Palakkad Unit has received an amount of Rs. 51 lakhs from certain customers as of March 31, 2024 which have not been accounted for in the books of account since the management is unable to map these receipts with the specific invoices raised by it. Accordingly, the bank balances of the Company are understated to the tune of Rs. 51 lakhs as of March 31, 2024, and the Accounts receivable balances are overstated to the same extent. (As per the audit report issued by Balamaram & Nandakumar, Chartered Accountants dated May 24, 2024)
- 23) Company has not compiled and disclosed the requisite data detailed below in terms of Schedule III, division II to the Act.

Sl.No	Requisite disclosures not furnished
1.	Fair value of investment property
2.	Relationship with Struck off Companies

- 24)
 - a. Attention is invited to note 22 of the SFS where in the Company has enumerated the status of a contract with Ministry of Defense, GoI, 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 so as 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 are informed for the reasons stated in the said note that the test bed approval is awaited as at March 31, 2024, 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, 2024, to an aggregate extent of Rs. 1,48,686.48 lakhs. We have relied on the representations made by the Company and do not express any independent opinion on such revenue recognized.

- b. The Company has entered into contracts with a customer for implementation of a network within a specified area at an aggregate consideration (excluding O&M and taxes) of Rs. 2,48,954.87 lakhs. As against this, the Company has recognized revenue to an extent of Rs. 2,36,701.57 lakhs although the contract is not complete. In the absence of the percentage completion, we are unable to obtain sufficient appropriate audit evidence in support of the revenue recognition.
 - c. The Company's system of revenue recognition is based upon the percentage of completion method. The Company had inadequate documentation to support reassessment of total costs of each contract and costs yet to be incurred on every reporting date, backed by customer attested data of work completed and certified, work completed but yet to be certified and internal assessment of cost incurred in respect of work in progress. The Company has also recognized unbilled revenues to an aggregate extent of Rs. 2,17,467.63 lakhs as at year end. This includes unbilled revenue recognized up to March 31, 2023, and yet to be billed to the customer as at March 31, 2024, upon certification of the work. The Company has not furnished us an analysis of unbilled revenue identifying the milestones to be achieved before the same can be billed, the further costs yet to be incurred to achieve such milestone, and the estimate of likely costs of rework/modifications that is to be incurred in the process of achieving certification. Accordingly, we could not obtain sufficient appropriate audit evidence of revenue recognized.
- 25) Attention is invited to note 22 & note 25 of the SFS where in Company enumerated breakups of 'Sales under broad heads' & 'Service Income under broad heads' (Note 22), 'Goods purchased under broad heads' (Note 25(a)) and 'Service Expenses under broad heads' (Note 25(b)). We could not independently validate the breakup so furnished with the books of accounts and have relied on workings.
 - 26) Attention is invited to Note 31 of the SFS where in the Company has reported certain non-compliances. We understand that there are non-compliance with various provisions of SEBI Listing Regulations towards Quorum for Board meeting, Non-compliance with the constitution of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. Due to lack of adequate ready data/information, we are unable to independently validate the amounts in the said note. Company has confirmed to us that, representation to the Stock Exchanges for waiver of penalty has been submitted as the non-compliance as regards to the said non-compliances was not due to any negligence and also the BSE/NSE had given waiver in the past year. Accordingly, the Company is confident that further penalties also will be waived on the same grounds. Consequential non-provision for penalty and interest and consequent effect on SFS not ascertained.

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 their possible individual and cumulative effect on the SFS, which may be material and pervasive, accordingly forms a basis for the disclaimer of opinion.

Material Uncertainty on Going Concern

The Company incurred a net loss of Rs. 56,906 lakhs during the year ended March 31, 2024. In spite of events or conditions which may cast a doubt on the ability of the Company to continue as a going



concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued support of the Government of India, high value of order book under execution with adequate margins, adequate working capital borrowing from banks already sanctioned, conversion of unbilled revenue into billed revenue by completing the contract milestones within next 12 months, step-up the recovery processes to collect the billed dues as mentioned in the note 31 of the SFS. Our opinion is not modified in respect of this matter. Also, refer to our comments under para 19 of Annexure – A to this report.

Emphasis of Matter

- a. The Company had received funds towards capital expenditure as part of the financial assistance approved by Cabinet Committee on Economic Affairs (CCEA) when the Company was declared a Sick Company as per provisions of the Sick Industrial Companies Act, 1985.
- b. The Company is not in compliance with the requirements of having a specified proportion/ number of independent directors.
- c. The Company continues to carry a land admeasuring 77 acres having a carrying value of Rs. 19,470 lakhs under Property, Plant & Equipment after receiving intimation of re-possession by the Government of Kerala as the Company has disputed the same, and the matter is under adjudication of the Apex Court.

[Refer Note No.31 of the SFS for the above matters]

Our opinion is not modified in this respect in respect of the above matters.

MANAGEMENT'S RESPONSIBILITY FOR SFS

The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these SFS that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the SFS that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the SFS, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF SFS

Our responsibility is to conduct an audit of the SFS in accordance with Standards on Auditing and to issue an auditor's report. However, because

of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on SFS.

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

We did not audit the Financial Statements ('FS') of the Mankapur, Raebareli, Srinagar, Naini and Palakkad Branches included in the SFS of the Company, whose FS reflect total assets of Rs. 1,93,893.25 lakhs as at March 31, 2024, and total income of Rs. 19,023.13 lakhs for the year ended on that date as considered in the SFS (excluding inter-unit balances and transactions). The FS of these components have been audited by the component auditors whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these components is solely on the report of such component Auditors.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order which is subject to the possible effects of the matters described in the 'Basis for Disclaimer of Opinion' section of our Independent auditor's report and in our report on the Internal Financial Controls over Financial Reporting with reference to SFS.
- 2) As required by Section 143(3) of the Act, we report that:
 - a. As described in the Basis for Disclaimer of Opinion section above, we have sought but were not able to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters described in the Basis for Disclaimer of Opinion section above.
 - c. The report on the accounts of any branch office of the Company audited under sub-section (8) by a person other than the Company auditor has been sent to us under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report.
 - d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account, except for the matters stated in the Basis for Disclaimer of Opinion section of our Report.
 - e. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the aforesaid SFS comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2021, as amended.



- f. Due to the possible effect of the matters described in the Basis for Disclaimer of Opinion section above, we are unable to state whether they have any adverse effect on the functioning of the Company.
- g. As per GSR- 463 (E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Companies Act, 2013 regarding disqualification of director(s) is not applicable to the Company, since it is a Government Company.
- h. The reservation/modification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section, read with paragraph 2(b) above.
- i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses disclaimer of opinion on the Company's internal financial controls over financial reporting for the reasons stated therein.
- j. Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion section above, with respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the estimated impact of pending litigations on its the financial position as detailed in Note 31 to SFS, to the extent ascertained.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not enter into any derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a). Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b). Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- v. The Company did not declare or pay any dividends during the year. Accordingly, no reporting under the said sub-clause is applicable.
- vi. The Company uses multiple accounting software having feature of recording audit trail with edit log version ('Tally Prime™' and 'Integrated Manufacturing Management System('IMMS')) for maintenance of its books of account for the financial year ended March 31, 2024, except in case of Network system units ('NSU') where the accounting software used by them did not have such feature. Based on examination, including certain test checks and discussions with the management, except for NSU, we are of the opinion that the Tally Prime Edit Log version software had a feature of recording audit trail (edit log) facility and the same is operated throughout the period from the respective dates they were implemented (refer table below) during the year. Further Palakkad unit used 'IMMS' software which had a feature of recording audit trail (edit log) facility and the same has been operated throughout the period based on the auditor comments of Palakkad unit vide his report dated May 24, 2024. Below are details of other units/ROs who implemented and used Tally prime (edit log) facility with effect from various dates detailed below.

Unit/RO name	Date of implementation of "Tally prime (edit log)"
RO Bangalore	07-03-2023
RO Mumbai	07-03-2023
RO Chennai	06-03-2023
RO Hyderabad	07-03-2023
RO Lucknow	29-03-2023
RO Delhi	09-03-2023
RO Kolkata	24-03-2023
RO Bhubaneswar	07-03-2023
Corporate	19-06-2023
BGP	13-04-2022
R&D	16-05-2022
Mankapur	25-04-2023 to 29-08-2023 30-08-2023 to 31-03-2024
Raebareli	08-08-2023
Naini	25-08-2023
Srinagar	10-03-2023



Up to the above said dates of implementation, there was no system of recording audit trail. Hence, to the said extent, we are unable to comment on the requirements of rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

We have not come across any instance of the audit trail feature being tampered with for the period after the above said implementation dates.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

As required by Section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor-General of India, the action taken thereon and its impact on the accounts and SFS of the Company is given in “**Annexure C**”.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTJ8245

Place: Bengaluru
Date: July 31, 2024



“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

As referred to in Paragraph 1 of the section on ‘Report on Other Legal and Regulatory Requirements’ of our report at even date to the members of the ITI Limited on the IndAS Financial Statement for the year ended March 31, 2024 and to be read subject to the possible effects of the matters described in the Basis for Disclaimer of Opinion section above and in our separate report on the internal controls over financial reporting, we report that:

ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ITI LIMITED

1. a) (A) As per the information and explanations provided to us, the Company has not maintained adequate records showing particulars, including quantitative details, location, asset transfers between units and asset coding system of Property, Plant and Equipment (“PPE”), as also detailed in footnote to note 1 to SFS. The amounts reported under gross block and accumulated depreciation in the said note were pending reconciliation with PPE/GL records. Land records at various divisions/units need to be reconciled with respective documents held at corporate office/respective divisions/units and with respective asset registers, pending which we are unable to report on paragraph 3(i)(a)(A) of the Order.

(B) Based on the information and explanation furnished to us, the Company does not have any intangible asset as at March 31, 2024, consequently reporting under the said paragraph 3(i)(a) (B) of the Order is not applicable.

b) According to the information and explanations given to us, the Company has not physically verified PPE and accordingly, we are unable to comment report on paragraph 3(i)(b) of the Order.

c) According to the information and explanations given to us, reference is drawn to note 1 to SFS which includes certain observations regarding incomplete land records at corporate office/units and are under reconciliation with respective documents/records held at Corporate office/respective divisions/units. In the cases where the Company is the lessee, certain lease agreements were not duly executed in favor of the Company, pending renewal/finalization of those lease contracts. Further due to the reasons stated in note 1 to SFS we are unable to further comment whether the title deeds of immovable properties are held in the name of the Company as detailed below. Accordingly, we are unable to comment as required under paragraph 3(i)(c) of the Order.

Description of property	Gross carrying value (Rs In lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of Company (also indicate if in dispute)	Unit
Land	19,470	Title resumed by Government of Kerala	No	Over 10 years	Company has disputed the resumption	Palakkad
Land	9,282	Absolute Sale Deed not yet executed	No	Over 10 years	Pending	Naini
Land	11,620	Absolute Sale Deed not yet executed	No	Over 10 years	Pending due to non-submission of proof of compensation paid by ITI Limited to the landowners at the time of land acquirement	Raebareli
Land	Not ascertainable	Absolute Sale Deed not held on record	No	Not ascertainable	Out of 191.03 acres of land purchased, title deeds for 41.77 acres land are not available	Mankapur
Land	Not ascertainable	Absolute Sale Deed not held on record	No	Over 10 years	Out of 435 acres of land, title deed for 375 acres held. For balance area, only record of rights held.	BGP

d) Based on the information and explanation given to us by the Company, it has not revalued any of its PPE (including Right of Use assets) or intangible assets or both during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.

e) Based on the information and explanation given to us, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable.

2. a) According to the information and explanations given to us, Company did not carry out extensive physical verification of inventories covering all categories. We are unable to comment under paragraph 3(ii)(a) of the Order. There were observations from the auditors of certain units of the Company which also could not be commented upon in the absence of appropriate audit evidence/replies by the Company.

b) In our opinion and according to the information and explanation provided, in the absence of ready data extracted from the books of account in respect of inventories, sales, debtors, production and other details as furnished by the Company to the bank where working capital facilities availed and in the absence of consequent reconciliations of those returns with corresponding entries in the books of accounts, we are unable to comment on paragraph 3(ii) (b) of the Order.

3. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the reporting under paragraph 3(iii)(a) to (f) are not applicable.

4. Based on the information and explanations given to us, the Company has not granted any loans, made investments or provided any guarantees covered under the provisions of section 185 and 186 of the Act. Accordingly, the reporting under paragraph 3(iv) is not applicable.



5. The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. The Company based on its internal assessment represented that amounts due on account of retention money/other deposits on its various projects are covered under exempted deposits and accordingly, comply with section 73 to 76 of the Act. In the absence of clear ageing/documentation/reasons of non-repayment by the Company, we are unable to comment on such compliance. Hence, reporting under paragraph 3(v) of the Order could not be commented upon.
6. The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Act. As per the information

and explanation provided to us, the Company has maintained such records as detailed in the cost auditors' report for FY 2022-23. The Company is yet to update its cost records for FY 2023-24.

7. a) The Company is not regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the respective appropriate authorities to the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable which is furnished below.

Unit	Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	891.53	2023-2024	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	260.14	2022-2023	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	95.70	2021-2022	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	132.61	2020-2021	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	111.43	2019-2020	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	451.07	2018-19 & Prior	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	498.35	2023-2024	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	641.12	2022-2023	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	465.74	2021-2022	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	357.10	2020-2021	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	857.00	2019-2020	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	591.31	2018-19 & Prior	Unascertainable	Unascertainable
Naini	Employees Provident Fund Act, 1952	PF	252.91	2023-2024	Unascertainable	Unascertainable
Naini	Employees Provident Fund Act, 1952	PF	1,557.17	2022-2023	Unascertainable	Unascertainable
Naini	Employees Provident Fund Act, 1952	PF	807.65	2021-2022	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	396.89	2023-2024	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	3,971.24	2022-2023	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	620.53	2021-2022	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	361.51	2020-2021	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	9.36	2019-2020	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	50.53	2018-19 & Prior	Unascertainable	Unascertainable



Unit	Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Palakkad	Employees Provident Fund Act, 1952	PF	274.32	2023-2024	Unascertainable	Unascertainable
Palakkad	Employees Provident Fund Act, 1952	PF	51.69	2022-2023	Unascertainable	Unascertainable
Palakkad	Employees Provident Fund Act, 1952	PF	127.10	2020-2021	Unascertainable	Unascertainable
RO Hyderabad	Income Tax Act, 1961	TDS -192	0.24	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	Income Tax Act, 1961	TDS-194 C	0.14	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	GST Acts and rules made thereunder	TDS on GST	0.14	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	GST Acts and rules made thereunder	TDS on GST	0.20	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	GST Acts and rules made thereunder	Interest Payable on GST	44.18	2019-2021	Unascertainable	Unascertainable
RO BBSR	Service Tax Act, 1994	Service Tax	3.89	2018-19 & Prior	Unascertainable	Unascertainable
RO Delhi	Service Tax Act, 1994	Service Tax	83.03	2018-19 & Prior	Unascertainable	Unascertainable
RO Delhi	Income Tax Act, 1961	TDS-194 I	0.18	2023-2024	Unascertainable	Unascertainable
RO Delhi	PT Acts and rules made thereunder	PT	0.01	2023-2024	Unascertainable	Unascertainable
RO Delhi	PT Acts and rules made thereunder	PT	0.01	Prior to 2023-2024	Unascertainable	Unascertainable
RO Delhi	GST Acts and rules made thereunder	TDS on GST	6.51	2023-2024	Unascertainable	Unascertainable
RO Lucknow	Income Tax Act, 1961	TDS-194 C	0.08	2023-2024	Unascertainable	Unascertainable
RO Lucknow	Income Tax Act, 1961	TCS Payable	0.00	2022-2023	Unascertainable	Unascertainable
NSU	GST Acts and rules made thereunder	TDS on GST (Gujarat)-IGST	1.28	2023-2024	Unascertainable	Unascertainable
NSU	PT Acts and rules made thereunder	PT	0.01	2022-2023	Unascertainable	Unascertainable
NSU	ESI Act, 1948	ESI Employee	5.42	Prior to 2023-2024	Unascertainable	Unascertainable
NSU	ESI Act, 1948	ESI Employee	0.07	2023-2024	Unascertainable	Unascertainable
NSU Delhi	GST Acts and rules made thereunder	GST TDS	0.20	2023-2024	Unascertainable	Unascertainable
BGP	GST Acts and rules made thereunder	TDS on GST-IGST	36.67	2022-2023	Unascertainable	Unascertainable
Corporate	Service Tax Act, 1994	Service Tax	8.61	2018-19 & Prior	Unascertainable	Unascertainable
Corporate	Income Tax Act, 1961	Income Tax	212.31	Since 2020-21	Unascertainable	Unascertainable
Naini/RBL/MKP/RO Lucknow	Sales Tax	Sales Tax	5634.01	Unascertainable	Unascertainable	Unascertainable
Naini	Central Excise Act, 1944	Excise Duty	0.44	Unascertainable	Unascertainable	Unascertainable
Raebareli	Service Tax Act, 1994	Service Tax	2417.74	Unascertainable	Unascertainable	Unascertainable

Note :

- All the above statutory dues are furnished to the extent identified and pending reconciliation of documents/orders/demand notices with books of accounts across all units/RO/Corporate office.
- The PF dues reported above were furnished by the Company reportedly from various PF trusts across all units/ROs/Corporate office. The amounts reported more than 6 months are based on certain workings in spreadsheets which could not be independently validated by us since the same was not reconciled with the books of accounts.
- Reference is drawn to paragraph 18 of our comments in 'Disclaimer of opinion', wherein the Company had not reconciled its books of accounts with its GST returns filed across all its units/divisions/corporate office (turnover, exempt turnover, taxes payable, input tax credit available and availed and tax deducted at source), consequently dues if any, more than 6 months could not be ascertained. Further, in the said paragraph, GST applicability on advances on account of services for the reasons stated in the said paragraph could not be ascertained and hence not reported above.

Reference is drawn to our comments in Disclaimer of opinion paragraph 2 wherein there were no details available regarding certain opening balances as enumerated in Annexure-D to this report. We are unable to confirm whether all statutory dues payable by the Company are reported in the above table since no ready data/list duly reconciled with all ledger accounts was available. Consequently, we are unable to comment on the correctness/completeness of the reported amounts in the above table.

b) According to the records of the Company and according to the information and explanation given to us, there are certain statutory dues outstanding on account of any disputes are as under:

Unit	Name of the statute	Nature of dues	Amount in Rs. Lakhs (As on 31.03.2024)	Period to which the dispute relates	Forum where the dispute is pending
BGP	Central Excise Act, 1944	Nil rate of duty availed on Software disputed by CE dept (Net of Pre deposit Rs 200.00 lakhs)	637.00	2003-2005	Custom Excise & Service Tax Appellate Tribunal
BGP	Central Excise Act, 1944	ED Demanded on R&D prototype modules for field trail. Stay extended (net of pre deposit Rs 30.00 lakhs)	299.00	2006-07	Custom Excise & Service Tax Appellate Tribunal
BGP	Central Excise Act 1944	Nil Rate of Duty availed on software disputed by Central excise dept (Net of Pre deposit Rs Rs 14.00)	497.28	2001-2002 2002-2003	Custom Excise & Service Tax Appellate Tribunal
BGP	Central Excise Act 1944	CENVAT Credit	376.00	2007-2008	Custom Excise & Service Tax Appellate Tribunal
MKP	UP VAT	Sales Tax	264.89	1986-1989	UP Government
MKP	UP VAT	Sales Tax	15.32	1989-1996	UP Government
MKP	Finance Act, 1994	Service Tax	6,456.79	2009-10 to 2013-14	CESS Tax, Allahabad
NNI	Central Sales Tax (CST)	Demand of other dues and Additional Tax against FORM 'C'	1,013.98	2005-2006	Joint Commissioner (Appeals), Commercial Tax, Allahabad
NNI	Central Sales Tax	Demand of Additional Tax against FORM 'C'	2.64	2007-08	Additional Commissioner (Appeals), Commercial Tax, Allahabad
NNI	CST/ UPVAT/ Entry Tax	Demand of other dues	9.23	2008-09	Addl Commissioner, (Appeals), Commercial Tax, Allahabad
NNI	Central Sales Tax	Demand of other dues and Additional Tax against FORM 'C'	2.12	2009-10	Deputy Commissioner, Commercial Tax, Allahabad
NNI	CST/ UPVAT	Demand of other dues and Additional Tax against FORM 'C'	60.57	2010-11	Additional Commissioner (Appeals), Commercial Tax, Allahabad
NNI	CST	Demand of other dues and Additional Tax against FORM 'C'	10.96	2011-12	Tribunal, Commercial Tax, Allahabad
NNI	CST/ UPVAT	Demand of other dues and FORM 'C'	146.75	2012-13	Deputy Commissioner Sector 14, Commercial Tax, Allahabad



Unit	Name of the statute	Nature of dues	Amount in Rs. Lakhs (As on 31.03.2024)	Period to which the dispute relates	Forum where the dispute is pending
NNI	CST/ UPVAT	Demand of Tax	86.75	2013-14	Deputy Commissioner Sector 14, Commercial Tax, Allahabad
PKD	Service Tax	Service Tax	109.44	2010-2011	CESTAT, Bangalore
PKD	Service Tax	Service Tax	140.34	2011-2012	CESTAT, Bangalore
PKD	Service Tax	Service Tax	161.27	2011-2012	CESTAT, Bangalore
PKD	Service Tax	Service Tax	2.76	2012-2013	CESTAT, Bangalore
PKD	Service Tax	Service Tax	2.69	2012-2013	CESTAT, Bangalore
PKD	CST	Sales Tax	28.04	2001-02	High Court, Ernakulam
PKD	CST	Sales Tax	504.13	2003-04	KVAT Tribunal, Palakkad
PKD	Customs, Central Excise & Service Tax	Service Tax	143.42	2016-17 & 2017-18	Commissioner Appeals, Kochi
PKD	Customs, Central Excise & Service Tax	Service Tax	3.93	Apr 2015 to Jun 2017	Commissioner Appeals, Kochi
PKD	Goods & Service Tax	Goods & Service Tax	7,054.14	2017-2018 & 2018-2019	Commissioner Appeals, Kochi
RBL	Sales Tax Act	Sales Tax	122.53	2010-11	Trade Tax Tribunal, Lucknow
RBL	Sales Tax Act	Sales Tax	87.39	2014-15	Trade Tax Tribunal, Lucknow
RO BG	Karnataka VAT Act, 2003	Turnover Suppression	26.47	2013-14	Commercial Tax Officer, Thirpunnithura
RO BG	Karnataka VAT Act, 2003	Turnover Suppression	48.92	2014-15	Appellate Assistant Commissioner, Commercial Taxes, Ernakulam
RO BG	Service Tax	Non-payment of Service Tax on Royalty payments received	44.78	2012-13 to 2014-15	Commissioner of Central Excise
RO BG	KVAT	Turnover suppression	65.87	2012-13	Dy Commr (Appeals) - Commercial Tax, Ernakulam
SNR	Sales Tax	Sales Tax	733.36	1987-88 to 1989-90, 1996-97, 1999-00, 2002-03	High Court, J & K
RO BBSR	Sales Tax	Sales Tax	226.05	2013-14	Commissioner of Sales Tax Bhubaneshwar
CORP	Income Tax	Income Tax	691.72	2017-18	Commissioner of Income Tax
RBL	Goods & Service Tax	EXCESS ITC of GST CLAIMED	1,634.03	2017-18	High Court -Lucknow
RBL	Goods & Service Tax	EXCESS ITC of GST CLAIMED	225.46	2017-18	High Court -Lucknow

Note :

All the above disputed statutory dues are furnished to the extent identified and pending reconciliation of documents/orders/demand notices across all units/RO/Corporate office. Consequently, we are unable to comment on the correctness/completeness of the reported amounts in the above table.



8. According to the information and explanation given and as represented to us, there are no transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments in the Income Tax Act, 1961.

9. a) According to the information and explanation furnished to us, the Company has not defaulted in the repayment of borrowings or in the payment of interest thereon to banks other than those reported below.

Nature of borrowing	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Term Loan	GOI, Ministry of Communications & IT Dept. of Telecommunications	Rs. 12,000 Lakhs (Principal) and Rs. 3,004.76 Lakhs (Interest – to the extent determined)	Both Principal and Interest	Up to 730 days	Based on an order of DoT dated April 29, 2022, Company to repay 1/5th of sanctioned loan (as per sanction terms) per year for 5 years from Financial Years (FY) 2022-23. However, the same was not paid for FY 2022-23 and 2023-24. Penal interest not paid for respective FYs.
Term Loan	Indian Bank Limited	Rs. 38.81 Lakhs	Interest	6 Days	The said defaults have been subsequently rectified.
Term Loan	Indian Bank Limited	Rs. 238.00 Lakhs (Principal) and Rs. 36.04 (Interest)	Both Principal and Interest	13 Days	
Term Loan	Canara Bank Limited	Rs. 1,000 Lakhs (Principal) and Rs. 89.59 (Interest)	Both Principal and Interest	6 Days	

b) Based on the information and explanation furnished and as represented to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. Accordingly, no reporting is required under paragraph 3(ix)(b).

c) The Company has taken term loans from banks and is confirmed to us that, based on the documents maintained and information furnished, all term loans were applied for the purposes for which the loans were obtained.

d) On an overall examination of the financial statements as at March 31, 2024, of the Company, the Company has used Rs. 82,480.47 lakhs funds raised on short term basis to finance long-term assets of the Company. We further draw attention to Note 31 to SFS where in the current ratio of the Company is less than 1 (being 0.89) which is also an indication that short-term funds have been used to finance long-term assets of the Company.

e) On an overall examination of the SFS of the Company, it has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under the paragraph 3(ix)(e) of the Order is not applicable.

f) Based on the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under the paragraph 3(ix)(f) of the Order is not applicable.

10. a) According to the information and explanation given to us, no moneys were raised during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable.

b) According to the information and explanation given to us, the Company has made preferential allotment during the year for an amount of Rs. 10,700 Lakhs (incl securities premium) which was received during previous FY 2022-2023 at a price of Rs. 94.61 per share by issue of equity shares on preferential basis, as a part of

financial assistance to ITI Limited, based on recommendations of Board for Reconstruction of Public Sector Enterprise approved by CCEA dated February 12, 2014, as communicated vide letter dated February 24, 2014. As represented by the Company, the same is utilized as prescribed by CCEA. Further the requirements of section 62 of the Companies Act, 2013 have been complied with. No private placement of shares or convertible debentures (fully, partially or optionally convertible) were made during the year.

11. a) Based on the information and explanation given and as represented to us, no material fraud by or on the Company has been noticed or reported during the year. Accordingly, reporting under paragraph 3(xi)(a) is not applicable.

b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report. Accordingly, reporting under paragraph 3(xi)(b) is not applicable.

c) Based on the information and explanation given and as represented to us, there are no whistleblower complaints received by the Company during the year. Since the Company has not furnished any data regarding the same, we are unable to comment on the reporting of paragraph 3(xi)(c) of the said Order.

12. In our opinion the Company is not a Nidhi Company. Accordingly, the reporting under paragraph 3(xii) (a) to (c) of the said Order are not applicable.

13. The Company, being a Government Company, is exempted from the provisions of Section 177 and Section 188 of the Companies Act, 2013 relating to transactions with related parties in terms of MCA Notification No. GSR 463 (E) dated 05th June 2015. Accordingly, reporting under paragraph 3(xiii) of the Order is not applicable.

14. a) In our opinion and based on review of the internal control procedures and internal audit mechanism placed by the Company, although there is an internal audit function, the scope, coverage



and requisite size of the internal audit system is not commensurate with the size and nature of its business.

- b) For the reasons stated in the above clause, the internal audit reports could not be entirely considered by us.
15. As represented to us by the management and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the reporting under paragraph 3(xv) of the said Order is not applicable.
16. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi)(a) to (c) of the Order is not applicable.
- b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the reporting under the paragraph 3(xvi)(d) of the Order is not applicable.
17. The Company has incurred cash losses in the financial year and in the immediately preceding financial year amounting to Rs. 51,593.90 lakhs and Rs. 31,059.79 lakhs respectively.
18. According to the information and explanation furnished to us by the Company, there is no resignation of statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.
19. Attention is invited to note 31 to SFS regarding the same prepared on a going concern basis and our comments as detailed under the heading "Material Uncertainty on Going Concern", notwithstanding that the Company incurred losses during the current year and immediately preceding year, has significant liabilities to be discharged

and its current ratio also being less than one. The appropriateness of the said basis is inter alia dependent on the Company meeting/ adhering to its cash flow requirements through expected conversion of unbilled revenue into billed revenue / realization, step-up recovery processes to collect billed dues, adequate sanction of working capital borrowing from consortium banks along with continued support of the Government of India as detailed in the said note.

20. Company although is satisfying conditions specified under Section 135 of the Act and becomes liable to comply with the provisions of the Section 135 and Companies Rules, 2014 but since there are no profits, section 135 of the said Act will not be applicable. Accordingly, reporting under the paragraph 3(xx) (a) & (b) are not applicable.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTJ8245

Place: Bengaluru
Date: July 31, 2024

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

Annexure B referred to in Paragraph 2 (i) under the heading “Report on other legal and regulatory requirements” of our report to the members of ITI Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We were engaged to audit the internal financial controls over financial reporting of ITI Limited (“the Company”) as of March 31, 2024, in conjunction with our audit of the SFS of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of SFS for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of SFS in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the SFS.

Disclaimer of Opinion

According to the information and explanation given to us, the Company has neither established nor tested its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2024.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the SFS of the Company, and the disclaimer has affected our opinion on the SFS of the Company and we have issued disclaimer of opinion on SFS.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTJ8245

Place: Bengaluru
Date: July 31, 2024



“ANNEXURE C” TO INDEPENDENT AUDITOR’S REPORT

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013 indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of ITI Limited (Standalone) for the year 2023-24.

Sl. No.	Areas Examined	Auditors’ Observations
1.	<p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>The Company has a system in place to process all the accounting transactions through IT software, except for the matters described in the Basis for Disclaimer of Opinion section.</p> <p>Sub-systems such as PPE, inventory, invoicing, order processing, payroll are outside the accounting software.</p>
2.	<p>Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company’s inability to repay the loan?</p> <p>If yes, the financial impact may be stated. Whether such cases are properly accounted for?</p>	<p>According to the information and explanations given to us and based on our examination of the records of the Company, during the year there has been no restructuring of any existing loan during the year and hence, no reporting made.</p>
3.	<p>Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for /utilized as per its term and conditions?</p> <p>List the cases of deviation.</p>	<p>Based on the information and explanation furnished to us, in respect of the capital grants and revenue grants as reported under note 13, note 18 and note 12 to SFS, we are unable to collect sufficient appropriate audit evidence in respect of the utilization / accounting which is reportedly done at various units/corporate office of the Company. Further verification and reconciliation of respective bank accounts for its receipt and utilizations, including the closing balances unutilized could not be readily traced in the books of accounts as no ready data was made available for our verification, in absence of which we are unable to comment on the same.</p>

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of ITI LIMITED for the year ended 31-3-2024 in accordance with the directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTJ8245

Place: Bengaluru
Date: July 31, 2024

Annexure D to the Audit Report

Amounts in Rs.

Credit ledger accounts				
Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
BGP	14502 LIABILITY FOR OTHER FIN.-PAYROLL	Credit	-24,97,29,132	-2,70,65,867
BGP	145.02 LIABILITY FOR OTHER FIN MISC	Credit	-15,17,14,635	-14,31,05,628
BGP	147.05 OTHER DEPOSITS	Credit	-4,40,10,101	-3,99,22,395
BGP	14702 SEC DEP BLDG CONTRACTORS	Credit	-4,24,61,366	-4,09,92,627
BGP	Rent Deposits (Other Payable)	Credit	-3,74,06,692	-4,10,88,534
BGP	Advances Recd. From Customers	Credit	-2,72,65,970	-2,10,58,487
BGP	Salary Payable	Credit	-2,68,59,014	-5,11,26,230
BGP	14509 CONTRACTOR LIABILITY CIVIL & OTHERS	Credit	-2,37,75,933	-2,46,35,498
BGP	Salaries Recoveries	Credit	-2,32,43,236	-2,12,11,909
BGP	145.08 OTHER LIABILITIES-OTHERS	Credit	-1,02,13,201	-1,06,13,931
BGP	PL Encashment Liability for MKP	Credit	-28,22,919	-28,22,919
BGP	PL Encashment for Naini	Credit	-3,55,911	-4,60,943
BGP	14106 Exp. & Services Other	Credit	-1,41,540	-1,41,540
BGP	22506 TA ADVANCE SALARY RECOVERY	Credit	-64,635	-17,479
BGP	226.06 ADV RECOVERABLE- OTHER MISC. REC.	Credit	-1,456	-93,031
RO Bhuvaneshwar	19103 SERVICE TAX	Credit	-3,89,165	-3,89,165
RO Bhuvaneshwar	Advances From Customer	Credit	-5,34,488	-5,34,488
RO Chennai	18210 OTHER PAYABLES	Credit	-1,25,742	-1,21,235
RO Hyderabad	28570 EMD FROM VENDORS	Credit	-3,06,252	-28,77,792
RO Hyderabad	14705 - Security Deposit	Credit	-92,719	-95,31,806
RO Lucknow	18250 DEPOSITS FROM CONTRACTORS	Credit	-6,04,97,916	-6,02,41,881
RO Lucknow	18250 DEPOSITS FROM CONTRACTORS	Credit	-1,17,69,408	-1,25,13,796
RO Lucknow	18260 MISC. LIABILITIES	Credit	-1,43,41,712	-76,49,013
RO Lucknow	RECOV. SUPPLIERS/OTHER	Credit	-43,89,145	-3,82,10,694
RO Lucknow	19400 ADVANCE FROM CUSTOMERS	Credit	-31,65,736	-64,18,05,136



Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
RO Lucknow	28570 EMD FROM VENDORS	Credit	-9,25,000	-14,40,000
RO Lucknow	UNPAID TRAVELLING ALLOWANCE	Credit	-57,052	-57,052
RO Lucknow	SALARIES AND WAGES UNPAID	Credit	-21,156	-21,156
RO Lucknow	RECOVERIES-PAYROLL	Credit	-9,500	-9,500
RO Lucknow	18220 SALARY PAYABLE	Credit	-14,82,517	-13,64,682
RO Delhi	Security From Vendor-BPL	Credit	-5,44,048	-5,44,048
RO Delhi	142 45 Security Deposits	Credit	-1,56,87,009	-1,67,17,232
RO Delhi	EMD From Vendor- Delhi	Credit	-2,32,86,732	-4,64,74,939
RO Delhi	EMD From Vendor- BPL	Credit	-25,69,720	-25,69,720
RO Delhi	18220 SALARY PAYABLE	Credit	-41,96,826	-68,51,175
RO Delhi	19103 Service Tax	Credit	-83,03,254	-83,03,254
RO Delhi	19105 Rajasthan/MP Tax	Credit	-12,012	-12,012
RO Lucknow	Misc Liability	Credit	-27,24,29,954	-26,74,26,405
Total			-1,06,52,02,803	-1,55,00,23,198

Amounts in Rs.

Debit ledger accounts				
RO name	Ledger Name	Debit/Credit	Opening Balance	Closing Balance
BGP	21872 CLAIMS RENT SHOPS & BLDG.	Debit	9,19,95,582	9,71,42,650
BGP	225.05 ADV.TO CONTRACTORS	Debit	4,71,49,437	4,71,49,437
BGP	228.01 CLAIMS AND EXPENSES RECOV INLAND	Debit	3,44,48,482	3,44,48,482
BGP	230.04 SECURITY DEPOSIT PAID ACCOUNT	Debit	3,39,64,684	3,39,37,224
BGP	225.07 OTHER ADVANCE RECOV. BGP	Debit	2,35,76,835	2,35,76,835
BGP	21871 CLAIMS RENT QTRS.	Debit	1,83,93,414	3,26,27,524
BGP	228.01 Electricity Data Centre	Debit	1,61,61,589	90,67,535
BGP	230.03 DEPOSIT PAID-OTHERS (EMD)	Debit	69,88,737	72,12,277
BGP	22507 OTHER ADVANCE RECOV. BGP PI	Debit	39,59,363	39,43,655
BGP	22801 Stipend Claims	Debit	29,76,528	29,76,528
BGP	235.00 Prepaid Expenses	Debit	27,60,847	21,34,831
BGP	22801 South Western Rly Leased Rent	Debit	21,27,813	21,27,813
BGP	21873 CLAIM GROUND RENT	Debit	13,36,670	7,39,543
BGP	22801 Recoverable UTSTARCOM NGN Mfg.	Debit	10,67,771	10,67,771
BGP	22506 TA Adv. BGP VUSS MUSS	Debit	9,09,826	9,09,826
BGP	Sales Tax Input Credits	Debit	6,65,486	6,65,486

Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
BGP	22513 MECHNOLINC WELDERS	Debit	5,00,000	5,00,000
BGP	230.01 DEPOSIT TCS RECEIVABLE	Debit	4,79,746	4,60,351
BGP	Excise Duty Input Credits / Deposits	Debit	4,27,401	4,27,401
BGP	Custom Duty Input Credits / Deposits	Debit	3,65,627	3,65,627
BGP	Sales Tax	Debit	3,53,690	3,53,690
BGP	226.13 OTHER ADVANCES RECOVERABLE	Debit	3,06,506	99,506
BGP	21873 CLAIMS GROUND RENT GST B2B	Debit	1,79,319	3,56,519
BGP	222.00 Imprest Account	Debit	1,47,434	2,13,989
BGP	22506 TA Advance 4 G BGP	Debit	97,836	59,124
BGP	226.03 ADV RECOVERABLE- FESTIVAL ADVANCE	Debit	84,800	5,74,800
BGP	22506 TA/DA ASCON PHASE 4	Debit	48,086	38,086
BGP	226.05 ADV RECOVERABLE- CYCLE ADVANCE	Debit	30,000	30,000
BGP	22801 RECOVERABLE FROM SSTPL - SAAS AADHAR	Debit	29,500	29,500
BGP	22510 TA/DA ASCON PHASE 4	Debit	4,651	-21,408
BGP	225.20 CANTEEN ADVANCE RECOVERABLE	Debit	240	240
BGP	Excise Duty	Debit	150	-
RO Bhuvaneshwar	SECURITY DEPOSIT FOR SALES TAX APPEAL FEES	Debit	7,90,538	7,90,538
RO Lucknow	29100 SECURITY DEPOSIT	Debit	2,00,96,845	2,14,91,939
RO Lucknow	ADVANCE TOWARDS PURCHASES-ROS	Debit	1,99,65,600	1,99,65,600
RO Lucknow	RECOV.OF TA EXP-RLY-F	Debit	16,78,207	16,78,207
RO Lucknow	PAY AEAR DUE FROM HQ	Debit	81,596	81,596
RO Lucknow	28316 OTHER ADVANCE RECOVERABLE	Debit	44,181	57,803
RO Lucknow	28315 TA RECOVERABLE	Debit	37,163	5,482
RO Lucknow	ADVANCE RECOVERABLE SERVICES	Debit	26,000	24,000
RO Delhi	28750 EMD RECEIVABLE (DELHI)	Debit	1,92,76,378	2,02,76,379
RO Delhi	28312 STAFF IMPREST ADVANCE & LOANS	Debit	3,39,229	2,00,718
RO Delhi	28315 TA RECOVERABLE	Debit	15,10,912	3,69,650
RO Delhi	28316 OTHER ADVANCE RECOVERABLE (ANNUAL ADVANCE)	Debit	81,000	-1,000
RO Delhi	28570 EMD RECEIVABLE (BHOPAL)	Debit	4,58,123	4,58,123
RO Delhi	29100 SECURITY DEPOSITS (BHOPAL)	Debit	74,636	74,636
RO Delhi	29100 SECURITY DEPOSITS (DELHI)	Debit	3,57,020	3,57,020
Total			35,63,55,479	36,90,45,534

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)

Partner
Membership No. 212013
UDIN: 24212013BKCLTJ8245

Place: Bengaluru
Date: July 31, 2024



CONSOLIDATED FINANCIAL STATEMENTS

Material Accounting Policies

Corporate Information

India's first Public Sector Unit (PSU) - ITI Ltd was established in 1948. Ever since, as a pioneering venture in the field of telecommunications, it has contributed to 50% of the present national telecom network. With state-of-the-art manufacturing facilities spread across six locations and a countrywide network of marketing/service outlets, the company offers a complete range of telecom products and total solutions covering the whole spectrum of Switching, Transmission, Access and Subscriber Premises equipment.

ITI joined the league of world class vendors of Global System for Mobile (GSM) technology with the inauguration of mobile equipment manufacturing facilities at its Mankapur and Rae Bareli Plants in 2005-06. This ushered in a new era of indigenous mobile equipment production in the country. These two facilities supply more than nine million lines per annum to both domestic as well as export markets.

1) Basis of Preparation

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP), on accrual basis of accounting, except as stated herein. GAAP comprises the mandatory Accounting Standards (IND -AS) [as notified under section 133 of the Companies Act, 2013 read Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015] to the extent applicable, provisions of the Companies Act, 2013, which have been consistently applied except where a new Accounting Standard is initially adopted or revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto in use.

Basis of Measurement:

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which are measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- Defined benefit asset/(liability) recognised at the present value of defined benefit obligation less fair value of plan assets.

2) Use of Estimates

The preparation of the financial statements in conformity with the IndAS requires that the management make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, expenses and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all the available information, actual results could differ from the estimates and such differences are recognised in the period in which the results are ascertained.

3) Functional and presentation currency

Financial statements are presented in Indian Rupee (INR) which is the functional and presentation currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest lakhs except share and per share data.

4) Revenue Recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

a) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when significant risks and reward of ownership have been transferred to the customer as per the terms of sale agreement, neither continuing management involvement nor effective control over the goods is retained, recovery of the consideration is probable, and the amount of cost incurred and the revenue can be measured reliably. Timing of transfer of risks and rewards is evaluated based on Inco-terms of the sales agreement.

b) Ex- Works Contract

When specified goods are unconditionally appropriated to the contract after prior inspection and acceptance, if required.

c) FOR Contracts

In the case of FOR contracts, sale is recognised when goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period. Revenue is recognised even if goods are retained with the Company at the request of the customer.

d) Bill and Hold Sales

For bill-and-hold transactions, revenue is recognised when the customer takes title, provided that:

- it is probable that delivery will be made;
- the item is on hand, identified and ready for delivery to the buyer at the time when the sale is recognised;
- the buyer specifically acknowledges the deferred delivery instructions; the usual payment terms apply



e) Services and Construction contracts

Revenue on time-and-material and unit of work-based contracts, are recognized as the related services are performed. Fixed-price maintenance revenue is recognized rateably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or rateably using a percentage-of completion method when the pattern of benefits from the services rendered to the customer and Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts and are recognized in net profit in the period when these estimates change or when the estimates are revised. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses. When it is probable that contract costs at completion will exceed total contract revenue, the expected loss at completion is recognised immediately as an expense.

Some contracts include multiple performance obligations, such as the supply of systems, equipment etc., and maintenance services. Consideration towards maintenance services is therefore identified and accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

For other fixed-price contracts, revenue is recognised in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to the work performed. No revenue is recognised if there is significant uncertainty regarding recovery of the consideration due or if the costs incurred or to be incurred cannot be measured reliably.

f) Interest income

Interest income is recognized using the effective interest rate method.

g) Dividend

Dividend income is recognised when the Company's right to receive dividend is established

h) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term unless increases in rentals are in line with the expected inflation or otherwise justified (Fair Value).

i) Duty Drawbacks

Duty drawback claims on exports are accounted on preferring the claims.

j) Other Income

Other Income not specifically stated above is recognised on accrual basis.

5) Property, plant and equipment, Capital Work-in progress

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses if any. Cost comprises of the purchase price and any attributable cost of bringing the PPE to its working condition for its intended use. Borrowing and other attributable costs relating to acquisition of the PPE which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such PPE are ready to be put to use. PPE are eliminated from the financial statements, either on disposal or when retired from such use. When significant parts of Plant and Equipment are required to be replaced at intervals, the same is recognised as a separate component.

Assets acquired free of cost or received as gift are stated at fair value which is credited to Other Equity at the time of acquisition or receipt less accumulated depreciation and impairment losses.

Capital work-in-progress

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work-In-Progress.

Income pertaining to construction period such as interest on advance to contractors, sale of tender documents etc., is set off against expenditure during construction.

Expenditure on development of leasehold land is capitalised as Land Development Expenditure and amortised over the lease period or useful, life whichever is lower.

6) Intangible Assets, Intangible Asset under Development

- a. Cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits, is recognised as an intangible asset when the same is ready for use. Intangible Assets not yet ready for their intended use as at the Balance Sheet date are classified as "Intangible Assets under Development"
- b. Cost of developmental work which is completed, wherever eligible, is recognized as an Intangible Asset.
- c. Cost of developmental work under progress, wherever eligible, is classified as "Intangible Assets under Development".
- d. Carrying amount includes amount funded by the Company to external agencies towards developmental project(s) and expenditure incurred by the Company towards material cost, employee cost and other direct expenditure.

7) Research and development expenses:

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement



of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. Tangible assets used in research and development are capitalized.

Expenditure incurred towards other development activity where the research results or other knowledge is applied for developing new or improved products or processes, are recognised as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the company has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

8) Impairment of Non-financial assets

At the end of each Balance Sheet date, carrying amount of assets are reviewed, if there is any indication of impairment based on internal/external factors. If the estimated recoverable amount is found to be lower than the carrying amount, then the impairment loss is recognised and assets are written down to the recoverable amount.

9) Depreciation /Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

Depreciation on additions and deletions to fixed assets during the year is provided on pro-rata basis as under:

- a. Depreciation is reckoned in full for the month of addition for the assets commissioned on or before 15th day of a month while no depreciation is reckoned for the month of addition for the assets commissioned after 15th of the month.
- b. In respect of assets sold, discarded, damaged or destroyed on or before 15th day of a month no depreciation is reckoned for the month of deletion while for the assets sold, discarded, damaged or destroyed after 15th of the month depreciation is reckoned in full for the month of deletion.
- c. Where cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and depreciated on straight line method over its estimated useful life.
- d. The Residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amortization

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Amortization methods and useful lives are reviewed periodically at each financial year end.

In the case of depreciable assets which have been revalued, depreciation is calculated on straight line method on the revalued amount. Incremental depreciation on account of Revaluation is recouped as a credit to the general Reserve, as per the Schedule II of the Companies Act 2013.

Disposal of property, plant and equipment

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

Particulars	(Years)
A. (a) Building (other than factory buildings)	60
(b) Factory building	30
(c) Purely temporary erections	3
(d) Building with dwelling units each with plinth area not exceeding 80 sqm.	30
B. Furniture & Fittings	10
C. Plant & Machinery	
(a) General Rate (on double shift basis)	15
(b) Special Rate: - Servers & Networks	6
(c) Data Processing Machines including Computers	3
D. Roads and compound Walls	10
E. Office Machinery and Equipment	5
F. Vehicles	8
G. Assets costing less than ₹5,000/- are depreciated @ 100%	
However, in respect of assets having original cost of ₹50,000/- and above, a residual balance of ₹5/- has been retained in the books.	

10) Leases

A lease is classified at the inception date as a finance lease or an operating lease.

Company as a Lessee

Finance leases are capitalised at lower of fair value and the present value of the minimum lease payments on commencement of the lease. Finance charges are recognised as Finance Costs in the Statement of Profit and Loss. A leased asset is depreciated over the useful life of the asset or lease term, whichever is lower.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.



The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Company as a lessor

Operating lease income is recognised over the lease term on straight line basis, except when the escalations are due to general inflation or otherwise justified. Contingent rents, if any, are recognised as revenue in the period in which they are earned.

11) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale is capitalised as part of the cost of the asset.

General borrowing costs are capitalised to qualifying assets by applying a capitalisation rate, which is the weighted average of the borrowing costs applicable to the general borrowings outstanding, other than specific borrowings, to the expenditure on that asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds, as also exchange differences to the extent regarded as an adjustment to the borrowing costs.

12) Government Grants

Grants from Government are measured at fair value and initially recognized as Deferred Income.

Amount lying under Deferred Income on account of acquisition of Fixed Assets is transferred to the credit of the Statement of Profit and Loss in proportion to the depreciation charged on the respective assets to the extent attributable to Government Grants utilised for the acquisition.

Amount lying under Deferred Income on account of revenue expenses is transferred to the credit of the Statement of Profit and Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the grant received.

13) Investments in joint venture and associates

Company accounts for its interests in associates and joint ventures at cost or in accordance with Ind AS 109 in the standalone financial statements but in the consolidated Financial statements under equity method.

14) Inventories

Raw materials, components and stores purchased for manufacturing/ production activities are valued at lower of cost and net realizable value, after providing for obsolescence, if any. Cost is calculated on weighted average rate as at the end of the year. Where same items are purchased as also manufactured, manufacturing costs are generally adopted.

Raw materials and production stores with ancillaries and fabricators are valued at lower of cost at the time of such issue and net realizable value, after providing for obsolescence, if any.

Manufactured items in stock and stock-in-trade are valued at lower of cost excluding interest charges, administration overheads & sales overheads and at the net realisable value, after providing for obsolescence, if any.

Precious metals scrap is brought to books at the year end at net realizable value.

15) Work-in-process

a. Work-in-process (production) is valued on the basis of physically verified quantities at lower of cost excluding interest charges, administration & sales overheads and at the net realisable value, after providing for obsolescence, if any.

b. Work-in-process (Installation) is valued at lower of cost as recorded in the work orders and net realizable value, after providing for obsolescence, if any.

16) Tools and Gauges

Expenditure on special purpose tools and fixtures is initially capitalized at cost and then amortized over production on a systematic basis, based on technical assessment.

Loose tools are charged to revenue at the time of issue.

17) Financial assets (Trade Receivables & Other receivables)

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that the assets may be impaired, same is reviewed for impairment.

18) Errors and Estimates

The Company revises its accounting policies, if the change is required due to a change in the Ind AS or if the change provides more relevant and reliable information to the users of the financial statements.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to statement of Profit or Loss is applied prospectively in the period(s) of change.

Discovery of errors and results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. Opening balances of the earliest period presented are also restated.

19) Income taxes

Income tax comprises of current and deferred income tax

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.



Deferred tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

Carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

20) Warranty Liability

Warranty liability for contractual obligation in respect of equipment sold to customers is accounted for the basis of an annual technical assessment.

21) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the functional currency exchange rate at the dates of the initial transactions.

22) Employee benefits

- a. Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b. Post-employment benefit viz. gratuity and other long-term employee benefits viz. Privilege Leave, Sick Leave and LLTC are recognised as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services. Expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques.
- c. Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

- d. Expenditure related to voluntary retirement scheme (VRS) is written off in the year of incidence.
- e. Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company remits the contribution to the ITI Employees' Provident Fund Trust. The trust after making a portion of contribution to the government-administered pension fund as per the regulations, invests the remaining funds in specific designated instruments as permitted by appropriate regulations. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

23) Provision & Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. Expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities and contingent assets are not recognised in the financial statements. However, contingent liabilities unless the possibility of an outflow of resources embodying economic benefits is remote and contingent assets where an inflow of economic benefits is probable are disclosed in the notes.

Onerous Contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

24) Fair value measurement

The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:



Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For purposes of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

25) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

26) Financial Instruments

a) Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset are included in the cost of the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments at amortised cost,
- ii. Debt instruments at fair value through other comprehensive income (FVTOCI),
- iii. Debt instruments, derivatives and equity instruments at fair value through Profit or Loss (FVTPL),
- iv. Equity instruments (other than investments in associates – which is carried at cost) measured at fair value through other comprehensive income (FVTOCI).

Derecognition

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset has expired.

Embedded derivative

Embedded derivative, if required, is separated from host contract and measured at fair value.

27) Forward Contracts

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently

remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

28) Cash and cash equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet.

29) Impairment of financial assets

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

- a. Time barred dues from the Government / Government Departments / Government Companies are generally not considered as increase in credit risk of such financial asset.
- b. Where dues are disputed in legal proceedings, provision is made if any decision is given against the Company even if the same is taken up on appeal to higher authorities / courts.
- c. In case of dues outstanding for a significant period of time, on a case to case basis

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/ (income) in the Statement of Profit and Loss. This amount is reflected in a separate line in Profit and Loss Statement as an impairment gain or loss.

30) Financial Liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at fair value through Profit and Loss as loans, borrowings, payables, or derivatives, as appropriate.

Loans, borrowings and payables, are stated net of transaction costs that are directly attributable.

b) Subsequent measurement

Measurement of financial liabilities depends on their classification, as described below:

- i. Financial liabilities at fair value through profit or loss.
- ii. Financial liabilities at fair value through Profit or Loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IndAS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.



Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

d) Trade and other payables

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

31) Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively.

32) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

33) Cash dividend and non-cash distribution to equity shareholders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

34) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

35) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

36) Consolidation

ITI has invested in 49.06% of Equity Share Capital of its Joint Venture "India Satcom Limited" for the cost of ₹40.55 lakhs.

According to Ind AS 28, the consolidation of interest in joint ventures can be done by using "Equity Method", wherein the share of investor in the net worth of investee can be directly taken as value of investment in the books of investor and the difference between old value and new value will be credited/debited to Other Comprehensive income as the investment in equity shares has been classified as "Equity Instruments through Other Comprehensive Income".

As per our report of even date

For: **B.K.Ramadhyani & Co LLP**
 Chartered Accountants
 Firm Reg No.: 002878S/S200021

Vasuki H S
 Partner
 M. No. 212013

SHALINI GHATAK
 Company Secretary
 CS No. A43488

RAJEEV SRIVASTAVA
 Director Finance & CFO
 DIN:08921307

RAJESH RAI
 Chairman & Managing
 Director DIN:10052045

For & On Behalf of Board of Directors

Place: Bengaluru
 Date: 28.05.2024

Consolidated Balance Sheet as at 31.03.2024

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024		As at 31.03.2023	
I) ASSETS					
1. Non-current assets					
(a) Property, Plant & Equipment	1	266379.48		268408.07	
(b) Capital work-in-progress	2	14228.25		13863.12	
(c) Investment Property	3	6817.57		6827.78	
(d) Goodwill		0.00		0.00	
(e) Other Intangible assets		0.00		0.00	
(f) Intangible assets under development		0.00		0.00	
(g) Biological Assets other than bearer plants		0.00		0.00	
(h) Financial Assets					
(i) Investments	4(a)	3528.40		3514.27	
(ii) Trade receivables	4(b)	11528.53		19646.74	
(iii) Loans	4(c)	0.00		0.00	
(iv) Others	4(d)	3.00		3.00	
(i) Deferred tax assets (net)		0.00		0.00	
(j) Other non current assets	5	0.52	302485.75	0.52	312263.51
2. Current assets					
(a) Inventories	6	22220.13		24975.23	
(b) Financial Assets					
(i) Investments		0.00		0.00	
(ii) Trade receivables	7	244081.25		242927.83	
(iii) Cash and cash equivalents	8(a)	10526.11		935.78	
(iv) Bank Balances other than (iii) above	8(b)	72715.91		20548.13	
(v) Loans	9(a)	79957.52		73302.93	
(vi) Others	9(b)	218180.01		257975.43	
(c) Current Tax Assets (net)		0.00		0.00	
(d) Other current assets	10	9638.68	657319.61	16207.31	636872.64
TOTAL			959805.36		949136.16
II) EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share capital	11	96088.69		94957.74	
(b) Other Equity	12	82345.60	178434.29	142488.97	237446.71
LIABILITIES					
1. Non-current Liabilities					
(a) Government Grants Unutilised	13	4496.42		4501.06	
(b) Financial Liabilities					
(i) Borrowings	14(a)	12000.00		18000.00	
(i)a) Lease liabilities	14(b)	42.99		59.66	
(ii) Trade Payables	14(c)				
(A) total outstanding dues of micro enterprises & small enterprises		0.00		0.00	



Consolidated Balance Sheet as at 31.03.2024 Contd...

₹ in Lakhs

Particulars	Note No.	As at 31.03.2024		As at 31.03.2023	
(B) total outstanding dues of creditors other than micro enterprises & small enterprises		10912.05		17399.02	
(iii) Others	14(d)	7933.30		7631.29	
(c) Provisions	15	5363.28		5141.35	
(d) Deferred tax liabilities (net)		0.00		0.00	
(e) Other non current liabilities	16	0.00	40748.04	0.00	52732.38
2. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	17(a)	167545.86		169583.52	
(ia) Lease Liabilities	17(b)	16.67		15.01	
(ii) Trade Payables	17(c)				
(A) total outstanding dues of micro enterprises & small enterprises		8398.42		12895.01	
(B) total outstanding dues of creditors other than micro enterprises & small enterprises		147348.25		124773.18	
(iii) Others	18	200980.12		229026.95	
(b) Other current liabilities	19	200637.71		103221.54	
(c) Provisions	20	15696.00		19441.86	
(d) Current Tax Liabilities (net)	21	0.00	740623.03	0.00	658957.07
TOTAL			959805.36		949136.16

Note: The accompanying Material Accounting Policies and 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

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

Statement of Consolidated Changes in Equity

A. Equity Share Capital

₹ in Lakhs

Particulars	2023-24	2022-23
Balance at the beginning of the year	94,957.74	93,352.29
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	1,130.96	1,605.45
Balance as at end of the year	96,088.70	94,957.74

B. Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus						Revaluation Surplus	Other items of Other Comprehensive Income	Total
		Capital Reserve	Securities Premium	OCI-Remeasurement of DBP	Other Reserves	General reserve	Retained Earnings			
Balance as at 01.04.2023	10,700.00	305,827.30	35,230.29	2,680.34	-	235,316.61	-447,265.53	-	-	142,489.01
Any other adjustments							-1.35			
Changes in accounting policy / prior period errors										-
Restated balance at the beginning of the current reporting period	10,700.00	305,827.30	35,230.29	2,680.34	-	235,316.61	-447,266.88	-	-	142,489.01
Total Comprehensive Income for the current year				-2,120.51						-2,120.51
Dividends										
Transfer to retained earnings							-56,892.02			-56,892.02
Any other changes	-10,700.00		9,569.04							-1,130.96
Capital Grant received during the year *	-									-
Balance as at 31.03.2024	-	305,827.30	44,799.33	559.83	-	235,316.61	-504,158.90	-	-	82,345.60
Balance as at 01.04.2022	7,156.30	305,827.30	21,679.44	8,759.38	0.00	235,316.61	-411,280.16	-	-	167,458.87
Changes in accounting policy / Period errors *							-			-
Restated balance at the beginning of the current reporting period	7,156.30	305,827.30	21,679.44	8,759.38	-	235,316.61	-411,280.16	-	-	167,458.87
Total Comprehensive Income for the current year				-6,079.04						-6,079.04
Dividends										-
Capital Grant received during the year *	10,700.00									10,700.00
Transfer to retained earnings							-35,985.37			-35,985.37
Any other change	-7,156.30		13,550.85							6,394.55
Balance as at 31.03.2023	10,700.00	305,827.30	35,230.29	2,680.34	-	235,316.60	-447,265.53	-	-	142,489.01



*** Note :**

Under the Rehabilitation Scheme approved by CCEA for the revival of ITI Limited sanctioned upon the Company being declared as a Sick Company as per provisions of Sick Industrial Companies Act (SICA), 1985, financial assistance of ₹415679 lakhs was sanctioned in February 2014. As part of the revival scheme. Capital grant received during FY 2022-23 of Rs. 10700 lakhs for which the company has issued shares of 11309586 Equity Shares @₹ 94.61 each, Face Value of ₹10/- each to President of India on 11.05.2023.

The accompanying Material Accounting Policies and 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
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Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024

Consolidated Statement of Profit and Loss for the year ended 31.03.2024

₹ in Lakhs

Particulars	Note No.	For the year ended 31.03.2024		For the year ended 31.03.2023	
INCOME					
I. Revenue from operations	22	126363.22		139544.51	
II. Other Income	23	4449.79		5254.88	
III. Total Income (I + II)			130813.01		144799.38
IV. EXPENSES:					
Cost of materials consumed	24	8372.89		16441.53	
Purchase of Stock-in-Trade	25 (a)	35636.55		27337.18	
Installation & Maintenance Charges	25 (b)	71839.34		77664.74	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	2525.62		(3322.78)	
Employee benefit expense	27	23179.60		22887.13	
Finance costs	28	24138.84		20958.40	
Depreciation and amortization expense	29	5312.25		4949.84	
Other expenses	30	16714.07		13892.97	
IV. Total Expenses			187719.15		180809.03
V. Profit/(Loss) before share of profit(loss) of an associate/a joint venture and exceptional items (III-IV)			(56906.14)		(36009.66)
Share of net profit of associates and joint ventures accounted for using the Equity Method			14.13		24.27
VI. Profit/(Loss) before exceptional items and tax			(56892.02)		(35985.37)
VII. Exceptional Items					
(i) Income			0.00		0.00
(ii) Expenses			0.00		0.00
VIII. Profit/(Loss) before tax (VI + VII)			(56892.02)		(35985.37)
IX. Tax expense:					
(1) Current tax			0.00		0.00
(2) Deferred tax			0.00		0.00
X. Profit(Loss) for the period (VIII-IX)			(56892.02)		(35985.37)
XI. Other Comprehensive Income					
A. (i) Items that will not be reclassified to profit or loss					
Remeasurements of Defined Benefit Plans			(2120.51)		(6079.04)
Change in Fair Value of Equity instrument through OCI			0.00		0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss			0.00		0.00
B. (i) Items that will be reclassified to profit or loss			0.00		0.00
(ii) Income tax relating to items that will be reclassified to profit or loss			0.00		0.00
XII. Total Comprehensive Income for the period (X+XI) Comprising Profit (Loss) and Other comprehensive Income for the period			(59012.52)		(42064.40)
XIII. Earnings per equity share (for continuing operation):					
Basic & Diluted (Face value of ₹ 10/- each):			(5.93)		(3.81)
Weighted average number of shares			959620017		944488639

Note: The accompanying Material Accounting Policies and 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
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CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru
Date: 28.05.2024



Consolidated Cash Flow Statement for the year ended 31.03.2024

Particulars	₹ in Lakhs	
	For the year ended 31.03.2024	For the year ended 31.03.2023
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT/(LOSS) BEFORE TAX		(56892.02)
Adjustment For :		
Depreciation	5312.25	4949.83
Financing Charges	24138.84	20958.40
Profit On Sale Of Investments	0.00	0.00
Interest/Dividend Received	(291.66)	(541.27)
Loss On Sale Of Asset	114.83	0.00
Profit On Sale Of Asset	(48.11)	(1628.83)
Transfer From Grant-In-Aid	0.00	250.94
Transfer From Grant-In-Aid	0.00	0.00
Other Comprehensive Income	(2120.51)	(6079.04)
Non-Cash Expenditure	1541.89	2660.62
OPERATING CASH PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		(28244.48)
Adjustment For:		
Trade And Other Receivables	45587.85	3297.07
Inventories	2299.57	(5635.69)
Trade Payables	77739.03	(11600.84)
Direct Taxes Paid	0.00	0.00
CASH GENERATED FROM OPERATIONS		125626.45
NET CASH GENERATED BY OPERATING ACTIVITIES (A)		97381.97
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase Of Fixed Assets Including:		
Capital Work-In-Progress	(3756.62)	(6069.97)
Sale Of Fixed Assets	48.11	1628.83
Investments	(14.13)	(24.27)
Interest Received	291.66	541.27
Proceeds from maturity/Deposit of Other Bank Balances	(52167.79)	8545.12
Dividend Received	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES [B]		(55598.77)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Short Term Borrowings	(8052.67)	26370.79
Share Application Money	0.00	10700.00
Capex Grant Received and shares allotted	0.00	8000.00
Adjustment with surplus	(1.35)	0.00
Grant-In-Aid Received	0.00	0.00
Financing Expenses	(24138.84)	(20958.40)
NET CASH USED IN FINANCING ACTIVITIES [C]		(32192.86)
NET INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]		9590.34
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		935.78
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		10526.11

Note: The accompanying Material Accounting Policies and 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

SHALINI GHATAK
Company Secretary
CS No. A43488

RAJEEV SRIVASTAVA
Director Finance & CFO
DIN:08921307

RAJESH RAI
Chairman & Managing Director
DIN:10052045

Place: Bengaluru

Date: 28.05.2024

Notes to the Financial Statements

Note No.1

Property, Plant & Equipment

₹ in Lakhs
FY 2023-24

PARTICULARS	GROSS BLOCK					DEPRECIATION					Net Carrying Value as at 31.03.2024	
	GROSS AMOUNT 01.04.2023	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2024	ACCUMULATED DEP. 01.04.2023	FOR THE PERIOD	DELETION	ADJUSTMENTS		TOTAL 31.03.2024
LAND:												
-FREE HOLD	220,890.09	-	-	-	-	220,890.09	-	-	-	-	-	220,890.09
-LEASE HOLD	777.13	-	-	-	-	777.13	1.89	0.27	-	-	2.16	774.97
ASSETS GIVEN ON LEASE	-	-	-	-	-	-	-	-	-	-	-	-
LAND DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING	14,958.31	55.32	-	-	-10.12	15,003.51	5,105.64	703.54	-	-1.35	5,807.83	9,195.68
PLANT & MACHINERY	50,714.07	1,880.15	1,670.98	-	-	50,923.24	18,283.50	3,846.38	1,670.96	-	20,458.92	30,464.32
OTHER EQUIPMENT	6,195.47	1,246.31	6.92	-	-	7,434.86	2,156.27	628.37	3.69	-	2,780.95	4,653.91
OFFICE M/C & EQPT	555.78	67.83	0.79	-	3.58	626.40	347.14	72.93	0.79	3.59	422.87	203.53
FURNITURE FIXTURE & FITTINGS	114.70	14.58	-	-	-	129.28	60.45	10.19	-	-	70.64	58.64
VEHICLES	175.80	-	3.34	-	-	172.46	103.99	16.58	3.34	-	117.23	55.23
ELECTRICAL INSTALLATION	29.49	21.31	-	-	-	50.80	-	3.39	-	-	3.39	47.41
RIGHT OF USE (CAR LEASE)	102.03	-	-	-	-	102.03	45.92	20.41	-	-	66.33	35.70
TOTAL	294,512.87	3,285.50	1,682.03	-	-6.54	296,109.80	26,104.80	5,302.06	1,678.78	2.24	29,730.32	266,379.48

Notes to the Financial Statements

Note No.1

Property, Plant & Equipment

₹ in Lakhs
FY 2022-23

PARTICULARS	GROSS BLOCK						DEPRECIATION					Net Carrying Value as at 31.03.2023
	GROSS AMOUNT 01.04.2022	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2023	ACCUMULATED DEP. 01.04.2022	FOR THE PERIOD	DELETION	ADJUSTMENTS	TOTAL 31.03.2023	
LAND:												
-FREE HOLD	220,957.17	-	67.08	-	-	220,890.09	-	-	-	-	-	220,890.09
-LEASE HOLD	777.13	-	-	-	-	777.13	1.62	0.27	-	-	1.89	775.24
ASSETS GIVEN ON LEASE	-	-	-	-	-	-	-	-	-	-	-	-
LAND DEVELOPMENT	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING	14,706.58	251.73	-	-	-	14,958.31	4,400.43	705.21	-	-	5,105.64	9,852.67
PLANT & MACHINERY	44,848.89	5,925.54	60.36	-	-	50,714.07	14,649.31	3,694.17	59.98	-	18,283.50	32,430.57
OTHER EQUIPMENT	5,263.96	946.12	14.61	-	-	6,195.47	1,735.50	435.38	14.61	-	2,156.27	4,039.20
OFFICE M/C & EQPT	409.94	147.33	1.49	-	-	555.78	293.66	54.75	1.27	-	347.14	208.65
FURNITURE FIXTURE & FITTINGS	106.74	7.96	-	-	-	114.70	51.09	9.36	-	-	60.45	54.25
VEHICLES	148.06	27.74	-	-	-	175.80	87.75	16.24	-	-	103.99	71.81
ELECTRICAL INSTALLATION	29.49	-	-	-	-	29.49	-	-	-	-	-	29.49
RIGHT OF USE (CAR LEASE)	102.03	-	-	-	-	102.03	25.51	20.41	-	-	45.92	56.11
TOTAL	287,349.99	7,306.42	143.54	-	-	294,512.87	21,244.87	4,935.79	75.86	-	26,104.81	268,408.07

Notes:

- There is a charge of ₹7 lakhs on 400 D type and 624 E type quarters in favour of Govt. of Karnataka towards subsidy received in terms of Subsidised Industrial housing Scheme.
- Factory building is on the leased land measuring 30 Kanals for which extension for lease is under process with J&K Government.
- There is a charge on title of property, plant and equipment, and other assets of the company in favour of various lenders for an aggregate amount of Rs. 357694 lakhs as these assets are pledged as security for liabilities.
- Non-Availability of Title Deeds - Bangalore: - ITI Ltd is in possession of 435 acres of land at K.R. Puram. Out of this, the Company is having title deeds for an area of approximately 375 acres. For balance area, only record of rights exist with the Company for use of land and proper title deeds are not held by the Company.
Mankapur: Out of 191.03 acres of land purchased from private owners, title deed for 41.77 acres land are not available with the management.
Naini: - ITI Complex land (174.69 acres) was handed over by District Industrial Officer in 1969. The title deed of this land is still not transferred in the name of M/s ITI Ltd.
Palakkad: - The Company has Title/Lease deeds properties except in respect of land admeasuring 77 acres which has been resumed by Govt of Kerala and is under adjudication before apex court
5. 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.
6. Company is in the process of reconciling/recomputing the gross block and depreciation block details as per the respective Asset registers across all units/corporate office and currently furnished details of gross block/ depreciation block of the various assets whose written down value was not nil.
7. Due to non-receipt of demand notice from Revenue Authorities towards property tax payable by ITI, Company is in the process of determining and payment of property taxes.

Notes to the Financial Statements

Note No.3

Investment Property:

₹ in Lakhs
FY 2023-24

PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Carrying Value as at 31.03.2024			
	GROSS AMOUNT 01.04.2023	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2024	ACCUMULATED DEP. 01.04.2023	FOR THE PERIOD		DELETION	ADJUSTMENTS	TOTAL 31.03.2024
LAND	6,497.55	-	-	-	-	6,497.55	-	-	-	-	-	6,497.55
BUILDING	382.35	-	-	-	-	382.35	52.12	10.21	-	-	62.33	320.02
TOTAL	6,879.90	-	-	-	-	6,879.90	52.12	10.21	-	-	62.33	6,817.57

Investment Property:

PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Carrying Value as at 31.03.2023			
	GROSS AMOUNT 01.04.2022	ADDITIONS	DELETION	Amount of change due to revaluation (if revaluation is more than 10% of the aggregate net carrying amount)	ADJUSTMENTS	TOTAL 31.03.2023	ACCUMULATED DEP. 01.04.2022	FOR THE PERIOD		DELETION	ADJUSTMENTS	TOTAL 31.03.2023
LAND	6,497.55	-	-	-	-	6,497.55	-	-	-	-	-	6,497.55
BUILDING	382.35	-	-	-	-	382.35	41.90	10.22	-	-	52.12	330.23
TOTAL	6,879.90	-	-	-	-	6,879.90	41.90	10.22	-	-	52.12	6,827.78

Notes:

- Land measuring 4653.75 sq.meters has been leased to Department of Telecommunications for a period of 99 years commencing from 3.10.1983.
 - Formal Conveyance/lease deeds in respect of Land (excepting part of lands at Bangalore & Mankapur) are yet to be executed by the respective State Governments.
 - Land measuring 1256.86 Sq. metres has been leased to Dept. of Telecommunications for a period of 99 years commencing from 10.07.1991.
 - 3 acres of land is leased to State Government for construction of Mini-Vrhdhna Soudha for a period of 99 years commencing from March, 1994.
 - 1.83 acres of land is leased to Southern Railways and 0.286 acres of land is leased to ESI corporation.
 - BSNL Telephone Exchange having area of 0.5733 acres of land
 - HPCL Petrol bunk, ITI Colony having area of 0.2222 acres of land
 - HPCL Petrol bunk, Old Madras Road, K.R.Puram having area of 0.3025 acres of land
 - EPFO, F-28 Bldg. having area of 0.6069 acres of land
 - Thumbay Aviation [Halipad - EC Plant] having area of 0.9182 acres of land
 - Embassy Services Pvt. Ltd. having area of Land and Building 0.776 acres and 6300 Sq.meters respectively.
- iv.) The company is in the process of engaging the registered valuer for obtaining the fair values of various investment properties and hence the disclosure of this information could not be given.



Notes to the Consolidated Financial Statements

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 2				
CAPITAL WORK-IN-PROGRESS				
Capital Work-in-Progress at Cost	7131.82		7075.28	
Less: Provision	0.00		0.00	
TOTAL		7131.82		7075.28
Materials with Contractors	0.00		28.93	
Less : Provision	0.00		28.93	
TOTAL		0.00		0.00
Machinery at Cost				
In-Transit	7.41		7.93	
Awaiting Acceptance / Installation	7095.02		6786.44	
	7102.43		6794.37	
Less:Provision	6.00		6.53	
TOTAL		7096.43		6787.84
GRAND TOTAL		14228.25		13863.12

Capital Work in Progress Ageing Schedule					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
Projects in progress	463.00	901.06	831.13	11235.00	13430.19
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Machinery at cost- In Transit , Awaiting acceptance / Installation	357.70	433.77	0.00	6.59	798.06
TOTAL	820.70	1334.83	831.13	11241.59	14228.25
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
Projects in progress	166.75	160.27	-	6,593.48	6920.50
Projects temporarily suspended	-	-	-	-	0.00
Machinery at cost- In Transit , Awaiting acceptance / Installation	1,733.05	1,329.07	2,234.16	1,646.34	6942.62
TOTAL	1899.80	1489.34	2234.16	8239.82	13863.12

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan*
CWIP completion schedule

Project Name	Less than 1 year	1-2 years	2-3 years	More than 3 years
1- NIFT	0.00	0.00	0.00	6582.05
2	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	6582.05

Project Name	Less than 1 year	1-2 years	2-3 years	More than 3 years
1- NIFT	0.00	0.00	0.00	6582.05
2	0.00	0.00	0.00	0.00
3	0.00	0.00	0.00	0.00
4	0.00	0.00	0.00	0.00
5	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	6582.05

Note:

The Company was mandated to construct NIFT Building for which M/s. TCIL, (A Govt. Of India Undertaking) was engaged as PMC and the entire construction was given to TCIL. As on March 31, 2023, the entire building was constructed and handed over to NIFT but TCIL had not issued completion certificate for want of certain documents from Local Development authority. The Company referred this matter to the administrative mechanism for resolving the same on priority. As on 31.03.2024, pending receipt of completion certificate & certain documents, and resolution of the said matter, the NIFT building is outstanding as CWIP.

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 4(a)				
NON- CURRENT FINANCIAL ASSETS-INVESTMENTS				
Investment in Equity instruments				
Fully Paid at Cost (unquoted)	3514.27		3490.00	
16,21,800 Equity Shares of ₹10/- each fully paid up in India Satcom Limited	14.13		24.27	
TOTAL		3528.40		3514.27

As per IND AS 27 Separate Financial Statements, Investment in Joint Ventures is being carried at cost in the Standalone Financial Statements.

Calculation of Change in fair value of equity instruments in Indian Satcom Limited(49%)

Particulars	As at 31.03.2024		As at 31.03.2023	
Total Assets of Indian Satcom Limited	12056.60		12013.13	
Less: Total Outside Liabilities of Indian Satcom Limited	(4864.59)		(4841.15)	
Net Worth (100%)	7192.01		7171.98	
Share of ITI (49.06%)/Closing Balance	3528.40		3514.27	
Less:Opening Balance	(3514.27)		(3490.00)	
Change in Fair value during the year	14.13		24.27	
NOTE NO. 4 (b)				
NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES				
Trade Receivables Considered Good - Secured	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
Trade Receivable Considered Good - UnSecured	11528.53		19646.74	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		11528.53		19646.74
Trade Receivables which have significant increase in Credit Risk	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
Trade Receivables – credit impaired	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		11528.53		19646.74

Trade Receivables ageing schedule	Outstanding for following periods from due date of payment					
	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	0.00	0.00	1440.54	5318.09	4769.90	11528.53
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	1440.54	5318.09	4769.90	11528.53

Trade Receivables ageing schedule	Outstanding for following periods from due date of payment					
	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	0.00	0.00	1440.54	15535.04	2671.16	19646.74
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	1440.54	15535.04	2671.16	19646.74



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 4(c)				
NON CURRENT FINANCIAL ASSETS - LOANS				
Loans Receivables considered good- Secured				
Loans & Advances	0.00		0.00	
Others	0.00		0.00	
	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
Loans Receivables considered good- UnSecured				
Loans & Advances	0.00		0.00	
Deposits	0.00		0.00	
Loans & Advances to related parties	0.00		0.00	
Others	0.00		0.00	
	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
Loans Receivables which have significant increase in Credit Risk	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		0.00		0.00
NOTE NO. 4(d)				
NON CURRENT FINANCIAL ASSETS OTHERS				
Other Financial Assets				
(i) Security Deposits	0.00		0.00	
(ii) Bank deposits with more than 12 months maturity	3.00		3.00	
(iii) Others	0.00		0.00	
GRAND TOTAL		3.00		3.00
NOTE NO. 5				
OTHER NON CURRENT ASSETS				
(i) Capital Advances	1.62		1.62	
Less: Provision	1.10		1.10	
TOTAL		0.52		0.52
(ii) Advances other than Capital advances				
Margin money	0.00		0.00	
Less: Provision	0.00		0.00	
TOTAL		0.00		0.00
(iii) Others	0.00		0.00	
Less: Provision	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		0.52		0.52

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 6				
INVENTORIES				
a) Raw material and Production stores	10166.15		8041.77	
Less: Provision for Obsolescence	1797.40		1754.22	
		8368.75		6287.55
b) Material issued against Fabrication Contracts held by vendors	96.91		96.91	
Less: Provision	95.47		95.47	
		1.44		1.44
c) Non-Production Stores	1049.02		949.10	
Less: Provision for Obsolescence	237.41		237.41	
		811.61		711.69
d) Work-in-Process Production	5940.16		5626.31	
Less: Provision	575.42		606.76	
		5364.74		5019.55
e) Work-in-Process Installation	16.08		0.00	
Less: Provision	0.00		0.00	
		16.08		0.00
f) Manufactured Components	4411.22		4914.19	
Less: Provision	226.62		40.13	
		4184.60		4874.06
g) Finished Goods				
Stock-in-Trade	4068.77		6580.92	
Less: Provision	1018.46		1019.56	
		3050.31		5561.36
h) Stock Reconciliation Account	19.47		19.47	
Less: Provision	10.33		10.33	
		9.14		9.14
i) Goods Pending Inspection / Acceptance		384.88		1141.60
j) Material-in-Transit Advances				
Considered Good	28.58		493.99	
Considered Doubtful	238.76		238.76	
	267.34		732.75	
Less: Provision	238.76		238.76	
		28.58		493.99
k) Material received and In-Transit Advances		0.00		874.86
l) Tools and Gauges		0.00		0.00
GRAND TOTAL		22220.13		24975.23



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 7				
CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES				
Trade Receivables Considered Good - Secured	0.00		0.00	
Less: Allowance for Bad and doubtful debts	0.00		0.00	
TOTAL		0.00		0.00
Trade Receivables Considered Good - UnSecured				
- Gujnet	5012.39		6419.28	
- Other than Gujnet	239641.93		236508.55	
	244654.32		242927.83	
Less: Allowance for Bad and doubtful debts	573.07		0.00	
TOTAL		244081.25		242927.83
Trade Receivables which have significant increase in Credit Risk	5914.16		7070.95	
Less: Allowance for Bad and doubtful debts	5914.16		7070.95	
TOTAL		0.00		0.00
Trade Receivables – credit impaired	570.62		580.68	
Less: Allowance for Bad and doubtful debts	570.62		580.68	
TOTAL		0.00		0.00
GRAND TOTAL		244081.25		242927.83

As per Ind AS 109, the receivables in the Company should be put to impairment test using the expected credit loss model. Ind AS 109 allows the use of practical expedients when measuring expected credit loss on trade receivables, and states that a provision matrix is a example of such an expedient. Majority of trade receivables originate from Government owned entities, which are not exposed to high risk, the Company is making specific provisions based on case to case reviews and approved by Board. Whereas, for other customers, provision is determined using expected credit loss model on case to case basis.

Trade Receivables ageing schedule						
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
(i) Undisputed Trade receivables – considered good	42199.72	18099.63	23552.09	25249.54	117820.71	226921.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	17732.62	17732.62
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	5914.16	5914.16
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	570.62	570.62
TOTAL	42199.72	18099.63	23552.09	25249.54	142038.12	251139.10
Less: Allowance for Bad and doubtful debts	0.00	0.00	0.00	0.00	7057.85	7057.85
TOTAL	42199.72	18099.63	23552.09	25249.54	134980.27	244081.25
Trade Receivables ageing schedule						
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
(i) Undisputed Trade receivables – considered good	32713.80	10856.19	32345.44	32116.04	117494.54	225526.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	17401.81	17401.81
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	7070.95	7070.95
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	580.68	580.68
Total	32713.80	10856.19	32345.44	32116.04	142547.98	250579.46
Less: Allowance for Bad and doubtful debts	0.00	0.00	0.00	0.00	7651.63	7651.63
Total	32713.80	10856.19	32345.44	32116.04	134896.35	242927.83

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 8 (a)				
CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS				
a) Cash-on-Transit	0.00		0.00	
b) Cash on hand	2.30		3.56	
c) Cheques & Stamps on Hand	0.42		0.46	
d) Balance with Banks :				
- On Current Account	10523.39		931.76	
TOTAL		10526.11		935.78
NOTE NO. 8 (b)				
CURRENT FINANCIAL ASSETS - BANK BALANCE OTHER THAN ABOVE				
Balance with Banks :				
- On Escrow Account	18028.10		16240.59	
- On Current Account (Apprentices)	410.61		424.46	
Unpaid Dividend	0.00		0.00	
LC Margin money	0.00		0.00	
On Savings Account(Apprentices Security Deposits)	0.00		0.00	
On short term deposit (margin money)	181.77		173.07	
On current Account(Margin money)	0.00		0.00	
On Fixed Deposit Account- More than 3 months but Less than 12 months maturity	54095.43		3710.01	
Others	0.00		0.00	
TOTAL		72715.91		20548.13
NOTE NO. 9 (a)				
CURRENT FINANCIAL ASSETS - LOANS				
Secured Advances recoverable in cash or for value to be received				
Vehicles	0.00		0.00	
House building	0.00		0.00	
Other Deposits	1068.17		1147.76	
Less: Provision	0.00		0.00	
TOTAL		1068.17		1147.76
Unsecured Advances recoverable in cash for value to be received				
Advances Recoverable -Considered Good	54808.02		27744.09	
Less : Provision	0.00		0.00	
		54808.02		27744.09
Loans Receivables which have significant increase in Credit Risk	536.60		536.60	
Less : Provision	536.60		536.60	
		(0.00)		0.00
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
TOTAL		54808.02		27744.09
Claims and Expenses Recoverable - Inland				
Considered Good	21961.58		41428.03	
Less : Provision	1060.97		0.00	
TOTAL		20900.61		41428.03



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
Loans Receivables which have significant increase in Credit Risk	1770.82		992.29	
Less : Provision	1770.82		992.29	
		0.00		0.00
Loans Receivables – credit impaired	10.32		10.32	
Less : Provision	10.32		10.32	
		0.00		0.00
TOTAL		20900.61		41428.03
Claims and expenses recoverable - Foreign				
Considered Good	1.25		6.10	
Less : Provision	0.00		0.00	
		1.25		6.10
Loans Receivables which have significant increase in Credit Risk	1204.32		1204.32	
Less : Provision	1204.32		1204.32	
		0.00		(0.00)
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
TOTAL		1.25		6.10
Advance for Civil Works/ Capital Goods				
Considered Good	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
Loans Receivables which have significant increase in Credit Risk	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
Loans Receivables – credit impaired	0.00		0.00	
Less : Provision	0.00		0.00	
		0.00		0.00
TOTAL		0.00		0.00
Vehicle advance	0.00		0.00	
Loans & Advances to related parties	0.00		0.00	
Other Deposits	3600.94		3387.01	
Less: Provision	421.47		421.47	
	3179.47		2965.54	
Interest accrued but not due on short term deposits	0.00		11.42	
TOTAL		3179.47		2976.96
GRAND TOTAL		79957.52		73302.93

- a) Claims and expenses recoverable - inland- includes ₹1690.20 lakhs recoverable from M/s HCL Infosystem Ltd as compensation on account of excess amount spent by ITI Ltd. MANKAPUR. The above is on the basis of agreement entered into between ITI, HCL and Alcatel.
- b) Claim Recoverable - in land -includes ₹1049.41 lakhs due from M/S Himachal futuristic communications towards liquidated damages. The Company has filed a legal case and the matter is pending before Delhi High court and the hearing is on 04.09.2024.
- c) Rent Receivable includes of ₹5847.90 lakhs on a premises leased out upto the period ended 31.03.2011 and no rental income for the period subsequent to 31.03.2011 for the same premises has been recognised on accrual basis due to uncertainty of realization.
- d) Claim Receivable includes of ₹1023.00 lakhs receivable from M/s. Mindarray towards encashment of letter of credit

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 9(b)				
CURRENT FINANCIAL ASSETS OTHERS				
Other Financial assets				
(i) Security Deposits		498.56		35.61
(ii) Unbilled Revenue				
Government			5307.00	
- Gujnet	5365.13			
- Others	212102.50		252548.00	
Non Government	0.00	217467.63	0.00	257855.00
(iii) Others		213.82		84.82
TOTAL		218180.01		257975.43

The Other Current Financial assets include unbilled revenue of Rs.2,17,467.63 lakhs, the revenue which has been recognized over the last few years based on the work performed, the billing of which would happen upon fulfilling the terms of contract

NOTE NO. 10				
OTHER CURRENT ASSETS				
Taxes & Duties in put	9379.36		14827.89	
Deposits with Customs Department	0.00		942.30	
Payment of Advance tax (Net of refunds)	0.00		0.00	
Deposits with Excise Authorities	259.32		437.12	
WCT Recoverable	0.00		0.00	
TOTAL		9638.68		16207.31

NOTE NO. 11				
I. EQUITY SHARE CAPITAL				
a) Authorised 2,80,00,00,000 equity shares of ₹10 each	280000.00		280000.00	
b) Issued 96,08,86,938 equity shares of ₹10 each (Previous Year 949577352 equity shares of ₹10 each)	96088.69		94957.74	
c) Subscribed and Fully Paid-up 96,08,86,938 equity shares of ₹10 each (Previous Year 949577352 equity shares of ₹10 each)	96088.69		94957.74	
d) Subscribed & not fully paid up	0.00		0.00	
e) Par value per share	10.00		10.00	
f) Calls unpaid	0.00		0.00	
g) Forfeited shares	0.00		0.00	
h) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				

Particulars	As at 31.03.2024 No.of shares	As at 31.03.2023 No.of shares
Number of shares outstanding O.B	949577352	933522869
Add: Issues during the year*	11309586	16054483
Less: Buy back/forfeiture during the year	0.00	0.00
Number of shares outstanding C.B	960886938	949577352

* The Company has allotted 11309586 equity shares issued at Rs.94.61 to the President of India on 11.05.2023, against capital grant of Rs.10700 Lakhs.

i) The rights and preferences and restrictions attaching to the above class of shares

- Each holder of Equity share is entitled to one vote per share.

- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.


ITI LIMITED
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j) List of share holders holding more than 5% shares				
Name	No.of shares held		No.of shares held	
1. President of India	864485747		855912566	
2. Special National Investment Fund	75869381		73132976	
k) During last 5 years:				
i) Aggregate number of shares allotted without being received in cash	0.00		0.00	
ii) Aggregate number of shares allotted as fully paid up by way of bonus shares	0.00		0.00	
iii) Aggregate number and class of shares bought back	0.00		0.00	
	As at 31.03.2024		As at 31.03.2023	
II) PREFERENCE SHARES :				
A) Authorised 70000000 Preference Shares of Rs.100 each	70000		70000	
Name of the Promoter	No of shares	% of total shares	% change during the period ended 31.03.2024	
1. President of India	864485747	89.97	1.00	
2. Government of Karnataka	312500	0.03	0.00	
₹ in Lakhs				
Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 12				
OTHER EQUITY				
1) Capital Reserves				
i) Free Land Gifted				
O.B As per last B/S	25.30		25.30	
Additions	0.00		0.00	
Total	25.30		25.30	
Deductions	0.00		0.00	
Closing balance		25.30		25.30
ii) Capital Grant in aid				
As per last Balance Sheet	305802.00		305802.00	
Transfer from Grant in aid (capital)	0.00		0.00	
Closing Balance		305802.00		305802.00
TOTAL CAPITAL RESERVES				
		305827.30		305827.30
2) Securities premium reserve				
O.B as per last B/S	35230.29		21679.44	
Additions	9569.04		13550.85	
Total	44799.33		35230.29	
Less: FPO Issue Expenses *	0.00		0.00	
Closing balance		44799.33		35230.29
3) Revaluation Reserve				
i) Revaluation reserves- Land				
Opening balance as per last B/S	0.00		0.00	
Less-Reversal on sale of land	0.00		0.00	
Closing Balance		0.00		0.00
ii) Revaluation reserves-Buildings				
Opening balance as per last B/S	0.00		0.00	
Less-Transfer to General Reserve	0.00		0.00	
Closing Balance		0.00		0.00
TOTAL-REVALUATION RESERVE				
		0.00		0.00

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
4) Retained Earnings				
i) General reserve:				
Opening balance as per last B/S	235316.61		235316.61	
Prior Period Adjustments	0.00		0.00	
Add: Transfer from Revaluation Reserve (Dep)	0.00		0.00	
Less-Transfer to P&L	0.00		0.00	
Less-Transfer to Surplus	0.00		0.00	
Closing Balance		235316.61		235316.61
ii) Profit on Sale of Fixed Assets				
Opening balance as per last B/S	0.00		0.00	
Less-Transfer to Surplus	0.00		0.00	
Closing Balance		0.00		0.00
iii) Sale of Technical know-how				
As per last Balance Sheet	3.50		3.50	
Less-Transfer to P&L	0.00		0.00	
Closing Balance		3.50		3.50
iv) Industrial Housing Subsidy				
As per last Balance Sheet	6.79		6.79	
Less-Transfer to P&L	0.00		0.00	
Closing Balance		6.79		6.79
v) Investment allowance reserve				
As per last Balance Sheet	0.00		0.00	
LESS: Transfer to General reserve	0.00		0.00	
Closing Balance		0.00		0.00
vi) Surplus				
As per last Balance sheet	(447275.83)		(411290.45)	
Add: Profit/(Loss) for the year	(56892.02)		(35985.37)	
Add: Transfer from General Reserve	0.00		0.00	
Add: Transfer from Profit on sale of fixed assets	0.00		0.00	
TOTAL	(504167.84)		(447275.83)	
Less- Appropriations	1.35		0.00	
Less-Transfer from P&L A/C-(Loss for the year)	0.00		0.00	
Closing Balance		(504169.19)		(447275.83)
TOTAL-RETAINED EARNINGS		(268842.30)		(211948.93)
5) Share application money pending allotment		0.00		10700.00
6) Other Comprehensive Income				
Remeasurement of Defined Benefit Plans (Actuarial Gain)				
Opening Balance	2680.34		8759.38	
Changes during the Year	(2120.51)		(6079.04)	
Closing balance		559.83		2680.34
GRAND TOTAL - OTHER EQUITY		82345.60		142488.97



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 13				
NON-CURRENT LIABILITIES				
Government Grants Unutilised:				
i) Free Equipment gifted				
Opening balance as per last B/S	0.00		0.00	
Less-Transfer to P&L	0.00		0.00	
Closing Balance		0.00		0.00
ii) Grant-in-aid (Capital) :				
As per last Balance Sheet	4.64		4.64	
Add:Receipts during the year	0.00		0.00	
Total	4.64		4.64	
Less: Transfer to revenue GIA/Capital reserves	0.00		0.00	
Less: Transfer to Profit & Loss Account	4.64		0.00	
Closing Balance		0.00		4.64
iii) Grant-in-aid (Revenue)				
As per last Balance Sheet	4496.42		4245.48	
Add : Receipts during the year*	0.00		0.00	
Total	4496.42		4245.48	
Less: Transfer to Profit & Loss Account	0.00		(250.94)	
Closing Balance		4496.42		4496.42
GRAND TOTAL		4496.42		4501.06

- Unspent portion of government grants (as per the conditions of grant document) are classified separately from other equity and shown as Non-current liabilities

NOTE NO. 14 (a)				
NON-CURRENT FINANCIAL LIABILITIES -BORROWINGS				
I Borrowings - Secured				
(a) Bonds	0.00		0.00	
(b) Term Loans				
(i) From Banks	0.00		0.00	
(ii) From Others	0.00		0.00	
(c) Deferred payment liabilities	0.00		0.00	
(d) Deposits	0.00		0.00	
(e) Loan from related parties	0.00		0.00	
(f) Liability Component of compound financial instruments	0.00		0.00	
(g) Other Loans	0.00		0.00	
II Borrowings - Unsecured				
(a) Bonds	0.00		0.00	
(b) Term Loans				
(i) From Banks	0.00		0.00	
(ii) From Others	0.00		0.00	
Loan from Government of India *	12000.00		18000.00	
Interest accrued and due on above	0.00		0.00	
(c) Deferred payment liabilities	0.00		0.00	
(d) Deposits	0.00		0.00	
(e) Loan from related parties	0.00		0.00	
(f) Liability Component of compound financial instruments	0.00		0.00	
(g) Other Loans	0.00		0.00	
		12000.00		18000.00
GRAND TOTAL		12000.00		18000.00

The Company had received a soft loan of Rs. 30,000 lakhs from the Department of Telecommunications, Ministry of Communications, Government of India during the year 2014-15 for payment of salaries of employees, repayable in five years after the Company starts earning profit with a moratorium of two years. As per DoT letter dated 29.04.2022 and 24.03.2023, Company was advised to repay the soft loan from FY 2022-23 failing which penal interest shall be levied as per sanction terms. Accordingly, Company has made a provision for Rs. 148.56 lakhs towards penal interest up to FY 2023-24. However, considering the fact that soft loan was provided towards salary of employees during implementation period of revival plan and company is still under revival plan and not come out of BIFR and incurring losses, Company has requested for conversion of soft loan into Grant in aid, which is under consideration.

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 14(b)				
NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES				
Finance Lease Liabilities	42.99		59.66	
Operating lease liabilities	0.00		0.00	
GRAND TOTAL		42.99		59.66
NOTE NO. 14(c)				
NON CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES				
For goods supplied				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	10912.05		17399.02	
- Other than Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		10912.05		17399.02
For Expenses and Services				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
- Other than Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
For Other Liabilities				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
Disputed Dues				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		10912.05		17399.02

Trade Payables Ageing Schedule					
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
(i) MSME	1218.77	3034.49	2220.26	4438.53	10912.05
(ii) Others	0.00	0.00	0.00	0.00	0.00
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	0.00	0.00
TOTAL	1218.77	3034.49	2220.26	4438.53	10912.05

Trade Payables Ageing Schedule					
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	882.38	4181.57	2015.59	10319.48	17399.02
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	0.00	0.00
TOTAL	882.38	4181.57	2015.59	10319.48	17399.02



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 14(d)				
NON-CURRENT FINANCIAL LIABILITIES - OTHERS				
Security deposit received	7933.30		7631.29	
GRAND TOTAL		7933.30		7631.29
NOTE NO. 15				
NON CURRENT PROVISIONS				
(i) For Employee Benefits				
For privilege Leave				
As per Last Balance Sheet	5111.65		4572.04	
Less : Transfer to Corporate	0.00		0.00	
Add: Provision for the period	229.99		539.61	
Less: Payments	20.08		0.00	
TOTAL		5321.56		5111.65
For sick Leave				
As per Last Balance Sheet	29.71		47.23	
Less : Transfer to Corporate	0.00		0.00	
Add: Provision for the period	12.01		(17.52)	
Less: Payments	0.00		0.00	
TOTAL		41.72		29.71
(ii) Others		0.00		0.00
GRAND TOTAL		5363.28		5141.35
NOTE NO. 16				
OTHER NON-CURRENT LIABILITIES				
	0.00		0.00	
GRAND TOTAL	0.00	0.00	0.00	0.00
NOTE NO. 17 (a)				
CURRENT FINANCIAL LIABILITIES -BORROWINGS				
I Borrowings - Secured				
(a) Loans repayable on demand				
(i) From Banks	149526.45		157561.05	
(ii) From Others	19.41		22.47	
(b) Loan from related parties	0.00		0.00	
(c) Deposits	0.00		0.00	
(d) Current maturities of Long Term Borrowings	0.00		0.00	
(e) Others	0.00		0.00	
TOTAL		149545.86		157583.52
II Borrowings - Unsecured				
(a) Loans repayable on demand				
(i) From Banks	0.00		0.00	
(ii) From Others	0.00		0.00	
(b) Loan from related parties	0.00		0.00	
(c) Deposits	0.00		0.00	
(d) Current maturities of Long Term Borrowings	18000.00		12000.00	
(e) Others	0.00		0.00	
TOTAL		18000.00		12000.00
GRAND TOTAL		167545.86		169583.52

Cash credit from State Bank of India and other members of the consortium of Banks against hypothecation of current assets including all kind of Stocks, receivables etc. and fixed assets of the Company. Interest rate for the said facility is 2.75% above 6 months MCLR.

Deposits, fallen due and not claimed for refunds, is shown as current liabilities as at 31.03.2024

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 17(b)				
CURRENT FINANCIAL LIABILITIES -LEASE LIABILITIES				
Finance Lease Liabilities	16.67		15.01	
Operating lease liabilities	0.00		0.00	
GRAND TOTAL		16.67		15.01
NOTE NO. 17(c)				
CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES				
For goods supplied				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	7275.61		5767.42	
- Other than Gujnet				
- Micro small and medium enterprises	8398.42		12895.01	
- Others	126407.77		111152.25	
- Provision for Doubtful Creditors	0.00		0.00	
TOTAL		142081.80		129814.68
For Expenses and Services				
- Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		489.77	
- Other than Gujnet				
- Micro small and medium enterprises	0.00		0.00	
- Others	10928.35		3537.07	
TOTAL		10928.35		4026.84
For Other Liabilities				
- Micro small and medium enterprises	0.00		0.00	
- Others	2736.52		3826.67	
TOTAL		2736.52		3826.67
Disputed Dues				
- Micro small and medium enterprises	0.00		0.00	
- Others	0.00		0.00	
TOTAL		0.00		0.00
GRAND TOTAL		155746.67		137668.20

Trade Payables Ageing Schedule					
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2024
(i) MSME	2811.62	1600.33	1892.24	2094.24	8398.42
(ii) Others	66600.77	41133.07	4248.17	19332.78	131314.79
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	16033.45	16033.45
Total	69412.39	42733.39	6140.42	37460.47	155746.67
Particulars	Outstanding for the following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at 31.03.2023
(i) MSME	3859.89	2799.52	2273.09	3962.52	12895.02
(ii) Others	28104.90	18378.18	22839.34	39049.94	108372.36
(iii) Disputed Dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues- Others	0.00	0.00	0.00	16400.82	16400.82
Total	31964.79	21177.70	25112.43	59413.28	137668.20

A list of micro, small and medium enterprises (MSME) to whom the Company owe any sum together with interest outstanding to the extent identified. The Company is in the process of compiling full list of MSME vendors.



₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
AS PER ENCLOSURE:				
Disclosure of dues/payments to micro and small 'enterprises to the extent such enterprises are identified by the company.				
(a) Principal amount remain unpaid as at year end	8398.42		12895.01	
(b) Interest due thereon remaining unpaid as at year end	55.24		68.25	
(c) The amount of interest paid and principal paid beyond the appointed day during the accounting year	0.00		0.00	
(d) Amount of interest due and payable for delay in payments (which have been paid but beyond the appointed day during the accounting year) but without adding interest under the MSMED Act, 2006.	0.00		0.00	
(e) Amount of interest accrued and remaining unpaid as at year end	55.24		68.25	
(f) Amount of further Interest remaining due and payable even in succeeding years (until such date when interest dues above are actually paid to small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006).	0.00		0.00	
NOTE NO.18				
CURRENT FINANCIAL LIABILITIES - OTHERS				
Unbilled Dues				
Government				
-Gujnet	4545.19		5011.06	
-Other than Gujnet	121398.68		140547.18	
Non Government	0.00		0.00	
Interest Accrued but not due on Borrowings	3004.76		2556.20	
Interest Accrued and due on Borrowings	0.00		0.00	
Unpaid matured deposits and interest accrued thereon	0.00		0.00	
Unpaid matured debentures and interest accrued thereon	0.00		0.00	
Unclaimed Dividend	0.00		0.00	
For Expenses and Services	9251.14		11485.08	
For Other Liabilities	20447.44		26675.34	
Other payables	834.96		660.59	
Salary Payable	4209.35		2747.87	
Royalty Payable	1007.54		1007.54	
Wage revision Arrears	1006.06		1006.28	
Deposits from Contractors	7818.80		7263.31	
Misc.Liabilities	27456.20		30066.45	
Preference Shares	0.00		0.00	
TOTAL		200980.12		229026.90
NOTE NO.19				
OTHER CURRENT LIABILITIES				
Income received in advance	11.22		2.66	
Duties & Taxes	4105.84		3628.85	
Advances from Customers	196520.65		99590.03	
TOTAL		200637.71		103221.54

₹ in Lakhs

Particulars	As at 31.03.2024		As at 31.03.2023	
NOTE NO. 20				
CURRENT LIABILITIES- PROVISIONS				
For Taxation				
As per last Balance Sheet	0.00		0.00	
Add: Provisions during the period	0.00		0.00	
Less: Adjustments of provisions relating to earlier years	0.00		0.00	
TOTAL		0.00		0.00
For Gratuity				
As per Last Balance Sheet	16605.23		13226.54	
Add: Provision for the period	2903.81		4397.69	
Less: Transfer to gratuity trust	5990.00		1534.99	
Add: Transfer from gratuity trust	5715.10		2724.78	
Add: Transfer from Corporate	0.00		0.00	
Less: Payments	5627.39		2208.78	
TOTAL		13606.75		16605.23
For Privilege Leave				
As per Last Balance Sheet	2664.53		1992.69	
Less : Transfer to Corporate	0.00		0.00	
Add: Provision for the period	2089.96		3443.48	
Less: Payments	2820.21		2771.66	
TOTAL		1934.28		2664.52
For Sick Leave				
As per Last Balance Sheet	1.53		2.50	
Add: Provision for the period	0.32		(0.97)	
Less: Payments	0.00		0.00	
TOTAL		1.85		1.52
For L L T C provision				
As per Last Balance Sheet	170.57		177.16	
Add: Provision for the period	9.40		57.76	
Less: Payments	26.85		64.35	
TOTAL		153.12		170.58
GRAND TOTAL		15696.00		19441.86
NOTE NO. 21				
CURRENT TAX LIABILITIES				
	0.00		0.00	
	0.00		0.00	
	0.00		0.00	
TOTAL		0.00		0.00
NOTE NO. 22				
REVENUE FROM OPERATIONS				
i) Sale of Products (net of GST)				
Sale of Finished Goods	5103.65		5944.54	
Sale of Traded Goods	38669.62		16198.06	
TOTAL		43773.27		22142.60
ii) Sale of services		82589.95		117399.93
iii) Other Operating Revenues:				
a) Sale of Scrap	0.00		1.98	
b) Income from DLRC Project	0.00		0.00	
c) Non competing fee	0.00		0.00	
d) Grant In Aid-Revenue	0.00	0.00	0.00	1.98
TOTAL		126363.22		139544.51



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Sales under broad heads :		
- NPR	0.00	0.00
1. Mini PDO	0.09	1.21
2. Electronic Switching Equipments/SMPS/SSTP	0.00	750.64
3. MLLN	0.00	0.00
4. Inverter Trolley	0.26	0.00
5. NCM	3.97	0.00
6. Telephone	102.50	18.47
7. G-PoN	0.00	0.10
8. Job Work	0.00	0.00
9. Solar Panel	337.44	122.29
10. SMPS	0.00	0.00
11. 4G Radio	0.00	0.00
12. GSM Franchise	0.00	0.00
13. NGN	0.00	0.00
14. NFS	501.96	595.18
15. ASCON	0.00	0.00
16. DEFENCE	316.40	399.88
17. Smart Energy meters	0.00	(1155.62)
18. BBWT	0.00	0.00
19. HDPE Pipe	903.29	251.97
20. OFC	2756.19	1139.08
21. MAHANET	935.22	412.79
22. WIFI-HOTSPOT	0.00	0.00
23. GUJNET	0.00	0.00
24. BNG	0.00	0.00
25. DDOS	0.00	0.00
26. Min PC Mfg / Tab PC	398.26	3548.92
27. CCMS	0.00	0.00
28. GSM WZ	0.00	0.00
29. ONT/OLT	157.08	0.00
30.SSTP	0.00	0.00
31.STM	0.00	0.00
32.SEM(NET)	0.00	0.00
33. MOBILE SHOWROOM	7.59	52.77
34. MCEU	135.00	0.00
35. WIFI ACCESS POINT	0.00	2.50
36. IP ENCRYPTORS MHA	0.00	0.00
37. SOLAR LED STREET LIGHT	4199.16	1378.86
38. FACE SHIELD / Sanitary Napkin Vending Machine	0.67	20.21
39. SMART PARCEL DELIVERY SYSTEM	0.00	0.00
40. COMPONENT SCREENING VSSC	0.00	0.00
41.SMART CARD	0.00	31.52
42. VENTILATOR/MEDICAL DEVICES	0.00	0.00
43. USOF Bharath Net Project	0.00	0.00
44. TANFINET	0.00	0.00
45. IAF DATA CENTRE UPGRADATION	0.00	0.00
46. IAF 4G LTE	1440.53	10066.92
47. ASCON PHASE IV	0.00	0.00
48. AIRTEL FTTH ROLLOUT	0.00	0.00
49. BHARATNET ANDAMAN & NICOBAR	0.00	0.00
50. FMS-MCWWB	0.00	215.64
51. CCTV	333.29	0.00
52. POLES	0.00	597.81
53. Installation Trading OMC	43.97	0.00
54. 3D PRINTING	34.92	23.25
55. CONTRACT MANUFACTURING	26.23	6.45
56. IT- COMPUTER ACCESSORIES	3697.72	1168.98
57. OTHER STATE GOVT.	442.31	1814.15
58. OTHERS	26999.22	678.64
TOTAL	43773.27	22142.60

₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Service Income under broad heads :		
1. SSTP AMC	14.94	56.21
2. TELECOM TESTING & LABS	140.14	76.28
3. SMART PAECCEL SERVICES	0.00	0.00
4. Data Center	3241.49	2616.94
5. Skill Development	23.89	31.49
6. SWAN	0.00	0.00
7. GSM	4293.14	5519.78
7a. GSM AMC (GST Turnover)	0.00	121.40
8. NFS	4247.31	6654.22
9. G-PoN I&C	1322.23	1054.57
10. ASCON AMC	0.00	665.04
11. DEFENCE AMC	39.48	85.94
12. NGN AMC	213.74	321.87
13. BBWT	0.00	0.00
14. MAHANET UNBILLED	0.00	24829.19
14a. MAHANET (GST Turnover)	2037.86	0.00
15. WIFI-HOTSPOT	311.39	0.00
16. GUJNET	7478.78	6655.23
17. BNG	479.24	482.90
18. DDOS	345.57	450.11
19. MLLN AMC	1346.06	1571.27
20. CCMS AMC	73.95	77.77
21. E-TENDERING	444.37	1648.16
22. FMS-MCWVB	2613.00	2619.88
23. SMPS	186.57	81.07
24. USOF Bharath Net Project	489.96	675.31
25. GSM WZ	0.00	0.00
26. WIFI ACCESS POINT	0.00	0.00
27. SWM-ICT-WASTE MANAGEMENT	8707.00	324.54
28. IAF DATA CENTRE UPGRADATION	0.00	0.00
29. Geo Fencing Project	689.42	243.08
30. COMPONENT SCREENING VSSC	0.00	667.11
31. IT - WEB PORTAL	0.00	412.50
32. OMC AMC	397.53	320.77
33. TANFINET	5794.29	12803.43
34. IAF 4G LTE	0.00	0.00
35. FIBER NETWORK	0.23	0.00
36. RAILWAY	625.53	138.71
37. NMS	55.31	55.31
38. E-GOVERNANCE/E-SEVA	2.05	0.00
39. OCB AMC	0.00	7.18
40. TPA	54.30	502.76
41. AADHAR BUSINESS/SAAS	313.78	4.98
42. Reliability Labs	158.55	161.91
43. AIRTEL FTTH ROLLOUT	48.97	1539.97
44. BHARATNET ANDAMAN & NICOBAR	0.00	0.00
45. CCTV Services	2609.09	947.82
46. Survey work	0.00	0.00
47. ASCON -PHASE IV	15033.72	37648.34
48. SAAS	262.94	171.90
49. CONTRACT MFG	712.52	111.74
50. MLLN I&C	0.00	4.87
51. OTHER AMC	5231.37	4960.58
52. Others	12550.24	77.80
TOTAL	82589.95	117399.93



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Earnings in Foreign Currency		
Export of goods calculated on FOB basis	0.00	0.00
Royalty, Knowhow, Professional and Consultancy fees	0.00	0.00
Interest and Dividend	0.00	0.00
Services	0.00	0.00
TOTAL	0.00	0.00

The Company has signed a contract dated 01.10.2020 with the Ministry of Defence for the execution of Army Static Switched Communication Network (ASCON) Phase IV project worth Rs. 8,280.36 Crore. It includes Installation, commissioning, and maintenance of telecom equipment, NMS, mobile nodes, and civil works for providing the complete infrastructure at various sites and roll-out of the optical fiber network. The implementation of the project is to be completed in three years and thereafter it must be maintained for ten years including a two-year warranty. 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 mainly delayed because of the Country-of-Origin Issue which has been resolved now and PoC is expected to be completed by 30.06.2024. The project timeline has been revised upto Dec 2025.

NOTE NO. 23			
OTHER INCOME			
a) Interest Income			
i) Interest on Inter Corporate Advances	0.00	0.00	
ii) Interest - Others	291.66	541.27	
TOTAL		291.66	541.27
b) Dividend from Non-Trading Investments		0.00	0.00
c) Net Gain/Loss on Sale of Investment		0.00	0.00
d) Other Non-operating income (Net of expenses directly attributable to such income)			
i) Profit on Sale of Assets	48.11	89.66	
Less: Transfer to Capital Reserves	0.00	0.00	
TOTAL	48.11	89.66	
ii) Commission	0.00	0.00	
iii) Rent	2340.29	1806.11	
iv) Lease Rent	334.91	309.15	
v) Transport Charges	0.00	0.00	
vi) Sale of Scrap	548.35	675.56	
vii) Water Charges/Electricity Charges	5.45	5.21	
viii) Forfeited Bank Guarantee	0.00	16.10	
ix) Excess Provision Withdrawn	4.95	0.00	
x) Reimbursement of VRS	0.00	0.00	
xi) Withdrawal of Liability no Longer Required	302.30	3.80	
xii) Waiver of Liquidated Damages	37.53	0.00	
xiii) Compensation for Srinagar Loss	0.00	0.00	
xiv) Waiver of Interest Charges	0.00	0.00	
xv) Transfer from Revenue Grant-in-Aid	0.00	0.00	
xvi) Revenue Grant-in-Aid - VRS	0.00	0.00	
xvii) Revenue Grant-in-Aid*	0.00	0.00	
xviii) Transfer from Capital Grant-in-Aid	0.00	0.00	
xix) Compensation for Acquisition of Land by SWR/NHAI	0.00	1539.17	
xx) Misc. Income	531.60	268.84	
TOTAL (i to xx)		4153.49	4713.61
e) Adjustment to the carrying value of investments(write back)		0.00	0.00
f) Grants relating to Previous Years		0.00	0.00
g) Net gain /loss on foreign currency translation and transaction(other than considered as finance cost)		4.64	0.00
GRAND TOTAL		4449.79	5254.88

Karnataka Industrial Area Development Board (KIADB) acquired the Company's land of 738 Sqm at Electronic City, Bengaluru for Bengaluru Metro Rail Project for total compensation of ₹ 1606.24 lakh. The Company accounted ₹1539.17 lakh as income (Compensation - ₹ 1606.24 lakh minus Cost of land ₹67.07 lakh) in the accounts of 2022-23. Further, since the above land parcel was mortgaged with consortium Bankers led by SBI as collateral security towards working capital finance, Company vide its letter dated 06.04.2022 to SBI, has duly disclosed the status of land at Electronic City, Bengaluru with details of land acquisition by NHAI and BMRCL in the past and sought NoC w.r.t. acquisition of 738 sq. mtr. of land at Electronic City, Bengaluru by Karnataka Industrial Area Development Board [KIADB] for Bengaluru Metro Rail Project. SBI did not raise any objection in this regard.

There is compensation amount of ₹2908.01 lakh receivable by the Company from South Western Railways (SWR) towards sale of land of 1320 sqm at K.R.Puram, Bengaluru. The Company accounted the compensation amount in the accounts for the year 2020-21 as per the rate fixed by the Special Land Acquisition Officer (SLAO), Bengaluru. Further, SWR communicated in meeting dated 15.03.2023, the guideline value of the above land ₹ 1172.16 Lakhs given by the Sub-Registrar K.R. Puram vide letter dated 14.03.2023. However, the company vide letter no. ITI/BGP/HR/2021/8009 dated 08.05.2023 conveyed its non-acceptance to the rate offered by SWR vide letter dated 14.03.2023 and it is decided that matter would be taken up with appropriate authority in this regard.

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
NOTE NO. 24				
COST OF MATERIAL CONSUMED				
Opening Stock	7869.03		8293.69	
Add: Prior Period Adjustment due to Price Revision	0.00		0.00	
Purchases/Transfers	11321.78		16534.65	
Material for Installation & Maintenance	0.00		0.00	
TOTAL		19190.81		24828.34
Less:				
Closing Stock	10213.00		8138.78	
Issue to Revenue and Others	604.92		248.12	
Material Transferred to Other Units	0.00		(0.09)	
TOTAL		10817.92		8386.81
Add: Stores Indirect expenses relating to RM & Prodn. Stores		0.00		0.00
		8372.89		16441.53
CONSUMPTION				
Rawmaterials consumed under broad heads				
Particulars				
1. Electronic Goods & Components	7016.58		14734.40	
2. MNIC	0.16		12.23	
TOTAL		7016.74		14746.63
Value of Imports on CIF basis				
Raw Materials and Production Stores		375.23		349.64
Components and Spare Parts		0.00		171.62
Material in transit		0.00		0.00
Capital Goods		0.00		0.00
TOTAL		375.23		521.25
Value of Imported Raw Materials, Store and Spare parts consumed and Value of Indigenous Materials Consumed and percentage of each to the total consumption.				
Particulars	March, 2024	%	March, 2023	%
Imported	375.23	4.48	521.25	3.17
Indigenous	7997.66	95.52	15920.27	96.83
TOTAL	8372.89	100.00	16441.53	100.00
NOTE NO. 25 (a)				
PURCHASE OF STOCK-IN-TRADE				
Goods purchased under broad heads				
Particulars				
1. Mini PDO	0.00		0.00	
2. Electronic Switching Equipments/SMPS/SSTP	0.00		0.00	
3. MLLN	0.00		0.00	
4. Inverter Trolley	0.00		0.00	
5. NCM	0.00		0.00	
6. Telephone	0.00		0.00	
7. G-PoN	0.00		0.00	
8. Job Work	0.00		0.00	
9. Solar Panel	0.00		0.00	
10. SMPS	0.00		0.00	
11. 4G Radio	0.00		0.00	
12. GSM Franchise	0.00		0.00	



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
13. NGN	0.00	0.00
14. NFS	483.14	572.86
15. ASCON	0.00	0.00
16. DEFENCE	0.00	0.00
17. Smart Energy meters	0.00	0.00
18. BBWT	0.00	0.00
19. HDPE Pipe	0.00	0.00
20. OFC	0.00	657.60
21. MAHANET	907.16	400.41
22. WIFI-HOTSPOT	0.00	0.00
23. GUJNET	0.00	396.14
24. BNG	0.00	0.00
25. DDOS	0.00	0.00
26. Min PC Mfg / Tab PC	0.00	0.00
27. CCMS	0.00	0.00
28. GSM WZ	0.00	0.00
29. ONT/OLT	0.00	0.00
30.SSTP	0.00	0.00
31.STM	0.00	0.00
32.SEM(NET)	0.00	0.00
33. MOBILE SHOWROOM	6.68	40.89
34. MCEU	0.00	0.00
35. WIFI ACCESS POINT	0.00	0.00
36. IP ENCRYPTORS MHA	0.00	0.00
37. SOLAR LED STREET LIGHT	4195.44	0.00
38. FACE SHIELD / Sanitary Napkin Vending Machine	0.00	3.59
39. SMART PARCEL DELIVERY SYSTEM	0.00	0.00
40. COMPONENT SCREENING VSSC	0.00	0.00
41.SMART CARD	0.00	0.00
42. VENTILATOR/MEDICAL DEVICES	0.00	0.00
43. USOF Bharath Net Project	0.00	13.39
44. TANFINET	0.00	7259.73
45. IAF DATA CENTRE UPGRADATION	0.00	0.00
46. IAF 4G LTE	1481.13	9158.71
47. ASCON PHASE IV	0.00	4759.19
48. AIRTEL FTTH ROLLOUT	0.00	0.00
49. BHARATNET ANDAMAN & NICOBAR	0.00	0.00
50. FMS-MCWWB	0.00	202.70
51. CCTV	306.63	0.00
52. POLES	0.00	553.53
53. Installation Trading OMC	40.23	0.00
54. 3D PRINTING	0.00	0.00
55. CONTRACT MANUFACTURING	0.00	0.00
56. IT- COMPUTER ACCESSORIES	3626.60	1080.02
57. OTHER STATE GOVT.	408.42	1669.02
58. OTHERS	24181.12	569.41
TOTAL	35636.55	27337.19

₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
NOTE NO. 25 (b)		
Installation and Maintenance Charges		
Service Expenses under broad heads :		
1. SSTP AMC	7.56	11.75
2. TELECOM TESTING & LABS	0.00	0.00
3. SMART PAECCEL SERVICES	0.00	0.00
4. Data Center	2421.89	2091.81
5. Skill Development	20.76	27.71
6. SWAN	0.00	0.00
7. GSM	4057.02	5216.19
7a. GSM AMC (GST Turnover)	0.00	0.00
8. NFS	3209.78	6388.00
9. G-PoN I&C	607.76	513.26
10. ASCON AMC	0.00	594.21
11. DEFENCE AMC	0.00	0.00
12. NGN AMC	207.32	312.22
13. BBWT	0.00	0.00
14. MAHANET UNBILLED	0.00	24084.32
14a. MAHANET (GST Turnover)	1976.72	0.00
15. WIFI-HOTSPOT	294.28	0.00
16. GUJNET	4939.03	4344.63
17. BNG	383.23	383.23
18. DDOS	326.56	425.35
19. MLLN AMC	606.53	435.08
20. CCMS AMC	68.04	71.55
21. E-TENDERING	334.34	1235.29
22. FMS-MCWBB	2456.26	2462.69
23. SMPS	150.18	60.71
24. USOF Bharath Net Project	458.31	482.13
25. GSM WZ	0.00	0.00
26. WIFI ACCESS POINT	0.00	0.00
27. SWM-ICT-WASTE MANAGEMENT	8006.00	298.58
28. IAF DATA CENTRE UPGRADATION	0.00	0.00
29. Geo Fencing Project	634.26	222.51
30. COMPONENT SCREENING VSSC	0.00	613.75
31. IT - WEB PORTAL	0.00	377.44
32. OMC AMC	364.81	294.09
33. TANFINET	4305.35	2034.73
34. IAF 4G LTE	0.00	0.00
35. FIBER NETWORK	0.21	0.00
36. RAILWAY	514.25	126.69
37. NMS	51.16	51.16
38. E-GOVERNANCE/E-SEVA	1.85	0.00
39. OCB AMC	0.00	0.00
40. TPA	0.00	0.00
41. AADHAR BUSINESS/SAAS	286.47	4.58
42. Reliability Labs	0.00	0.00
43. AIRTEL FTTH ROLLOUT	156.80	1077.18
44. BHARATNET ANDAMAN & NICOBAR	27.71	0.00
45. CCTV Services	2403.39	876.54
46. Survey work	0.00	0.00
47. ASCON -PHASE IV	14809.53	17709.90
48. SAAS	176.10	123.18
49. CONTRACT MFG	82.68	0.00
50. MLLN I&C	0.00	4.38
51. OTHER AMC	4995.77	4404.84
52. Others	12497.43	305.08
TOTAL	71839.34	77664.74



₹ in Lakhs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
NOTE NO. 26		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Accretion/(Decretion) to WIP		
WIP - Production :		
Closing Balance	5940.16	5594.97
Less: Opening Balance	5594.97	6902.72
TOTAL	345.19	(1307.75)
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	345.19	(1307.75)
WIP - Installation:		
Closing Balance	0.00	0.00
Less: Opening Balance	0.00	0.00
TOTAL	0.00	0.00
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	0.00	0.00
Accretion/(Decretion) to Manufacturing Components		
Closing Balance	4403.41	4900.12
Less: Opening Balance	4900.12	4270.98
TOTAL	(496.71)	629.13
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	(496.71)	629.13
WIP - Installation:		
Closing Balance	0.00	0.00
Less: Opening Balance	0.00	0.00
TOTAL	0.00	0.00
Add: Write Off during the Year	0.00	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision/ effects of WIP	0.00	0.00
TOTAL	0.00	0.00
Accretion/(Decretion) to Stock-in-Trade		
Stock-in-Trade :		
Closing Balance	3958.84	6431.14
Less: Opening Balance	6431.14	2429.75
Total	(2472.30)	4001.40
Add: Write Off during the Year	98.20	0.00
Less: Prior Period Adjustments due to Price Revision/Grossing up of Provision	0.00	0.00
TOTAL	(2374.10)	4001.40
Stock of Scrap		
Closing Balance	0.00	0.00
Less: Opening Balance	0.00	0.00
Add : Prior Period Adjustments	0.00	0.00
TOTAL	0.00	0.00
GRAND TOTAL	(2525.62)	3322.78

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
NOTE NO. 27				
EMPLOYEE BENEFIT EXPENSES				
i) SALARIES & WAGES				
Salaries & Wages	16724.09		17162.32	
Less: Other Revenue Accounts	0.00		0.00	
TOTAL	16724.09		17162.32	
Bonus	15.32		5.38	
Wage revision arrear payments	0.00		0.00	
Incentive	7.45		10.55	
TOTAL		16746.86		17178.25
ii) CO'S CONTRIBUTION TO PF AND OTHER FUNDS:				
Providend Fund & Pension Fund	1918.56		1881.52	
Employees State Insurance	11.22		18.94	
Gratuity Trust Fund	1640.31		1433.52	
Leave Salary- PL	1470.48		843.78	
Sick Leave	4.78		5.96	
Deposit Linked Insurance/Group Insurance	18.32		22.26	
TOTAL		5063.67		4205.98
iii) WORKMEN AND STAFF WELFARE EXPENSES				
Welfare Expenses - Canteen	308.69		300.24	
Welfare Expenses - Education	3.68		3.73	
Medical Expenses	479.79		546.76	
LTC/LLTC	9.40		57.76	
Uniforms	0.18		1.84	
Others	567.90		341.63	
TOTAL		1369.64		1251.96
iv) VOLUNTARY RETIREMENT SCHEME				
VRS Payments		(0.58)		250.94
v) Actuarial Gain/(Loss)				
		0.00		0.00
GRAND TOTAL		23179.60		22887.13
RELATED PARTY TRANSACTIONS				
KEY MANAGERIAL PERSONNEL-SALARY & PERQUISITES				
Name		Mar, 2024		Mar, 2023
Shri Rajesh Rai- CMD		39.97		4.12
Shri R M Agarwal- Ex. CMD		0.00		8.87
Shri Rajeev Srivastava- Director Finance		28.88		24.22
Shri Ramana Babu - Director Marketing		8.21		0.00
Shri Rakesh Chandra Tiwari -Ex- Director Marketing		35.28		45.98
Smt S Jeyanthi - Director(Production)/(HR - Addl.charge)		25.88		2.04
Shri Venkateswarlu - Ex. Director (Production)		0.00		42.07
Smt R Vasanthi- Ex. Director (Production) - Addl. Charge		3.31		2.04
Smt Shalini Ghatak- Company Secretary -w.e.f 06.07.2023		8.41		0.00
Smt Shanmuga Priya- Ex. Company Secretary		0.00		16.20



DISCLOSURE REPORT UNDER IND AS 19

Defined Benefit Plan

The Employees Gratuity Fund Scheme Managed by a Trust is a defined benefit Plan. The Present value of Obligation is determined based on Actuarial Valuation. The obligation for Leave encashment is recognized based on Actuarial Valuation which is unfunded. (Rupees in lakhs)

		Gratuity		Privilege Leave		Sick Leave	
I Summary of results							
S.N	Assets / Liability	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a	Present value of obligation	13,645	16,729	7,169	7,776	44	31
b	Fair value of plan assets	126	124	0	0	0	0
c	Net assets / (liability) recognized in balance sheet as provision	-13,519	-16,605	-7,169	-7,776	-44	-31
II Actuarial & Demographic Assumptions							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a	Discounting Rate	7.21	7.18	7.21	7.18	7.21	7.18
b	Future salary Increase	5.36	2.75	5.36	2.75	5.36	2.75
c	Attrition at Ages	6.90	12.35	6.90	12.35	6.90	12.35
III Plan Liability							
	Date Ending	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Present value of obligation as at the end of the period	13,645	16,729	7,169	7,776	44	31
IV Service Cost							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Current Service Cost	448	526	637	537	3	3
b)	Past Service Cost including curtailment Gains/Losses	0	0	0	0	0	0
c)	Gains or Losses on Non routine settlements	0	0	0	0	0	0
d)	Total Service Cost	448	526	637	537	3	3
V Net Interest Cost							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Interest Cost on Defined Benefit Obligation	1201	1030	558	450	2	3
b)	Interest Income on Plan Assets	9	122	0	0	0	0
c)	Net Interest Cost (Income)	1192	907	558	450	2	3
VI Change in Benefit Obligation							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Present value of obligation as at the beginning of the period	16729	15007	7776	6565	31	50
b)	Acquisition adjustment	0	0	0	0	0	0
c)	Interest Cost	1201	1030	558	450	2	3
d)	Service Cost	448	526	637	537	3	3
e)	Past Service Cost including curtailment Gains/Losses	0	0	0	0	0	0
f)	Benefits Paid	-6010	-2725	-2652	-2915	0	0
g)	Total Actuarial (Gain)/Loss on Obligation	1277	2891	849	3139	8	-24
h)	Present value of obligation as at the End of the period	13645	16729	7169	7776	44	31

DISCLOSURE REPORT UNDER IND AS 19... Contd...

		Gratuity		Privilege Leave		Sick Leave	
VII Bifurcation of Actuarial Gain/Loss on Obligation							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-207	568	-147	349	-1	2
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	494	112	505	111	3	0
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	990	2211	491	2679	6	-27
VIII Actuarial Gain/Loss on Plan Asset							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Expected Interest Income	9	122	0	0	0	0
b)	Actual Income on Plan Asset	22	49	0	0	0	0
c)	Actuarial gain /(loss) for the year on Asset	13	-73	0	0	0	0
IX Balance Sheet and related analysis							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Present Value of the obligation at end	13,645	16,729	7,169	7,776	44	31
b)	Fair value of plan assets	126	124	0	0	0	0
c)	Unfunded Liability/provision in Balance Sheet	-13,519	-16,605	-7,169	-7,776	-44	-31
X The amounts recognized in the income statement.							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Total Service Cost	448	526	637	537	3	3
b)	Net Interest Cost	1,192	907	558	450	2	3
c)	Net actuarial (gain) / loss recognized in the period	0	0	849	3,139	8	-24
d)	Expense recognized in the Income Statement	1,640	1,434	2,045	4,127	12	-19
XI Other Comprehensive Income (OCI)							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Net cumulative unrecognized actuarial gain/(loss) opening	0	0	0	0	0	0
b)	Actuarial gain / (loss) for the year on PBO	-1,277	-2,891	0	0	0	0
c)	Actuarial gain /(loss) for the year on Asset	13	-73	0	0	0	0
d)	Unrecognized actuarial gain/(loss) for the year	-1,264	-2,964	0	0	0	0
XII Change in plan assets							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Fair value of plan assets at the beginning of the period	124	1781	0	0	0	0
b)	Actual return on plan assets	22	49	0	0	0	0
c)	Employer contribution	5,990	1019	0	0	0	0
d)	Benefits paid	-6,010	-2,725	0	0	0	0
e)	Fair value of plan assets at the end of the period	126	124	0	0	0	0



DISCLOSURE REPORT UNDER IND AS 19... Contd...

		Gratuity		Privilege Leave		Sick Leave	
XIII Major categories of plan assets (as percentage of total plan assets)							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Government of India Securities	0	0	0	0	0	0
b)	State Government securities	0	0	0	0	0	0
c)	High Quality Corporate Bonds	0	0	0	0	0	0
d)	Equity Shares of listed companies	0	0	0	0	0	0
e)	Property	0	0	0	0	0	0
f)	Funds Managed by Insurer	100%	100%	0	0	0	0
g)	Bank Balance	0	0	0	0	0	0
	Total	100%	100%				

XIV Change in Net Defined Benefit Obligation							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Net defined benefit liability at the start of the period	16,605	13,227	7,776	6,565	31	50
b)	Acquisition adjustment	0	0	0	0	0	0
c)	Total Service Cost	448	526	637	537	3	3
d)	Net Interest cost (Income)	1,192	907	558	450	2	3
e)	Re-measurements	1,264	2,964	849	3,139	8	-24
	Difference in Opening	0	0	0	0	0	0
f)	Contribution paid to the Fund	-5,990	-1,019	-2,652	-2,915	0	0
g)	Benefit paid directly by the enterprise	0	0	0	0	0	0
h)	Net defined benefit liability at the end of the period	13,519	16,605	7,169	7,776	44	31

XV Bifurcation of PBO at the end of year in current and non current.							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Current liability (Amount due within one year)	4300	5972	1,931	2,665	2	2
b)	Non-Current liability (Amount due over one year)	9345	10758	5238	5112	42	30
	Total PBO at the end of year	13,645	16,729	7,169	7,776	44	31

XVI Expected contribution for the next Annual reporting period							
S.N	Particulars	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
a)	Service Cost	504	517	561	427	42	14
b)	Net Interest Cost	975	1192	517	558	3	2
c)	Expected Expense for the next annual reporting period	1478	1,709	1,078	985	46	16

XVII Sensitivity Analysis of the defined benefit obligation.

a)	Impact of the change in discount rate	31.03.2024
	Present Value of Obligation at the end of the period	13,645
a)	Impact due to increase of 0.50%	-161
b)	Impact due to decrease of 0.50 %	167

31.03.2024
7,169
-117
123

31.03.2024
44
-1
1

b)	Impact of the change in salary increase	
	Present Value of Obligation at the end of the period	13,645
a)	Impact due to increase of 0.50%	111
b)	Impact due to decrease of 0.50 %	-111

7,169
124
-120

44
1
-1

DISCLOSURE REPORT UNDER IND AS 19... Contd...

XVIII Maturity Profile of Defined Benefit Obligation

S.N	Year	Amount	Amount	Amount
a)	0 to 1 Year	4,300	1,931	2
b)	1 to 2 Year	3,169	1,570	21
c)	2 to 3 Year	2,344	1,179	9
d)	3 to 4 Year	1,324	726	5
e)	4 to 5 Year	895	527	2
f)	5 to 6 Year	414	254	1
g)	6 Year onwards	1,199	982	4

XIX Summary of results

S.N	Assets / Liability	Leave Travel Concession	
		31.03.2024	31.03.2023
a)	Present value of obligation	152	171
b)	Fair value of plan assets	0	0
c)	Net assets / (liability) recognized in balance sheet as provision	-152	-171

XX Actuarial & Demographic Assumptions

S.N	Particulars	31.03.2024	31.03.2023
a)	Discounting Rate	7.21	7.18
b)	Future salary Increase	5.36	2.75
c)	Attrition at Ages	6.90	12.35

XXI Actuarial Value

	Present value of obligation as at the end of period	152	171
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XXII Bifurcation of PBO at the end of year as per schedule III to the companies Act, 2013

S.N	Particulars	31.03.2024	31.03.2023
a	Current liability (Amount due within one year)	43	64
b	Non-Current liability (Amount due over one year)	109	107
c	Total PBO at the end of year	152	171



₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
NOTE NO. 28				
FINANCE COSTS				
i) Interest Expense:				
Cash Credit	17514.15		14422.22	
Public Deposits	0.00		0.00	
Bonds	0.00		0.00	
Term Loan	0.00		0.00	
Others*	3030.54		3720.67	
ii) Bank charges	3594.15		2785.67	
iii) Government Guarantee Fee	0.00		0.00	
iv) Expenses on Issue of Bonds/Loans	0.00		0.00	
v) Net Gain / Loss from Foreign Currency Translations & Transactions	0.00		29.85	
TOTAL		24138.84		20958.40
*Interest expenses others includes Interest on Delayed Payment of PF to Trust.				
NOTE NO. 29				
DEPRECIATION AND AMORTIZATION EXPENSES				
Fixed Assets	5312.25		4946.02	
Tools and Gauges	0.00		3.82	
TOTAL	5312.25		4949.84	
Less: Transfer from Revaluation Reserve	0.00		0.00	
NET DEPRECIATION		5312.25		4949.84
NOTE NO. 30				
OTHER EXPENSES				
DRE Written off	0.00		0.00	
VRS Expenditure	0.00		0.00	
MANUFACTURING EXPENSES:				
Cosumption of Stores and Spares	23.87		9.57	
Power and Light	1831.81		1849.09	
Water Charges	348.00		333.66	
Excise Duty	0.00		0.00	
REPAIRS AND MAINTENANCE:				
i) Plant Machinery and Equipment	135.83		270.71	
ii) Vehicles	27.97		88.84	
iii) Buildings	1134.81		877.03	
iv) Other Equipments	202.35	1500.96	158.29	1394.87
Cost and Expenses on Tools	0.00		0.00	
Experimental Work and Training Expenses	6.83		6.78	
Expenses on Minor Equipment & Work	3.70		0.75	
Royalty	0.00		884.61	
Loss of Stock due to Fire	0.00		88.25	
Scrap and Salvages	0.00		0.00	
Factory Expenses	1105.84		926.29	

₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
<u>TOT CHARGES:</u>				
i) Technical Assistance	0.00		0.00	
ii) Technical Knowhow fee	0.00		0.00	
iii) Documentation Charges	0.00		0.00	
iv) Training Assistance	0.00		0.00	
v) Others	0.00	0.00	0.00	0.00
Liquidated Damages		5478.17		1246.75
Demurage Charges		0.00		0.67
Net gain /loss on foreign currency translation and transaction(other than considered as finance cost)		0.00		0.00
TOTAL MANUFACTURING EXPENSES		10299.18		6741.28
<u>ADMINISTRATION EXPENSES:</u>				
Rent	130.50		154.69	
Rates and Taxes	873.66		1056.47	
Insurance	111.91		129.75	
<u>TRAVELLING EXPENSES</u>				
Inland	420.91		562.09	
Foreign	0.00		0.00	
Postage, Telegram, Telex Expenses	25.46		25.61	
Telephone and Trunk Call Charges	63.67		44.24	
<u>Remuneration to Auditors</u>				
Audit Fees	22.01		27.04	
For Taxation Matters	3.30		1.50	
For Company Law Matters	0.00		0.00	
For Management Services	0.00		0.00	
For Reimbursement of Expenses	1.20		1.18	
For Other Services	3.35		1.33	
Legal fees	178.51		135.76	
Other Professional fees	186.94		264.36	
CISF/ Private Security Expenses	1121.86		1002.28	
Printing, Stationary and Duplicating Charges	47.26		64.94	
Transport Expenses	293.18		291.40	
News Papers, Magazines & Periodicals	9.68		14.70	
Mechanised Accounting Expenses	0.11		2.40	
Lease Charges	0.00		0.00	
Licence fee/Segment Charges	1.72		2.40	
CSR Expenditure	2.00		16.64	
Expenses on Follow on Public Offer (FPO)	0.00		0.00	
Office Expenses	629.85		580.43	
Provision for Obsolescence of RM Stores	453.26		0.00	
Obsolete RM & Production Stores Write off	2.28		0.00	
Provision for Capital WIP Write off	0.00		0.00	
Provision for Debtors/Advance	150.64		2639.38	
Bad Debts Write off	271.56		0.78	



₹ in Lakhs

Particulars	For the year ended 31.03.2024		For the year ended 31.03.2023	
Claims and Expenses Charge off	664.20		20.47	
Loss on Sale of Assets	112.20		0.00	
Penalties and Late fees	71.44		17.35	
Adjustment to the Carrying Amount Investments	0.00		0.00	
Net Loss on Sale of Investments	2.63		0.00	
TOTAL ADMINISTRATION EXPENSES		5855.29		7057.17
C. SELLING EXPENSES				
Selling Agency Commission	23.31		4.11	
Advertisement Expenses	9.23		16.98	
Exhibition and Publicity Expenses	26.98		9.64	
Packing Expenses	1.10		6.70	
Forwarding Expenses	510.93		53.68	
Discount Allowed	0.00		0.00	
Warrenty Expenses	0.01		0.00	
Sales Promotion Expenses	0.03		0.00	
Entertainment Expenses	(14.55)		1.56	
Cost of Tender Forms	2.56		1.84	
TOTAL SELLING EXPENSES		559.60		94.51
TOTAL OTHER EXPENSES		16714.07		13892.97
In case of back to back arrangements, Liquidated damages is accounted on net basis.				
Expenditure in Foreign Currency :				
Royalty	0.00		0.00	
Knowhow	0.00		0.00	
Professional / Consultation Fees	0.00		0.00	
Interest	0.00		0.00	
Others	0.00		0.00	
Total		0.00		0.00

Notes to the Consolidated Financial Statements ...Contd...

Additional Disclosures

PARTICULARS

NOTE NO. 31

1 Corporate information:

ITI Limited is a Public Limited Company incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in the business of Manufacture, sale & servicing of Telecommunication equipments and building communication network infrastructures using Internet Protocol (IP) / Multi Protocol Label Switching (MPLS) Technology, Optical Fibre Cable (OFC), Microwave Radio and Satellite communication channels. Further, Company is engaged in turnkey contracts/solutions and provides customized support. “

- 2 An amount of Rs.16500 Lakhs has been received from Department of Telecommunications ('DoT') - Government of India, towards payment of wage revision arrears during 2014-2015. An amount of Rs.15493.72 lakhs has been paid towards payment of wage revision arrears and remaining amount of Rs.1006.06 lakhs is outstanding in Other Current Liabilities.
- 3 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 confirmations. However, in the opinion of the management, the Trade Receivables, current assets and loans and advances are realisable in the ordinary course of the business.
- 4 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.1192700 lakhs under execution with adequate margin, expected conversion of unbilled revenue of Rs. 217468 lakhs into billed revenue / realization by completing the contract 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.
- 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 board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Indian Accounting Standard ('IndAS') 108. The Company has determined that there are no reportable operating segments within the meaning of IndAS 108 as the revenue recognition is through contracts similar in nature. Further, the MCA vide its notification dated 23.02.2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting. The Company is of the view that such exemption is applicable due to execution of certain defence projects and accordingly no information is furnished as required under the applicable accounting standard.
- 6 **a) As per Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures the following transactions are entered into with the Joint Ventures of the company viz. India Satcom Ltd.,(ISL).**

₹ in Lakhs

	31.03.2024	31.03.2023
Purchase of goods\Services	-	-
Sale of goods\Services	-	-
Amount Outstanding:		
- Due from the related party	-	-
- Due to the related party	-	-
Provision for doubtful debts against dues from related party.	-	-
Written Off during the period	-	-
b) Remuneration paid to Key Management Personnel [As required under Ind AS 24]		
Shri Rajesh Rai- CMD	39.97	4.12
Shri R M Agarwal- Ex. CMD	-	8.87
Shri Rajeev Srivastava- Director Finance	28.88	24.22
Shri Ramana Babu - Director Marketing	8.21	-
Shri Rakesh Chandra Tiwari -Ex- Director Marketing	35.28	45.98
Smt S Jeyanthi - Director(Production)/(HR - Addl.charge)	25.88	2.04
Shri Venkateswarlu - Ex. Director (Production)	-	42.07
Smt R Vasanthi- Ex. Director (Production) - Addl. Charge	3.31	2.04
Smt Shalini Ghatak- Company Secretary -w.e.f 06.07.2023	8.41	-
Smt Shanmuga Priya- Ex. Company Secretary	-	16.20

	31.03.2024	31.03.2023
Earnings Per Share(for continuing operation):		
Profit after tax	-56892.02	-35985.37
(-) Preference Dividend	0.00	0.00
Dividend tax	0.00	0.00
Profit available to equity shareholders	-56892.02	-35985.37
No. of Shares at beginning of the year	949577352	933522869
No. of Shares at the end of the year	960886938	949577352
Weighted average number of shares during the period	959620017	944488639
Earning per equity share (for continuing operation): Basic & Diluted (in Rs.)	-5.93	-3.81



Notes to the Consolidated Financial Statements ...Contd...

- 8 Since the Company has no virtual certainty of sufficient future taxable income, deferred tax asset is not being recognised on unabsorbed depreciation and carried forward losses of the Company under IndAS 12.

JOINT VENTURES:

The financial reporting of interests in Joint Ventures as per Ind AS 28:

	31.03.2024	31.03.2023
9 (a) India Satcom Limited		
#2, Kadugodi Industrial Area, Whitefield, Bengaluru 560 067, Karnataka - India		
Company's stake in equity participation	49.06%	49.06%
Place of incorporation of JV - India		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,001.84	2,033.31
b) Commitments in respect of other contracts not provided for-	-	-
11 Contingent Liabilities & Commitments		
<u>(a) Claims against the companies not acknowledged as debt</u>	31.03.2024	31.03.2023
- Outstanding letters of credit & guarantees	191,074.42	132,149.64
- Tax Dues		
----- Litigations		
-----Direct Tax matters	691.72	691.72
-----Indirect Tax matters	21,242.07	13,371.38
----- Other tax dues		
-----Direct Tax matters	212.31	177.51
-----Indirect Tax matters	5,634.01	5,915.37
- Other claims - Litigated	27,821.35	27,718.38
- Other claims - Others	54.80	18.20
i) Claims against the company not acknowledged as debt includes ₹ 17075.79 Lakhs claimed by M/s Alphon Corporation, Company has to recover the same amount from BSNL on a back to back basis contract related to GPON. The matter is still pending for disposal before the Hon'ble High Court of Karnataka & after February, 2023, it is not yet listed for further hearing by the court.		
ii) The Company has received a demand for property tax from BBMP for the years from 2008-09 to 2023-24 for Rs.7938.21 lakhs as one time settlement to be deposited. However, the Company has appealed BBMP to revise the demand amount on the ground that Company is a sick industry under a revival plan by the BIFR and are eligible for such exemption.		
(iii) The company has received notices levying penalties amounting to Rs.54.80 lakhs from BSE/ NSE for not having sufficient number of independent directors/ women directors. However, on a request to BSE/ NSE stating the reason for non-compliance being a public sector undertaking, the penalties have been waived till the second quarter of FY 2022-23. The company is confident that the subsequent levies would also be waived. Hence, no provision has been made for these penalties.		
(iv) The claims amount includes claim by HFCL of Rs.1193.88 lakhs towards Liquidated Damages and confirmed by the Arbitrator. However, the Company has filed an appeal against the said claim in the High Court of Delhi.		
(v) The claims against the company includes claim of balance amount by RECAP Ventures Pvt Ltd of Rs.615.13 lakhs from the due date till the filing of petition for providing CCMS boxes under EESL tender .		
vi.) Due to the financial crunch, there have been delayed remittance of some of the statutory dues including contribution to the provident fund. The company has provided interest for the delay on an estimated basis as the actual amount of interest/penalty payable is unascertainable.		
vii.) The company has disclosed a contingent liability of Rs.5634.01 lakhs (Previous Year Rs.5,915.37 Lakhs) towards additional central sales tax liability for non-collection/submission of C/D forms for the past years on the estimated basis. The actual liability may vary based on the collection and submission of the statutory forms and adopting the applicable tax rate at the time of tax assessments.		
(viii) Interest and penalties on arrears of all overdue statutory liabilities (including undisputed) could arise as and when assessed and determined by the respective authorities.		
(ix) Interest on Royalty payable to C-DOT has not been provided in view of substantial dues (which are more than the royalty amount) outstanding for a long time towards rent payable for the premises taken on lease by C-DOT. The interest amount was not ascertainable.		
(b) Other litigations		
(i) Claim Recoverable - (inland) - Rs.1049.41 lakhs due from M/S Himachal futuristic communications on account of Liquidated Damages. The Company has filed a legal case and the matter is pending before Delhi High court.		
(ii) Bruhat Bengaluru Mahanagara Palike (BBMP) constructed road in ITI land in Krishnarajapuram without permission of ITI which is used by general public despite the stay order from High court of Karnataka.		

Notes to the Consolidated Financial Statements ...Contd...

ITI Limited filed a complaint in the Magistrate Civil Court dated 18.05.2022 in furtherance of acting against M/s Mind array Systeme Private Limited. The case is under city commercial court Bengaluru.

ITI Limited supplied LED Street Light to Infos park , the realization for the same is pending. ITI has filed a case against M/s Infos Park for the cheque which was dishoured by the bank.

Karnataka Power Transmission Corporation Limited is using 5 Acres of Land and no lease agreement has been entered for the same.

- 12 Write-back of liabilities of earlier years amounting to Rs.302.30 lakhs comprises Naini Unit Rs.45.58 lakhs and RO Chennai Rs.249.83 lakhs and RO Mumbai Rs.6.88 Lakhs (Previous year Rs.3.80 Lakhs comprises Naini Unit Rs.2.86 lakhs, RO BG Rs.0.94 Lakhs).

- 13 **Value of Imported Raw Materials, Store and Spare parts consumed and Value of Indigenous Materials Consumed and percentage of each to the total consumption**

	31.03.2024	31.03.2023
Imported	375.23	521.25
Indigenous	7,997.66	15,920.27
Total	8,372.89	16,441.53

- 14 The Company is a Sick Company as per provisions of the Sick Industrial Companies Act (SICA), 1985 and is currently under a revival plan after it was referred to the Board for Industrial and Financial Reconstruction (BIFR). The Cabinet Committee on Economic Affairs (CCEA) approved financial assistance of Rs.415679 lakhs in February 2014 for the revival of the Company under the Rehabilitation Scheme.

- 15 As a part of the approved financial assistance, an amount of Rs.113256 lakhs have been received towards Capital Grant and Rs.189279 lakhs towards revenue grant till FY 2022-23. Shares have been allotted to the President of India towards the Capital Grant received, on various dates in accordance with the BIFR order dated 08.01.2013 at prevailing market price or average share price for three months prior to the date of allotment, whichever is lower. There were no grants received under BIFR revival plan during FY 2023-24.

Out of the total capital Grant, amount of Rs.18700 lakhs was received during the FY 2022-23. Of this, shares were allotted for Rs.8,000.00 lakhs grant amount, 77,33,204 shares @ Rs. 103.45 per share have been allotted on 28.09.2022 (each Rs. 10 fully paid up at premium of Rs. 93.45 per share) and for the amount of Rs.10700.00 lakhs , 11309586 equity shares issued at Rs.94.61 to the President of India during FY 2023-24 on 11.05.2023. The total financial assistance received till the Balance Sheet date amounts to Rs.302535 lakhs.

- 16 Land proposed to be leased to Bangalore Metropolitan Transport Corporation, BMTC, measuring 12.15 acres is in possession of the BMTC. Pending Government of India approval for the lease, lease terms and agreement yet to be finalised. Lease rental will be recognised on finalisation of the terms. An amount of Rs.285 lakhs received earlier from the BMTC under an agreement to sell is held under deposits.

- 17 Lease agreement with ESIC has expired in the month of July 2016 and renewal lease agreement has not been entered, as the revised lease rent is not settled with ESIC. Further, Company is in the process of identifying, reviewing and renewing all the lease agreements expired, where Company is lessor.

- 18 **Value of Imports on CIF basis**

	31.03.2024	31.03.2023
Raw Materials and Production Stores	375.23	349.64
Components and Spare Parts	-	171.62
Material in transit	-	-
Capital Goods	-	-
TOTAL	375.23	521.26

- 19 Rent from C-DoT, Government of India aggregating Rs.5847.90 lakhs has not been realised for the years 2005-06 to 2010-11. Due to uncertainty of realisation, recognition of gross rental revenue aggregating Rs.12679.92 lakhs for the financial years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 & 2023-24 on accrual basis is deferred, which is in conformity with Ind AS.

Southern Railways were paying rent for 1.83 acres of land used as access road to their facilities, without any written lease agreement till June 1990. However, since the approach road was being used by the public and the residents of the locality, Southern Railways stopped paying rent. Presently, the land is used by the public as right of way.

The title deeds of all the immovable properties , as disclosed in Note 1 and Note 3 to the financial statements are held in the name of the Company except those mentioned below:

(i) Land measuring 77 Acres at Palakkad valuing Rs.19470 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.

(ii) ITI Complex land 174.69 acres valuing Rs.9282 lakhs (Carrying Value) was handed over to Naini Unit by District Industrial Officer in 1969 which is not in the name of the Company.

(iii) Transfer of title of 196.37 acres of land (factory area) valuing Rs.11620 Lakhs (Appx) acquired against Gazette No 10574(1). SHA.U/18.II.666/Bha-72 dtd 09.01.1973 pertaining to Villages Ballapur, Chhajapur & Malikmau Aima, Raebareli transfereed by Industries Department, Raebareli dated 12.11.1973 is pending due to non submission of proof of compensation paid by ITI Limited to the land owners at the time of land acquirement.



Notes to the Consolidated Financial Statements ...Contd...

- 20 An amount of Rs.2144 lakhs is receivable from M/s.Karvy Data Management Services Limited and M/s.Telva Systems, which is overdue. The company has not made any provision for bad debts in this case as the corresponding liability of similar amount to vendors (back-end partners) is payable only upon recovery of this amount. Provision is made for Rs.242 lakhs being the difference between the amount receivable and payable.
- 21 No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are (a) repayable on demand or (b) without specifying any terms or period of repayment.
- 22 No proceedings has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and the rules made thereunder.
- 23 The Company has borrowings from Banks on the basis of security of current assets. The Stock and Debtors Statement filed by the Company with banks are in agreement with the books of accounts
- 24 The Company has not been declared as a Wilful Defaulter by any banks or other Financial Institutions or other lenders
- 25 As per the information available with the management, the Company does not have any transactions with Companies stuck off under Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956, in respect of Investments in Securities, Receivables, Payables, Shares held by Stuck off Company and other outstanding balances.
- 26 The Company does not have any charges or satisfaction of charges which is yet to be registered with ROC beyond the statutory period.
- 27 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 28 The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 29 The Company has not traded or invested in Crypto or Virtual Currency during the Current or Previous year.
- 30 The borrowings obtained by the Company from banks and financial institutions have been applied for the purpose for which such loans are taken

31	The ratios and the formula used for calculating the ratios are as under	Numerator	Denominator	31.03.2024	31.03.2023	% Variance	Reasons for variance > 25%
	a. Current Ratio	Current Assets	Current Liabilities	0.89	0.97	-8.17%	
	b. Debt Equity Ratio	Total Debt	Shareholder's Equity	1.03	0.80	28.75%	Due to reduction in Equity.
	c. Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-1.15	-0.85	35.29%	Due to increase in interest cost, repayment of borrowing and reduction in EBITDA.
	d. Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	-0.27	-0.14	92.86%	Due to increase in loss and reduction in Equity.
	e. Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	5.02	5.33	-5.82%	
	f. Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	0.63	0.57	10.53%	
	g. Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	0.87	0.83	4.82%	
	h. Working Capital Turnover Ratio	Net Sales	Working Capital	-1.52	-6.31	-75.98%	Due to reduction in working capital
	i. Net Profit Ratio [%]	Net Profit	Net Sales	-45.03%	-25.82%	74.40%	Due to reduction in revenue and contribution/margin.
	j. Return on Capital Employed	Earning before interest and taxes	Capital Employed	-0.17	-0.06	170.50%	Due to reduction in EBIT and capital employed.

Notes to the Consolidated Financial Statements ...Contd...

32 Details of CSR Activities

	31.03.2024	31.03.2023
(i) Amount required to be spent by the Company during the year	NA	NA
(ii) Amount of expenditure incurred	2.00	5.00
(iii) Shortfall at the end of the year	NA	NA
(iv) Total previous years shortfall	Nil	Nil
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Armed Forces Flag Fund (AFFDF)	Armed Forces Flag Fund (AFFDF)
The Company has satisfied conditions specified under Section 135 of the Act and becomes liable to comply with the provisions of the Section 135 and Companies Rules, 2014 but since there are no profits, section 135 of the said Act is not applicable.		

33 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 including women Independent Director. However, the proposal for the appointment of requisite number of Independent Directors including Women Independent Director on the Board of the Company is under process with the Administrative Ministry.

34 Lease agreement with NIFT has expired in the month of November 2018 and is pending approval from the concerned ministry. The company has intimated that the matter has been referred to the administrative mechanism for resolving the same on priority.

35 The material subsequent events for the year ended 31.03.2024 have been appropriately disclosed/presented/ recognized in the financial statements. During the year 2024-25, the directors are not aware of any other matter or circumstances since the financial year end and the date of this report, not otherwise dealt with in the financial statements, which significantly affects the financial position of the Company and the results of its operations.

36 Control of the company lies with the Honorable President, Government of India and other nominees. In light of the same, the company is a 'government-related entity' (with regards to the Government of India) as defined by "Ind AS 24 (Related Party Disclosures)" i.e., an entity that is controlled, jointly controlled or significantly influenced by a government.

37 There are no indicators of impairment identified during the year. Also, carrying amount has been reviewed as at the balance sheet date and there is no impairment of Assets for the year. (Previous Year: Nil).

38 a) Confirmation of balances from BSNL & Defence, with whom the company has significant accounts receivables/payables is in the process during the year and is under negotiation/discussion regarding open items of reconciliations statements drawn up duly signed off. Necessary entries will be incorporated after completion of such discussions/negotiations thereon.

b) Confirmation of balances from all other parties with whom Company has/had transactions have not been fully obtained. Necessary entries will be incorporated after receiving confirmation of balances and completion of reconciliation thereon."

39 The preparation of financial statements requires the use of accounting estimates which may significantly vary from the actual results. Management also needs to exercise judgment while applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

a) Estimation of defined benefit obligation -

Estimation of defined benefit obligation involves certain significant actuarial assumptions. Estimates and judgments are periodically evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

b) Useful life of property, plant and equipment -

The estimated useful life of property, plant and equipment is based on Company's accounting policy.

c) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.



Notes to the Consolidated Financial Statements ...Contd...

40 The carrying value of financial instruments by categories are as follows - (Rs. in Lakhs)

Particulars	Financial assets/liabilities at FVTPL as at March 31,2024	Financial assets/liabilities at fair value through OCI as at March 31,2024	Amortized cost as at March 31,2024
Financial Assets:			-
Investments	0.00	0.00	3,528
Trade receivables	0.00	0.00	255,610
Loans	0.00	0.00	79,958
Cash and cash equivalents	0.00	0.00	10,526
Other bank balances	0.00	0.00	72,716
Other financial assets	0.00	0.00	218,183
Total financial Assets	0.00	0.00	640,521
Financial Liabilities:			-
Borrowings	0.00	0.00	179,546
Trade Payables	0.00	0.00	166,659
Other financial liabilities	0.00	0.00	208,913
Total Financial Liabilities	0.00	0.00	555,118
Particulars	Financial assets/liabilities at FVTPL as at March 31,2023	Financial assets/liabilities at fair value through OCI as at March 31,2023	Amortized cost as at March 31,2023
Financial Assets:			
Investments	0.00	0.00	3,514
Trade receivables	0.00	0.00	262,575
Loans	0.00	0.00	73,303
Cash and cash equivalents	0.00	0.00	936
Other bank balances	0.00	0.00	20,548
Other financial assets	0.00	0.00	257,978
Total financial Assets	0.00	0.00	618,854
Financial Liabilities:			
Borrowings	0.00	0.00	187,584
Trade Payables	0.00	0.00	155,067
Other financial liabilities	0.00	0.00	236,658
Total Financial Liabilities	0.00	0.00	579,309

41 a) **Level 1** - This hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.

b) **Level 2** - This hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

c) **Level 3** - This hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

Particulars	Level 1	Level 2	Level 3
As at March 31, 2024			
Financial liabilities measured at fair value:		Nil	
Total			
As at March 31, 2023			
Financial liabilities measured at fair value:		Nil	
Total			

Notes to the Consolidated Financial Statements ...Contd...

- 43 The amortised cost of financial instruments is considered as same as their carrying value in absence of the material impact on financial statements. In case of long term security deposits, discounting is not performed due to no material impact on financial statements.
- 44 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 45 No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 46 No dividends have been declared or paid during the year by the Company.
- 47 The company is in the process of reconciling form 26AS/AIS/TIS with its books of accounts. Upon completion adjustment entries, if any, will be made in the books of accounts.
- 48 The company is in the process of compiling/collecting the required data to be provided as per the amendment to schedule III as specified vide notification dated 24.03.2021 Upon completion the required data/disclosures will be furnished.
- 49 a) All amounts disclosed in the Ind AS Financial Statements and notes have been rounded off to the nearest rupees in lakhs except as otherwise stated.
b) Previous year figures have been regrouped/recast wherever necessary for purposes of comparability.
c) Current year's figures of Assets and liabilities have been grouped as financial and non-financial assets under current and non-current as required under Schedule III (Division II) effective from 01.04.2016.
d) The financial statements of the company for the year ended March 31, 2023 were approved for issue by the Board of Directors.
- 50 The companies objective when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an appropriate capital structure of debt and equity. The Board of Directors (BOD) has the primary responsibility to maintain strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in financial markets so as to maintain investors, creditors & markets confidence and to sustain future development of the business. The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company. The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

The company has monitored the long term debt equity ratio which is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Long term debt (including current maturities of long term debts)	12000.00	18000.00
Equity (Including capital reserve)	178434.29	237446.71
Long term Debt to Equity Ratio	0.07	0.08

51 Financial risk factors -

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk-Interest rate	Short-term borrowings at variable rates	Sensitivity analysis	Company has taken all the borrowings at competitive market rate of interest. NO derivative have been taken by the company for hedging purposes.
Credit risk	Cash and cash equivalents and trade receivables	Ageing Analysis	Diversification of bank deposits in public sector bank. Company has primary receivables from public sector undertaking.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Maintain adequate cash and cash equivalents



Notes to the Consolidated Financial Statements ...Contd...

a) Market Risk -

i) **Interest rate risk** - The company has obtained borrowings at variable rate of interest. Hence company is exposed to change in interest rate. Companies borrowings are denominated in INR currency “

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	149526.45	157561.05
Fixed rate borrowings	30000.00	30000.00
Total borrowings	179526.45	187561.05

ii) **Sensitivity** - Profit or loss is sensitive to higher/lower expense from borrowings as a result of change in interest rates. The below table summarizes the impact of increase/decrease in interest rates on Profit or loss.

Impact on profit before tax

Particulars	As at March 31, 2024	As at March 31, 2023
Interest rates- Increase by 50 Bsc points	-7,47.63	-7,87.81
Interest rates- Increase by 50 Bsc points	7,47.63	7,87.81

b) Credit Risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables . Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

(i) Credit Risk on trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Major trade receivables are mainly derived from execution of contracts. These are considered good based on the recovery analysis performed by the company.

Company has customers Central/state government utilities with capacity to meet the obligations and therefore the risk of default is negligible. Further, management believes that the unimpaired amounts that are 30 days past due date are still collectable in full, based on the payment security mechanism in place and historical payment behavior. Considering the above factors and the prevalent regulations, the trade receivables continue to have a negligible credit risk on initial recognition and thereafter on each reporting date.

(ii) Credit Risk on other financial assets

The Company considers that all the financial assets that are not impaired and past due for each reporting dates under review are of good credit quality. The Company does not hold any collateral or other enhancements to cover its credit risks associated with its financial assets. Further, cash and cash equivalents are held with public sector banks and do not have any significant credit risk.

c) Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents generated from operations. Company manages our liquidity needs by continuously monitoring cash in flows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls. Short term liquidity requirements consist mainly of trade payable, current maturities of long term borrowings, etc. arising during the normal course of business as at each reporting date. Company maintains a sufficient balance in cash and cash equivalents to meet our short term liquidity requirements. Company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals.

- 52 There was a non-provision of Rs. 115.56 Lakhs towards bills payable to various vendors during FY 2022-23 w.r.t. Bangalore Plant, N.S. Unit and RO Kolkata. It is to confirm that provision/payment of the same amount has been duly accounted in the FY 2023-24.
- 53 Ind AS 115 has become effective from 1st April 2018. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

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

SHALINI GHATAK
 Company Secretary
 CS No. A43488

RAJEEV SRIVASTAVA
 Director Finance & CFO
 DIN:08921307

RAJESH RAI
 Chairman & Managing Director
 DIN:10052045

Place: Bengaluru
 Date: 28.05.2024

ANNEXURE -1

Disclosure of Related Party Transactions (Consolidated) for the Quarter & year ended 31.03.2024

32. Related Party Disclosures

a) Associate/Joint Venture

Name of the Entity	Place of Business	Ownership Interest Held by Company		Ownership Interest Held by Non-Controlling Interests		Principal Activities
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	
INDIA SATCOM LIMITED	India	49.06%	49.06%	50.94%	50.94%	VSAT Manufacturing & Servicing

b) Key Managerial Personnel's Details:

₹. In Lakhs

Name of Directors/ Key Management Personnel's	For the Quarter ended 31.03.2024	For the year ended 31.03.2024	For the year ended 31.03.2023
Shri Rajesh Rai - CMD	10.12	39.97	4.12
Shri Rajeev Srivastava - Director (Finance) & CFO	7.34	28.88	24.22
Shri. C.V. Ramana Babu - Director (Marketing)	8.21	8.21	
Smt S Jeyanthi - Director (Production) w.e.f 20/05/2023 & Director HR - Addl. Charge	6.83	25.88	2.04
Smt R Vasanthi - Director (Production) - Addl. Charge - till 19/05/2023*	-	3.31	2.04
Smt Shalini Ghatak - Company Secretary (W.e.f. 06.07.2023)*	2.89	8.41	-
Shri R M Agarwal- EX CMD	-	-	8.87
Shri Rakesh Chandra Tiwari - Ex- Director (Marketing)	-	35.28	45.98
Shri D. Venkateswarlu -Ex- Director (Production)	-	-	42.07
Smt Shanmuga Priya - Ex- Company Secretary	-	-	16.20
Dr. Raja Nayak - Independent Director	0.50	1.50	1.80
Shri. Shri Billeswar Sinha - Independent Director	0.30	1.20	1.30
Smt Mamta Palariya - Independent Director	0.30	1.30	1.80

* Part of the year

c) The transactions with Related Parties other than Key Management Personnel are as follows (Previous Year figures are shown in brackets) :-

Particulars	Associate/ Joint Venture	
	INDIA SATCOM LIMITED	
Purchase of Goods	Nil	
Sale of Goods		
Rendering Services		
Services Received		
Rent Received (Lease)		
Interest Income		
Dividend Income on Investments		
Loan Outstanding (including Interest) as on 31.03.2024		
Trade Payables Outstanding as on 31.03.2024		
Trade Receivables Outstanding as on 31.03.2024		
Investment in Equity as on 31.03.2024		40.55 lakhs (40.55L)
Advances for Purchase Outstanding as on 31.03.2024		Nil



d.)	All transactions dealt with related parties are on arm's length basis.
e.)	All Outstanding balances(other than loan) are Unsecured and is repayable in cash within next 6 months. For Outstanding balance of loans refer note f below.
f.)	Loans to Related Parties.
	Nil
g.)	Management Contracts including deputation of Employees:-
	Nil
	Transaction with Government and Government Related Entities :- As ITI is a government entity under the control of Ministry of Communications (MoC), the company has provided detailed disclosures required under Ind AS 24 wrt related party transactions with government and government related entities.
h.)	However as required under Ind AS 24, following are the individually significant transactions :- <ol style="list-style-type: none"> 1. Buyback of Shares. 2. Bonus Issued. 3. Dividend Paid.

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

To The Members of ITI Limited Report on Indian Accounting Standards Consolidated Financial Statements of ITI Limited

Our Audit report on Indian Accounting Standards Consolidated Financial Statements of the Company for the financial year 2023-24 under audit as approved by the BOD on May 28, 2024 and reported upon by us on the same date, has been revised by us in the light of the comments made in the supplementary audit carried out by Comptroller and Auditor General of India (CAG) in terms of section of 143(6) of the Companies Act, 2013. Accordingly, this audit report supersedes our earlier audit report dated May 28, 2024. Our audit procedures on events subsequent to the date of our original audit report issued on May 28, 2024, is restricted solely to observations made by CAG.

Disclaimer of Opinion

We were engaged to audit the accompanying Indian Accounting Standards Consolidated Financial Statements of ITI Limited ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'CFS').

We do not express an opinion on the accompanying CFS 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 CFS.

Basis for Disclaimer of Opinion

- 1) The CFS of the Company for the year ended March 31, 2023, as approved by the Board of Directors on May 29, 2023, was reported upon by the earlier auditor M/s GRSM & Associates, Chartered Accountants vide their report issued on the same date. Vide this report, they had qualified their opinion on the said CFS due to the significance of the matters described in the 'Basis for qualified opinion' section of their report and their inability to quantify/ascertain the impact of the items on the CFS and for the said financial year. Their qualifications and observations may continue to impact the CFS for the current year. Management has not provided us with any quantification of the effect of these items on the current years' CFS and we are accordingly unable to comment on the same.
- 2) In terms of SA 510 - Initial Audit Engagements -Opening Balances issued by the Institute of Chartered Accountants of India ('ICAI'), we sought details and current status of certain items of assets and liabilities reflected in the CFS as at March 31, 2024. Management did not furnish us requisite breakup and current status of cumulative debit and credit balances aggregating to Rs. 3,563.55 lakhs & 10,652.02 lakhs respectively carried forward from the said Balance Sheet and reflecting debit and credit balances in the same accounts aggregating to Rs. 3,690.45 lakhs & Rs. 15,500.23 lakhs respectively as at March 31, 2024. Summaries of such accounts are furnished in Annexure- D to this report.
- 3) The land (Freehold/leasehold) records maintained by the Company and detailed records held by the civil engineering department ('Civil')

could not be correlated, in the absence of an appropriate coding/cross-referencing system (refer note 1 to CFS). All the deficiencies in documentation to the extent identified and other matters have been based on the records maintained by Civil. Attention of the members is invited to paragraph 1 (c) of "Annexure A" of our audit report on matters required to be dealt with in terms of The Companies (Auditors' Report) Order, 2020 ("the Order"), wherein we have expressed our inability to comprehensively identify land not in the name of the Company. Many of these deficiencies have significant bearing on the title of the Company to such properties.

- 4) Attention is drawn to note 1 to CFS regarding property tax payable in respect of land and buildings being recognized either being based on estimates or not determined at all in the absence of demands from the revenue authorities and/or pending updations/reconciliations of land records as per asset records with records of Civil. Due to non-availability of proper records, adequacy / completeness / correctness of provisions recognized, its impact on CFS could not be ascertained.
- 5) 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 Property, Plant, & Equipment ('PPE') and Investment property (IP), whether any amortization of the same is required, income derived therefrom, etc.) were not furnished to us. The original cost and written down value of such assets as at March 31, 2024, aggregated to Rs. 7,657.03 lakhs & Rs. 7,592.54 lakhs respectively. The Company has recognized income to an extent of Rs. 334.91 lakhs on certain items of land and buildings although the relevant leases had expired and to the best of our knowledge, are yet to be renewed. Further, the Company has also not furnished the fair values of its IPs, the basis of determining its fair value, 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 accordance with IndAS 40 – Investment Property.
- 6) In terms of the Material Significant Accounting Policies, the Company has not provided any documentation as to the evaluation carried out to test for any impairment of assets in compliance with IndAS 36 'Impairment of Assets'.
- 7) Capital work in progress as at March 31, 2024, included the following assets, which to the best of our knowledge has been put to use but continued therein ostensibly for want of certain documents. We are unable to validate the carrying value/ageing data with the relevant documents and the effect of non-recognition of depreciation in the CFS.

Description of asset	Carrying value as at March 31, 2024 (Rs. In lakhs)
New Data Centre	2,669.45
Other Capital Work in Progress	3,923.39
NIFT building (Refer Note 2 to SFS)	6,582.06

- 8) The Company has not identified lease contracts entered into by it as a lessee/lessor within the meaning of IndAS 116 – Leases and has not consequently adopted the principles of recognition, measurement



and disclosure contemplated therein, contrary to accounting policy but has expensed off/taken to income from/to rent payable/receivable to the statement of profit and loss as per contractual terms. Security deposits paid/received thereon not recognized in the Statement of Profit or Loss in accordance with Ind AS 109 – Financial Instruments.

- 9) The Company did not have a system of appropriating payments received against specific bills raised in Tally Prime software (books of accounts) and only maintains a running account of bills raised and payments received. Consequently, the Company has certain excel workings based on which the age-wise data in respect of trade receivables as specified in Schedule III of the Companies Act, 2013 are furnished. We could not independently validate the ageing data so furnished with the books of accounts and have relied on such excel workings. Further, the Company has also not obtained confirmation of balances / statements of account / reconciliation with books of accounts. The data furnished in note 4(b) and 7 to the CFS could not be validated by us. Trade receivables include Rs. 18,099.63 lakhs & Rs. 1,95,310.44 lakhs representing debts exceeding 6 months but less than one year and debts exceeding one year and ranging up to/beyond three years. 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.
- 10) The Company has not made provision for credit losses in respect of the following items included under Current Assets - Financial Assets, which are doubtful of recovery:
 - a. Rs. 5,847.90 lakhs, receivable from C-DOT towards rent from premises leased out to them for the period from 2005-06 to 2010-11.
 - b. Recoverable from HCL Infosystems Limited of Rs. 1,690.20 lakhs as compensation on account of the excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.
 - c. Recoverable from Himachal Futuristic Communications Ltd of Rs. 1,049.41 lakhs towards Liquidated Damages.
 - d. Receivable from Mindarray towards encashment of letter of credit of Rs. 1,023.00 lakhs.
 - e. Receivable from South Western Railway of Rs. 2,908.02 lakhs towards consideration receivable for sale of land.
 - f. Amounts receivable held under the head Claims and Expenses recoverable Inland amounting to Rs. 344.48 lakhs (breakup not available).
 - g. Accordingly, if provision for credit losses were made by the Company, the loss for the year would have been higher and the net current assets lesser by Rs. 12,863.01 lakhs.
- 11) The Company had received soft loan from the Government of India (GoI) 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 not consequently adopted the principles of recognition, measurement and disclosure contemplated therein.
- 12) Inventories with book value of Rs. 22,220.13 lakhs, included several old items lying in the various site/stores for which NRV as at March

31, 2024, was not made available. The Company's inventories included old inventory and has not performed any ageing, usefulness and serviceability assessment held at various units to ascertain obsolete inventory. Company did not furnish the physical verification reports which was reportedly conducted as explained to us and in the absence of any excess/shortage list readily available we could not verify if there were any adjustments required to be made to the books of account. A ready list of inventories was not furnished to confirm the bifurcation of raw materials & production stores, materials issued against fabrication contracts, non-production stores, work in process production/installation, manufactured components, finished goods, stock reconciliation account, material in transit and goods pending inspection. We have relied on such list furnished in various excel sheets and could not independently validate the stock records with amounts as furnished in note 6 to the audited CFS. In the absence of full data, we are unable to obtain sufficient appropriate audit evidence regarding the valuation of such stores and spares and whether the same is in accordance with IndAS 2 – Inventories.

- 13) In respect of certain current/non-current liabilities complete details/nature and ageing in respect of each amounts payable, reasons for their pendency, reasons for non-claim by parties, confirmation/statement of account/reconciliation were not made available.
- 14) Reference is invited to note 17(c) to CFS regarding disclosure of information pertaining to vendors under Micro, Small and Medium Enterprises Development Act, 2006, pending identification of such vendors and consequential non-provision for interest, if any, in terms of section 23 of the said act, consequent effect on CFS not ascertained.
- 15) The Company has not carried-out any fair valuation as was required in terms of the IndAS 109 'Financial Instruments' in respect of all 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.
- 16) The Company's contribution to ITI Employees Provident Fund Trust ('PF Trust') covering all units as detailed in point 22(e) of the Material Accounting Policies has been considered as a defined contribution plan and not that to a defined benefit plan both for the current year and prior years. Accordingly, the liability to the trust should have been evaluated actuarially and recognized rather than 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.
- 17) The Company has not evaluated actuarially its liability to the Kalyanakari Death Benefit Scheme of its employees in the event of shortfall between the funds available from recoveries from employees & interest thereon and amount payable to deceased employees in any year.
- 18) The Company has not reconciled its books of accounts with its GST returns filed across all its units/divisions/corporate office (turnover, exempt turnover, taxes payable, input tax credit available and availed and tax deducted at source) in the absence of which we are unable to ascertain any effect on the CFS. Company to examine the advances received by it and identify the goods and service portion of the respective advances received based on respective contracts and ensure GST remittance on such service portion of advances



received. Matter may be examined by the Company regarding such compliance and appropriate action be taken. Pending such bifurcation of goods and service portion we are unable to ascertain if there is GST liability on advances and consequent interest provision thereon in the books of accounts. The Company has not filed its annual return of reconciliation of turnover between books and returns for certain registrations pertaining to financial years 2021-22 and 2022-23 respectively, contrary to rule 80 of the CGST Rules, 2016.

- 19) The Company has not reconciled the entries in Form 26AS and AIS in the Income Tax portal website with the books. Due to lack of adequate ready data/reconciliation, we are unable to independently validate the entries in Form 26AS / AIS / TIS and consequent disclosures in the CFS of advance tax/refunds/disputed taxes, if any.
- 20) The Company has reported to the extent ascertained in respect of contingent liabilities and capital commitments as detailed in note 31 to CFS. In the absence of full and comprehensive list across all divisions of the Company with testing of the probability of the liability devolving 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 in this respect.
- 21) The Company has not identified warranty obligations as a distinct performance obligation within the meaning of IndAS 115 – Revenue from contracts with customers and recognizes the same as and when obligations arise on the plea that it generally has a back-to-back claim against its vendors. The Company has not provided us with the requisite documentation indicating such rights in each and every contract entered into by it.
- 22) Palakkad Unit has received an amount of Rs. 51 lakhs from certain customers as of March 31, 2024 which have not been accounted for in the books of account since the management is unable to map these receipts with the specific invoices raised by it. Accordingly, the bank balances of the Company are understated to the tune of Rs. 51 lakhs as of March 31, 2024, and the Accounts receivable balances are overstated to the same extent. (As per the audit report issued by Balaram & Nandakumar, Chartered Accountants dated May 24, 2024)
- 23) Company has not compiled and disclosed the requisite data detailed below in terms of Schedule III, division II to the Act.

Sl.No	Requisite disclosures not furnished
1.	Fair value of investment property
2.	Relationship with Struck off Companies

- 24)
 - a. Attention is invited to note 22 of the CFS where in the Company has enumerated the status of a contract with Ministry of Defense, GoI, 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 so as 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 are informed for the reasons stated in the said note that the test best approval is awaited as at March 31, 2024, 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, 2024, to an aggregate extent of Rs. 1,48,686.48 lakhs. We have relied on the representations made by the Company and do not express any independent opinion on such revenue recognized.

- b. The Company has entered into contracts with a customer for implementation of a network within a specified area at an aggregate consideration (excluding O&M and taxes) of Rs. 2,48,954.87 lakhs. As against this, the Company has recognized revenue to an extent of Rs. 2,36,701.57 lakhs although the contract is not complete. In the absence of the percentage completion, we are unable to obtain sufficient appropriate audit evidence in support of the revenue recognition.
- c. The Company's system of revenue recognition is based upon the percentage of completion method. The Company had inadequate documentation to support reassessment of total costs of each contract and costs yet to be incurred on every reporting date, backed by customer attested data of work completed and certified, work completed but yet to be certified and internal assessment of cost incurred in respect of work in progress. The Company has also recognized unbilled revenues to an aggregate extent of Rs. 2,17,467.63 lakhs as at year end. This includes unbilled revenue recognized up to March 31, 2023, and yet to be billed to the customer as at March 31, 2024, upon certification of the work. The Company has not furnished us an analysis of unbilled revenue identifying the milestones to be achieved before the same can be billed, the further costs yet to be incurred to achieve such milestone, and the estimate of likely costs of rework/modifications that is to be incurred in the process of achieving certification. Accordingly, we could not obtain sufficient appropriate audit evidence of revenue recognized.
- 25) Attention is invited to note 22 & note 25 of the CFS where in Company enumerated breakups of 'Sales under broad heads' & 'Service Income under broad heads' (Note 22), 'Goods purchased under broad heads' (Note 25(a)) and 'Service Expenses under broad heads' (Note 25(b)). We could not independently validate the breakup so furnished with the books of accounts and have relied on workings.
- 26) Attention is invited to Note 31 of the CFS where in the Company has reported certain non-compliances. We understand that there are non-compliance with various provisions of SEBI Listing Regulations towards Quorum for Board meeting, Non-compliance with the constitution of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee. Due to lack of adequate ready data/information, we are unable to independently validate the amounts in the said note. Company has confirmed to us that, representation to the Stock Exchanges for waiver of penalty has been submitted as the non-compliance as regards to the said non-compliances was not due to any negligence and also the BSE/NSE had given waiver in the past year. Accordingly, the Company is confident that further penalties also will be waived on the same grounds. Consequential non-provision for penalty and interest and consequent effect on CFS not ascertained.

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 their possible individual and cumulative effect on the CFS, which may be material and pervasive, accordingly forms a basis for the disclaimer of opinion.

Material Uncertainty on Going Concern

The Company incurred a net loss of Rs. 56,906 lakhs during the year ended March 31, 2024. In spite of events or conditions which may cast a doubt on the ability of the Company to continue as a going



concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the continued support of the Government of India, high value of order book under execution with adequate margins, adequate working capital borrowing from banks already sanctioned, conversion of unbilled revenue into billed revenue by completing the contract milestones within next 12 months, step-up the recovery processes to collect the billed dues as mentioned in the note 31 of the CFS. Our opinion is not modified in respect of this matter. Also, refer to our comments under para 19 of Annexure – A to this report.

Emphasis of Matter

- a. The Company had received funds towards capital expenditure as part of the financial assistance approved by Cabinet Committee on Economic Affairs (CCEA) when the Company was declared a Sick Company as per provisions of the Sick Industrial Companies Act, 1985.
- b. The Company is not in compliance with the requirements of having a specified proportion/ number of independent directors.
- c. The Company continues to carry a land admeasuring 77 acres having a carrying value of Rs. 19,470 lakhs under Property, Plant & Equipment after receiving intimation of re-possession by the Government of Kerala as the Company has disputed the same, and the matter is under adjudication of the Apex Court.

[Refer Note No.31 of the CFS for the above matters]

Our opinion is not modified in this respect in respect of the above matters.

MANAGEMENT'S RESPONSIBILITY FOR CFS

The Board of Directors of the Company is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these CFS that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the CFS that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the CFS, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF CFS

Our responsibility is to conduct an audit of the CFS in accordance with Standards on Auditing and to issue an auditor's report. However, because

of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on CFS.

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

We did not audit the Financial Statements ('FS') of the Mankapur, Raebareli, Srinagar, Naini & Palakkad Branches and associate India Satcom Limited included in the CFS of the Company, whose FS reflect total assets of Rs. 1,93,893.25 lakhs as at March 31, 2024, and total income of Rs. 19,023.13 lakhs for the year ended on that date as considered in the CFS (excluding inter-unit balances and transactions). The FS of these components have been audited by the component auditors whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these components is solely on the report of such component Auditors.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order which is subject to the possible effects of the matters described in the 'Basis for Disclaimer of Opinion' section of our Independent auditor's report and in our report on the Internal Financial Controls over Financial Reporting with reference to CFS.
- 2) As required by Section 143(3) of the Act, we report that:
 - a. As described in the Basis for Disclaimer of Opinion section above, we have sought but were not able to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters described in the Basis for Disclaimer of Opinion section above.
 - c. The report on the accounts of any branch office of the Company audited under sub-section (8) by a person other than the Company auditor has been sent to us under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report.
 - d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account, except for the matters stated in the Basis for Disclaimer of Opinion section of our Report.
 - e. Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the aforesaid CFS comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2021, as amended.



- f. Due to the possible effect of the matters described in the Basis for Disclaimer of Opinion section above, we are unable to state whether they have any adverse effect on the functioning of the Company.
- g. As per GSR- 463 (E) dated June 5, 2015, issued by the Ministry of Corporate Affairs, the provisions of Section 164(2) of the Companies Act, 2013 regarding disqualification of director(s) is not applicable to the Company, since it is a Government Company.
- h. The reservation/modification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section, read with paragraph 2(b) above.
- i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**. Our report expresses disclaimer of opinion on the Company’s internal financial controls over financial reporting for the reasons stated therein.
- j. Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion section above, with respect to the other matters to be included in the Independent Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the estimated impact of pending litigations on its the financial position as detailed in Note 31 to CFS, to the extent ascertained.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not enter into any derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a.) Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b.) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c). Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- v. The Company did not declare or pay any dividends during the year. Accordingly, no reporting under the said sub-clause is applicable.
- vi. The Company uses multiple accounting software having feature of recording audit trail with edit log version (‘Tally Prime™’ and ‘Integrated Manufacturing Management System(‘IMMS’)) for maintenance of its books of account for the financial year ended March 31, 2024, except in case of Network system units (‘NSU’) where the accounting software used by them did not have such feature. Based on examination, including certain test checks and discussions with the management, except for NSU, we are of the opinion that the Tally Prime Edit Log version software had a feature of recording audit trail (edit log) facility and the same is operated throughout the period from the respective dates they were implemented (refer table below) during the year. Further Palakkad unit used ‘IMMS’ software which had a feature of recording audit trail (edit log) facility and the same has been operated throughout the period based on the auditor comments of Palakkad unit vide his report dated May 24, 2024. Below are details of other units/ROs who implemented and used Tally prime (edit log) facility with effect from various dates detailed below.

Unit/RO name	Date of implementation of “Tally prime (edit log)”
RO Bangalore	07-03-2023
RO Mumbai	07-03-2023
RO Chennai	06-03-2023
RO Hyderabad	07-03-2023
RO Lucknow	29-03-2023
RO Delhi	09-03-2023
RO Kolkata	24-03-2023
RO Bhubaneshwar	07-03-2023
Corporate	19-06-2023
BGP	13-04-2022
R&D	16-05-2022
Mankapur	25-04-2023 to 29-08-2023 30-08-2023 to 31-03-2024
Raebareli	08-08-2023
Naini	25-08-2023
Srinagar	10-03-2023



Up to the above said dates of implementation, there was no system of recording audit trail. Hence, to the said extent, we are unable to comment on the requirements of rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

We have not come across any instance of the audit trail feature being tampered with for the period after the above said implementation dates.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

The auditors of associate company have not commented on requirements of rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Accordingly, we do not express any opinion on the compliance of the same.

As required by Section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor-General of India, the action taken thereon and its impact on the accounts and CFS of the Company is given in "**Annexure C**".

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTK1103

Place: Bengaluru
Date: July 31, 2024

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

As referred to in Paragraph 1 of the section on ‘Report on Other Legal and Regulatory Requirements’ of our report at even date to the members of the ITI Limited on the IndAS Financial Statement for the year ended March 31, 2024 and to be read subject to the possible effects of the matters described in the Basis for Disclaimer of Opinion section above and in our separate report on the internal controls over financial reporting, we report that:

ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF ITI LIMITED

1. a) (A) As per the information and explanations provided to us, the Company has not maintained adequate records showing particulars, including quantitative details, location, asset transfers between units and asset coding system of Property, Plant and Equipment (“PPE”), as also detailed in footnote to note 1 to CFS. The amounts reported under gross block and accumulated depreciation in the said note were pending reconciliation with PPE/GL records. Land records at various divisions/units need to be reconciled with respective documents held at corporate office/respective divisions/units and with respective asset registers, pending which we are unable to report on paragraph 3(i)(a)(A) of the Order.

Description of property	Gross carrying value (Rs In lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of Company (also indicate if in dispute)	Unit
Land	19,470	Title resumed by Government of Kerala	No	Over 10 years	Company has disputed the resumption	Palakkad
Land	9,282	Absolute Sale Deed not yet executed	No	Over 10 years	Pending	Naini
Land	11,620	Absolute Sale Deed not yet executed	No	Over 10 years	Pending due to non-submission of proof of compensation paid by ITI Limited to the landowners at the time of land acquirement	Raebareli
Land	Not ascertainable	Absolute Sale Deed not held on record	No	Not ascertainable	Out of 191.03 acres of land purchased, title deeds for 41.77 acres land are not available	Mankapur
Land	Not ascertainable	Absolute Sale Deed not held on record	No	Over 10 years	Out of 435 acres of land, title deed for 375 acres held. For balance area, only record of rights held.	BGP

- d) Based on the information and explanation given to us by the Company, it has not revalued any of its PPE (including Right of Use assets) or intangible assets or both during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- e) Based on the information and explanation given to us, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable.
2. a) According to the information and explanations given to us, Company did not carry out extensive physical verification of inventories covering all categories. We are unable to comment under paragraph 3(ii)(a) of the Order. There were observations from the auditors of certain units of the Company which also could not be commented upon in the absence of appropriate audit evidence/replies by the Company.
- b) Based on the information and explanation furnished to us, the Company does not have any intangible asset as at March 31, 2024, consequently reporting under the said paragraph 3(i)(a) (B) of the Order is not applicable.
- b) According to the information and explanations given to us, the Company has not physically verified PPE and accordingly, we are unable to comment report on paragraph 3(i)(b) of the Order.
- c) According to the information and explanations given to us, reference is drawn to note 1 to CFS which includes certain observations regarding incomplete land records at corporate office/units and are under reconciliation with respective documents/records held at Corporate office/respective divisions/units. In the cases where the Company is the lessee, certain lease agreements were not duly executed in favor of the Company, pending renewal/finalization of those lease contracts. Further due to the reasons stated in note 1 to CFS we are unable to further comment whether the title deeds of immovable properties are held in the name of the Company as detailed below. Accordingly, we are unable to comment as required under paragraph 3(i)(c) of the Order.
- b) In our opinion and according to the information and explanation provided, in the absence of ready data extracted from the books of account in respect of inventories, sales, debtors, production and other details as furnished by the Company to the bank where working capital facilities availed and in the absence of consequent reconciliations of those returns with corresponding entries in the books of accounts, we are unable to comment on paragraph 3(ii) (b) of the Order.
3. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the reporting under paragraph 3(iii)(a) to (f) are not applicable.
4. Based on the information and explanations given to us, the Company has not granted any loans, made investments or provided any guarantees covered under the provisions of section 185 and 186 of the Act. Accordingly, the reporting under paragraph 3(iv) is not applicable.



5. The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. The Company based on its internal assessment represented that amounts due on account of retention money/other deposits on its various projects are covered under exempted deposits and accordingly, comply with section 73 to 76 of the Act. In the absence of clear ageing/documentation/reasons of non-repayment by the Company, we are unable to comment on such compliance. Hence, reporting under paragraph 3(v) of the Order could not be commented upon.
6. The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Act. As per the information

and explanation provided to us, the Company has maintained such records as detailed in the cost auditors' report for FY 2022-23. The Company is yet to update its cost records for FY 2023-24.

7. a) The Company is not regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the respective appropriate authorities to the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable which is furnished below.

Unit	Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	891.53	2023-2024	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	260.14	2022-2023	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	95.70	2021-2022	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	132.61	2020-2021	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	111.43	2019-2020	Unascertainable	Unascertainable
BGP, NSU, Corporate, Srinagar & other units	Employees Provident Fund Act, 1952	PF	451.07	2018-19 & Prior	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	498.35	2023-2024	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	641.12	2022-2023	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	465.74	2021-2022	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	357.10	2020-2021	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	857.00	2019-2020	Unascertainable	Unascertainable
Mankapur	Employees Provident Fund Act, 1952	PF	591.31	2018-19 & Prior	Unascertainable	Unascertainable
Naini	Employees Provident Fund Act, 1952	PF	252.91	2023-2024	Unascertainable	Unascertainable
Naini	Employees Provident Fund Act, 1952	PF	1,557.17	2022-2023	Unascertainable	Unascertainable
Naini	Employees Provident Fund Act, 1952	PF	807.65	2021-2022	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	396.89	2023-2024	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	3,971.24	2022-2023	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	620.53	2021-2022	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	361.51	2020-2021	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	9.36	2019-2020	Unascertainable	Unascertainable
Raebareli	Employees Provident Fund Act, 1952	PF	50.53	2018-19 & Prior	Unascertainable	Unascertainable

Unit	Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Palakkad	Employees Provident Fund Act, 1952	PF	274.32	2023-2024	Unascertainable	Unascertainable
Palakkad	Employees Provident Fund Act, 1952	PF	51.69	2022-2023	Unascertainable	Unascertainable
Palakkad	Employees Provident Fund Act, 1952	PF	127.10	2020-2021	Unascertainable	Unascertainable
RO Hyderabad	Income Tax Act, 1961	TDS -192	0.24	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	Income Tax Act, 1961	TDS-194 C	0.14	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	GST Acts and rules made thereunder	TDS on GST	0.14	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	GST Acts and rules made thereunder	TDS on GST	0.20	2022-2023	Unascertainable	Unascertainable
RO Hyderabad	GST Acts and rules made thereunder	Interest Payable on GST	44.18	2019-2021	Unascertainable	Unascertainable
RO BBSR	Service Tax Act, 1994	Service Tax	3.89	2018-19 & Prior	Unascertainable	Unascertainable
RO Delhi	Service Tax Act, 1994	Service Tax	83.03	2018-19 & Prior	Unascertainable	Unascertainable
RO Delhi	Income Tax Act, 1961	TDS-194 I	0.18	2023-2024	Unascertainable	Unascertainable
RO Delhi	PT Acts and rules made thereunder	PT	0.01	2023-2024	Unascertainable	Unascertainable
RO Delhi	PT Acts and rules made thereunder	PT	0.01	Prior to 2023-2024	Unascertainable	Unascertainable
RO Delhi	GST Acts and rules made thereunder	TDS on GST	6.51	2023-2024	Unascertainable	Unascertainable
RO Lucknow	Income Tax Act, 1961	TDS-194 C	0.08	2023-2024	Unascertainable	Unascertainable
RO Lucknow	Income Tax Act, 1961	TCS Payable	0.00	2022-2023	Unascertainable	Unascertainable
NSU	GST Acts and rules made thereunder	TDS on GST (Gujarat)-IGST	1.28	2023-2024	Unascertainable	Unascertainable
NSU	PT Acts and rules made thereunder	PT	0.01	2022-2023	Unascertainable	Unascertainable
NSU	ESI Act, 1948	ESI Employee	5.42	Prior to 2023-2024	Unascertainable	Unascertainable
NSU	ESI Act, 1948	ESI Employee	0.07	2023-2024	Unascertainable	Unascertainable
NSU Delhi	GST Acts and rules made thereunder	GST TDS	0.20	2023-2024	Unascertainable	Unascertainable
BGP	GST Acts and rules made thereunder	TDS on GST-IGST	36.67	2022-2023	Unascertainable	Unascertainable
Corporate	Service Tax Act, 1994	Service Tax	8.61	2018-19 & Prior	Unascertainable	Unascertainable
Corporate	Income Tax Act, 1961	Income Tax	212.31	Since 2020-21	Unascertainable	Unascertainable
Naini/RBL/MKP/RO Lucknow	Sales Tax	Sales Tax	5634.01	Unascertainable	Unascertainable	Unascertainable
Naini	Central Excise Act, 1944	Excise Duty	0.44	Unascertainable	Unascertainable	Unascertainable
Raebareli	Service Tax Act, 1994	Service Tax	2417.74	Unascertainable	Unascertainable	Unascertainable

Note :

- 1) All the above statutory dues are furnished to the extent identified and pending reconciliation of documents/orders/demand notices with books of accounts across all units/RO/Corporate office.
- 2) The PF dues reported above were furnished by the Company reportedly from various PF trusts across all units/ROs/Corporate office. The amounts reported more than 6 months are based on certain workings in spreadsheets which could not be independently validated by us since the same was not reconciled with the books of accounts.
- 3) Reference is drawn to paragraph 18 of our comments in 'Disclaimer of opinion', wherein the Company had not reconciled its books of accounts with its GST returns filed across all its units/divisions/corporate office (turnover, exempt turnover, taxes payable, input tax credit available and availed and tax deducted at source), consequently dues if any, more than 6 months could not be ascertained. Further, in the said paragraph, GST applicability on advances on account of services for the reasons stated in the said paragraph could not be ascertained and hence not reported above.



Reference is drawn to our comments in Disclaimer of opinion paragraph 2 wherein there were no details available regarding certain opening balances as enumerated in Annexure-D to this report. We are unable to confirm whether all statutory dues payable by the Company are reported in the above table since no ready data/list duly reconciled with all ledger accounts was available. Consequently, we are unable to comment on the correctness/completeness of the reported amounts in the above table.

- b). According to the records of the Company and according to the information and explanation given to us, there are certain statutory dues outstanding on account of any disputes are as under:

Unit	Name of the statute	Nature of dues	Amount in Rs Lakhs (As on 31.03.2024)	Period to which the dispute relates	Forum where the dispute is pending
BGP	Central Excise Act, 1944	Nil rate of duty availed on Software disputed by CE dept (Net of Pre deposit Rs 200.00 lakhs)	637.00	2003-2005	Custom Excise & Service Tax Appellate Tribunal
BGP	Central Excise Act, 1944	ED Demanded on R&D prototype modules for field trail. Stay extended (net of pre deposit Rs 30.00 lakhs)	299.00	2006-07	Custom Excise & Service Tax Appellate Tribunal
BGP	Central Excise Act 1944	Nil Rate of Duty availed on software disputed by Central excise dept (Net of Pre deposit Rs Rs 14.00)	497.28	2001-2002 2002-2003	Custom Excise & Service Tax Appellate Tribunal
BGP	Central Excise Act 1944	CENVAT Credit	376.00	2007-2008	Custom Excise & Service Tax Appellate Tribunal
MKP	UP VAT	Sales Tax	264.89	1986-1989	UP Government
MKP	UP VAT	Sales Tax	15.32	1989-1996	UP Government
MKP	Finance Act, 1994	Service Tax	6,456.79	2009-10 to 2013-14	CESS Tax, Allahabad
NNI	Central Sales Tax (CST)	Demand of other dues and Additional Tax against FORM 'C'	1,013.98	2005-2006	Joint Commissioner (Appeals), Commercial Tax, Allahabad
NNI	Central Sales Tax	Demand of Additional Tax against FORM 'C'	2.64	2007-08	Additional Commissioner (Appeals), Commercial Tax, Allahabad
NNI	CST/ UPVAT/ Entry Tax	Demand of other dues	9.23	2008-09	Addl Commissioner, (Appeals), Commercial Tax, Allahabad
NNI	Central Sales Tax	Demand of other dues and Additional Tax against FORM 'C'	2.12	2009-10	Deputy Commissioner, Commercial Tax, Allahabad
NNI	CST/ UPVAT	Demand of other dues and Additional Tax against FORM 'C'	60.57	2010-11	Additional Commissioner (Appeals), Commercial Tax, Allahabad
NNI	CST	Demand of other dues and Additional Tax against FORM 'C'	10.96	2011-12	Tribunal, Commercial Tax, Allahabad
NNI	CST/ UPVAT	Demand of other dues and FORM 'C'	146.75	2012-13	Deputy Commissioner Sector 14, Commercial Tax, Allahabad
NNI	CST/ UPVAT	Demand of Tax	86.75	2013-14	Deputy Commissioner Sector 14, Commercial Tax, Allahabad
PKD	Service Tax	Service Tax	109.44	2010-2011	CESTAT, Bangalore
PKD	Service Tax	Service Tax	140.34	2011-2012	CESTAT, Bangalore
PKD	Service Tax	Service Tax	161.27	2011-2012	CESTAT, Bangalore
PKD	Service Tax	Service Tax	2.76	2012-2013	CESTAT, Bangalore
PKD	Service Tax	Service Tax	2.69	2012-2013	CESTAT, Bangalore

Unit	Name of the statute	Nature of dues	Amount in Rs Lakhs (As on 31.03.2024)	Period to which the dispute relates	Forum where the dispute is pending
PKD	CST	Sales Tax	28.04	2001-02	High Court, Ernakulam
PKD	CST	Sales Tax	504.13	2003-04	KVAT Tribunal, Palakkad
PKD	Customs, Central Excise & Service Tax	Service Tax	143.42	2016-17 & 2017-18	Commissioner Appeals, Kochi
PKD	Customs, Central Excise & Service Tax	Service Tax	3.93	Apr 2015 to Jun 2017	Commissioner Appeals, Kochi
PKD	Goods & Service Tax	Goods & Service Tax	7,054.14	2017-2018 & 2018-2019	Commissioner Appeals, Kochi
RBL	Sales Tax Act	Sales Tax	122.53	2010-11	Trade Tax Tribunal, Lucknow
RBL	Sales Tax Act	Sales Tax	87.39	2014-15	Trade Tax Tribunal, Lucknow
RO BG	Karnataka VAT Act, 2003	Turnover Suppression	26.47	2013-14	Commercial Tax Officer, Thirpunithura
RO BG	Karnataka VAT Act, 2003	Turnover Suppression	48.92	2014-15	Appellate Assistant Commissioner, Commercial Taxes, Ernakulam
RO BG	Service Tax	Non-payment of Service Tax on Royalty payments received	44.78	2012-13 to 2014-15	Commissioner of Central Excise
RO BG	KVAT	Turnover suppression	65.87	2012-13	Dy Commr (Appeals) - Commercial Tax, Ernakulam
SNR	Sales Tax	Sales Tax	733.36	1987-88 to 1989-90, 1996-97, 1999-00, 2002-03	High Court, J & K
RO BBSR	Sales Tax	Sales Tax	226.05	2013-14	Commissioner of Sales Tax Bhubaneswar
CORP	Income Tax	Income Tax	691.72	2017-18	Commissioner of Income Tax
RBL	Goods & Service Tax	EXCESS ITC of GST CLAIMED	1,634.03	2017-18	High court -Lucknow
RBL	Goods & Service Tax	EXCESS ITC of GST CLAIMED	225.46	2017-18	High court -Lucknow

Note :

All the above disputed statutory dues are furnished to the extent identified and pending reconciliation of documents/orders/demand notices across all units/RO/Corporate office. Consequently, we are unable to comment on the correctness/completeness of the reported amounts in the above table.



8. According to the information and explanation given and as represented to us, there are no transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments in the Income Tax Act, 1961.
9. a) According to the information and explanation furnished to us, the Company has not defaulted in the repayment of borrowings or in the payment of interest thereon to banks other than those reported below.

Nature of borrowing	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Term Loan	GOI, Ministry of Communications & IT Dept. of Telecommunications	Rs. 12,000 Lakhs (Principal) and Rs. 3,004.76 Lakhs (Interest – to the extent determined)	Both Principal and Interest	Up to 730 days	Based on an order of DoT dated April 29, 2022, Company to repay 1/5th of sanctioned loan (as per sanction terms) per year for 5 years from Financial Years (FY) 2022-23. However, the same was not paid for FY 2022-23 and 2023-24. Penal interest not paid for respective FYs.
Term Loan	Indian Bank Limited	Rs. 38.81 Lakhs	Interest	6 Days	The said defaults have been subsequently rectified.
Term Loan	Indian Bank Limited	Rs. 238.00 Lakhs (Principal) and Rs. 36.04 (Interest)	Both Principal and Interest	13 Days	
Term Loan	Canara Bank Limited	Rs. 1,000 Lakhs (Principal) and Rs. 89.59 (Interest)	Both Principal and Interest	6 Days	

- b) Based on the information and explanation furnished and as represented to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. Accordingly, no reporting is required under paragraph 3(ix)(b).
- c) The Company has taken term loans from banks and is confirmed to us that, based on the documents maintained and information furnished, all term loans were applied for the purposes for which the loans were obtained.
- d) On an overall examination of the financial statements as at March 31, 2024, of the Company, the Company has used Rs. 82,480.47 lakhs funds raised on short term basis to finance long-term assets of the Company. We further draw attention to Note 31 to CFS where in the current ratio of the Company is less than 1 (being 0.89) which is also an indication that short-term funds have been used to finance long-term assets of the Company.
- e) On an overall examination of the CFS of the Company, it has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under the paragraph 3(ix)(e) of the Order is not applicable.
- f) Based on the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under the paragraph 3(ix)(f) of the Order is not applicable.
10. a) According to the information and explanation given to us, no moneys were raised during the year by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable.
- b) According to the information and explanation given to us, the Company has made preferential allotment during the year for an amount of Rs. 10,700 Lakhs (incl securities premium) which was received during previous FY 2022-2023 at a price of Rs. 94.61 per share by issue of equity shares on preferential basis, as a part of financial assistance to ITI Limited, based on recommendations of Board for Reconstruction of Public Sector Enterprise approved by CCEA dated February 12, 2014, as communicated vide letter dated February 24, 2014. As represented by the Company, the same is utilized as prescribed by CCEA. Further the requirements of section 62 of the Companies Act, 2013 have been complied with. No private placement of shares or convertible debentures (fully, partially or optionally convertible) were made during the year.
11. a) Based on the information and explanation given and as represented to us, no material fraud by or on the Company has been noticed or reported during the year. Accordingly, reporting under paragraph 3(xi)(a) is not applicable.
- b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report. Accordingly, reporting under paragraph 3(xi)(b) is not applicable.
- c) Based on the information and explanation given and as represented to us, there are no whistleblower complaints received by the Company during the year. Since the Company has not furnished any data regarding the same, we are unable to comment on the reporting of paragraph 3(xi)(c) of the said Order.
12. In our opinion the Company is not a Nidhi Company. Accordingly, the reporting under paragraph 3(xii) (a) to (c) of the said Order are not applicable.
13. The Company, being a Government Company, is exempted from the provisions of Section 177 and Section 188 of the Companies Act, 2013 relating to transactions with related parties in terms of MCA Notification No. GSR 463 (E) dated 05th June 2015. Accordingly, reporting under paragraph 3(xiii) of the Order is not applicable.
14. a) In our opinion and based on review of the internal control procedures and internal audit mechanism placed by the Company, although there is an internal audit function, the scope, coverage

and requisite size of the internal audit system is not commensurate with the size and nature of its business.

- b) For the reasons stated in the above clause, the internal audit reports could not be entirely considered by us.
15. As represented to us by the management and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the reporting under paragraph 3(xv) of the said Order is not applicable.
16. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3(xvi)(a) to (c) of the Order is not applicable.
- b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the reporting under the paragraph 3(xvi)(d) of the Order is not applicable.
17. The Company has incurred cash losses in the financial year and in the immediately preceding financial year amounting to Rs. 51,579.77 lakhs and Rs. 31,035.52 lakhs respectively.
18. According to the information and explanation furnished to us by the Company, there is no resignation of statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.
19. Attention is invited to note 31 to CFS regarding the same prepared on a going concern basis and our comments as detailed under the heading "Material Uncertainty on Going Concern", notwithstanding that the Company incurred losses during the current year and immediately preceding year, has significant liabilities to be discharged and its current ratio also being less than one. The appropriateness of the said basis is inter alia dependent on the Company meeting/ adhering to its cash flow requirements through expected conversion of unbilled revenue into billed revenue / realization, step-up recovery

processes to collect billed dues, adequate sanction of working capital borrowing from consortium banks along with continued support of the Government of India as detailed in the said note. Further, we draw reference to point 1(g) under 'Report on Other Legal and Regulatory Matters' of audit report of 'India Satcom Limited' in respect of going concern concept based on which the accounts have been prepared. In this regard, auditors are of the opinion that the going concern basis adopted by the Company is subject to the sanctioning of the plan applied for by the Company as also to the commercialization of the payment gateway software.

20. Company although is satisfying conditions specified under Section 135 of the Act and becomes liable to comply with the provisions of the Section 135 and Companies Rules, 2014 but since there are no profits, section 135 of the said Act will not be applicable. Accordingly, reporting under paragraph 3(xx)(a) & (b) are not applicable.
21. The Company has an associate company wherein it holds 49.06% of equity share capital which is included in the consolidated financial statements. However, there have not been any qualifications or adverse remarks by the respective auditor in the Companies (Auditor's Report) Order (CARO) reports of the associate company. Accordingly, the provisions of paragraph 3(xxi) of the said Order are not applicable.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTK1103

Place: Bengaluru
Date: July 31, 2024



“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

Annexure B referred to in Paragraph 2 (i) under the heading “Report on other legal and regulatory requirements” of our report to the members of ITI Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We were engaged to audit the internal financial controls over financial reporting of ITI Limited (“the Company”) as of March 31, 2024, in conjunction with our audit of the CFS of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of CFS for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of CFS in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the CFS.

Disclaimer of Opinion

According to the information and explanation given to us, the Company has neither established nor tested its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2024.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the CFS of the Company, and the disclaimer has affected our opinion on the CFS of the Company and we have issued disclaimer of opinion on CFS.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTK1103

Place: Bengaluru
Date: July 31, 2024

“ANNEXURE C” TO INDEPENDENT AUDITOR’S REPORT

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013 indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of ITI Limited (Consolidated) for the year 2023-24.

Sl. No.	Areas Examined	Auditors’ Observations
1.	<p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>The Company has a system in place to process all the accounting transactions through IT software, except for the matters described in the Basis for Disclaimer of Opinion section.</p> <p>Sub-systems such as PPE, inventory, invoicing, order processing, payroll are outside the accounting software.</p>
2.	<p>Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loan/interest etc. made by a lender to the company due to the company’s inability to repay the loan?</p> <p>If yes, the financial impact may be stated. Whether such cases are properly accounted for?</p>	<p>According to the information and explanations given to us and based on our examination of the records of the Company, during the year there has been no restructuring of any existing loan during the year and hence, no reporting made.</p>
3.	<p>Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for /utilized as per its term and conditions?</p> <p>List the cases of deviation.</p>	<p>Based on the information and explanation furnished to us, in respect of the capital grants and revenue grants as reported under note 13, note 18 and note 12 to CFS, we are unable to collect sufficient appropriate audit evidence in respect of the utilization / accounting which is reportedly done at various units/corporate office of the Company. Further verification and reconciliation of respective bank accounts for its receipt and utilizations, including the closing balances unutilized could not be readily traced in the books of accounts as no ready data was made available for our verification, in absence of which we are unable to comment on the same.</p>

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of ITI LIMITED for the year ended 31-3-2024 in accordance with the directions issued by the C&AG of India under Section 143 (5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For **B.K.RAMADHYANI & CO LLP**
Chartered Accountants
Firm Registration No. 002878S/S200021

(CA Vasuki H S)
Partner
Membership No. 212013
UDIN: 24212013BKCLTK1103

Place: Bengaluru
Date: July 31, 2024



Annexure D to the Audit Report

Amounts in Rs.

Credit ledger accounts				
Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
BGP	14502 LIABILITY FOR OTHER FIN.-PAYROLL	Credit	-24,97,29,132	-2,70,65,867
BGP	145.02 LIABILITY FOR OTHER FIN MISC	Credit	-15,17,14,635	-14,31,05,628
BGP	147.05 OTHER DEPOSITS	Credit	-4,40,10,101	-3,99,22,395
BGP	14702 SEC DEP BLDG CONTRACTORS	Credit	-4,24,61,366	-4,09,92,627
BGP	Rent Deposits (Other Payable)	Credit	-3,74,06,692	-4,10,88,534
BGP	Advances Recd. From Customers	Credit	-2,72,65,970	-2,10,58,487
BGP	Salary Payable	Credit	-2,68,59,014	-5,11,26,230
BGP	14509 CONTRACTOR LIABILITY CIVIL & OTHERS	Credit	-2,37,75,933	-2,46,35,498
BGP	Salaries Recoveries	Credit	-2,32,43,236	-2,12,11,909
BGP	145.08 OTHER LIABILITIES-OTHERS	Credit	-1,02,13,201	-1,06,13,931
BGP	PL Encashment Liability for MKP	Credit	-28,22,919	-28,22,919
BGP	PL Encashment for Naini	Credit	-3,55,911	-4,60,943
BGP	14106 Exp. & Services Other	Credit	-1,41,540	-1,41,540
BGP	22506 TA ADVANCE SALARY RECOVERY	Credit	-64,635	-17,479
BGP	226.06 ADV RECOVERABLE- OTHER MISC. REC.	Credit	-1,456	-93,031
RO Bhuvaneshwar	19103 SERVICE TAX	Credit	-3,89,165	-3,89,165
RO Bhuvaneshwar	Advances From Customer	Credit	-5,34,488	-5,34,488
RO Chennai	18210 OTHER PAYABLES	Credit	-1,25,742	-1,21,235
RO Hyderabad	28570 EMD FROM VENDORS	Credit	-3,06,252	-28,77,792
RO Hyderabad	14705 - Security Deposit	Credit	-92,719	-95,31,806
RO Lucknow	18250 DEPOSITS FROM CONTRACTORS	Credit	-6,04,97,916	-6,02,41,881
RO Lucknow	18250 DEPOSITS FROM CONTRACTORS	Credit	-1,17,69,408	-1,25,13,796
RO Lucknow	18260 MISC. LIABILITIES	Credit	-1,43,41,712	-76,49,013
RO Lucknow	RECOV. SUPPLIERS/OTHER	Credit	-43,89,145	-3,82,10,694
RO Lucknow	19400 ADVANCE FROM CUSTOMERS	Credit	-31,65,736	-64,18,05,136

Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
RO Lucknow	28570 EMD FROM VENDORS	Credit	-9,25,000	-14,40,000
RO Lucknow	UNPAID TRAVELLING ALLOWANCE	Credit	-57,052	-57,052
RO Lucknow	SALARIES AND WAGES UNPAID	Credit	-21,156	-21,156
RO Lucknow	RECOVERIES-PAYROLL	Credit	-9,500	-9,500
RO Lucknow	18220 SALARY PAYABLE	Credit	-14,82,517	-13,64,682
RO Delhi	Security From Vendor-BPL	Credit	-5,44,048	-5,44,048
RO Delhi	142 45 Security Deposits	Credit	-1,56,87,009	-1,67,17,232
RO Delhi	EMD From Vendor- Delhi	Credit	-2,32,86,732	-4,64,74,939
RO Delhi	EMD From Vendor- BPL	Credit	-25,69,720	-25,69,720
RO Delhi	18220 SALARY PAYABLE	Credit	-41,96,826	-68,51,175
RO Delhi	19103 Service Tax	Credit	-83,03,254	-83,03,254
RO Delhi	19105 Rajasthan/MP Tax	Credit	-12,012	-12,012
RO Lucknow	Misc Liability	Credit	-27,24,29,954	-26,74,26,405
Total			-1,06,52,02,803	-1,55,00,23,198

Amounts in Rs

Debit ledger accounts				
Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
BGP	21872 CLAIMS RENT SHOPS & BLDG.	Debit	9,19,95,582	9,71,42,650
BGP	225.05 ADV.TO CONTRACTORS	Debit	4,71,49,437	4,71,49,437
BGP	228.01 CLAIMS AND EXPENSES RECOV INLAND	Debit	3,44,48,482	3,44,48,482
BGP	230.04 SECURITY DEPOSIT PAID ACCOUNT	Debit	3,39,64,684	3,39,37,224
BGP	225.07 OTHER ADVANCE RECOV. BGP	Debit	2,35,76,835	2,35,76,835
BGP	21871 CLAIMS RENT QTRS.	Debit	1,83,93,414	3,26,27,524
BGP	228.01 Electricity Data Centre	Debit	1,61,61,589	90,67,535
BGP	230.03 DEPOSIT PAID-OTHERS (EMD)	Debit	69,88,737	72,12,277
BGP	22507 OTHER ADVANCE RECOV. BGP PI	Debit	39,59,363	39,43,655
BGP	22801 Stipend Claims	Debit	29,76,528	29,76,528
BGP	235.00 Prepaid Expenses	Debit	27,60,847	21,34,831
BGP	22801 South Western Rly Leased Rent	Debit	21,27,813	21,27,813
BGP	21873 CLAIM GROUND RENT	Debit	13,36,670	7,39,543
BGP	22801 Recoverable UTSTARCOM NGN Mfg.	Debit	10,67,771	10,67,771
BGP	22506 TA Adv. BGP VUSS MUSS	Debit	9,09,826	9,09,826
BGP	Sales Tax Input Credits	Debit	6,65,486	6,65,486



Unit/RO name	Ledger Name	Debit / Credit	Opening Balance	Closing Balance
BGP	22513 MECHNOLINC WELDERS	Debit	5,00,000	5,00,000
BGP	230.01 DEPOSIT TCS RECEIVABLE	Debit	4,79,746	4,60,351
BGP	Excise Duty Input Credits / Deposits	Debit	4,27,401	4,27,401
BGP	Custom Duty Input Credits / Deposits	Debit	3,65,627	3,65,627
BGP	Sales Tax	Debit	3,53,690	3,53,690
BGP	226.13 OTHER ADVANCES RECOVERABLE	Debit	3,06,506	99,506
BGP	21873 CLAIMS GROUND RENT GST B2B	Debit	1,79,319	3,56,519
BGP	222.00 Imprest Account	Debit	1,47,434	2,13,989
BGP	22506 TA Advance 4 G BGP	Debit	97,836	59,124
BGP	226.03 ADV RECOVERABLE- FESTIVAL ADVANCE	Debit	84,800	5,74,800
BGP	22506 TA/DA ASCON PHASE 4	Debit	48,086	38,086
BGP	226.05 ADV RECOVERABLE- CYCLE ADVANCE	Debit	30,000	30,000
BGP	22801 RECOVERABLE FROM SSTPL - SAAS AADHAR	Debit	29,500	29,500
BGP	22510 TA/DA ASCON PHASE 4	Debit	4,651	-21,408
BGP	225.20 CANTEEN ADVANCE RECOVERABLE	Debit	240	240
BGP	Excise Duty	Debit	150	-
RO Bhuvaneshwar	SECURITY DEPOSIT FOR SALES TAX APPEAL FEES	Debit	7,90,538	7,90,538
RO Lucknow	29100 SECURITY DEPOSIT	Debit	2,00,96,845	2,14,91,939
RO Lucknow	ADVANCE TOWARDS PURCHASES-ROS	Debit	1,99,65,600	1,99,65,600
RO Lucknow	RECOV.OF TA EXP-RLY-F	Debit	16,78,207	16,78,207
RO Lucknow	PAY AEAR DUE FROM HQ	Debit	81,596	81,596
RO Lucknow	28316 OTHER ADVANCE RECOVERABLE	Debit	44,181	57,803
RO Lucknow	28315 TA RECOVERABLE	Debit	37,163	5,482
RO Lucknow	ADVANCE RECOVERABLE SERVICES	Debit	26,000	24,000
RO Delhi	28750 EMD RECEIVABLE (DELHI)	Debit	1,92,76,378	2,02,76,379
RO Delhi	28312 STAFF IMPREST ADVANCE & LOANS	Debit	3,39,229	2,00,718
RO Delhi	28315 TA RECOVERABLE	Debit	15,10,912	3,69,650
RO Delhi	28316 OTHER ADVANCE RECOVERABLE (ANNUAL ADVANCE)	Debit	81,000	-1,000
RO Delhi	28570 EMD RECEIVABLE (BHOPAL)	Debit	4,58,123	4,58,123
RO Delhi	29100 SECURITY DEPOSITS (BHOPAL)	Debit	74,636	74,636
RO Delhi	29100 SECURITY DEPOSITS (DELHI)	Debit	3,57,020	3,57,020
Total			35,63,55,479	36,90,45,534

For **B.K.RAMADHYANI & CO LLP**
 Chartered Accountants
 Firm Registration No. 002878S/S200021

(CA Vasuki H S)
 Partner
 Membership No. 212013
 UDIN: 24212013BKCLTK1103

Place: Bengaluru
 Date: July 31, 2024

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ITI LIMITED (STANDALONE) FOR THE YEAR ENDED 31st MARCH 2024

The preparation of Standalone Financial Statements of ITI Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on Independent audit it in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 31.07.2024 which supersedes their earlier Audit Report dated 28.05.2024

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of ITI Limited for the year ended 31st March 2024 under section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the statutory Auditors and Company Personnel, and a selective examination of some of the accounting records. The audit report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143 (6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

Profit and Loss

Expenses

Other Expenses- Rs.16714.07 lakhs (Note 30)

The above head is understated by an amount of Rs. 242.30 lakh due to non-provisioning of expenditure pertaining to year 2023-24.

This has also resulted in understatement of loss by the same amount

**For and on behalf of the
Comptroller & Auditor General of India**

**(Purushottam Tiwary)
Director General of Audit
(Finance & Communication)**

Place: Delhi
Date:11.09.2024

COMPANY'S REPLY W.R.T COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT 2013 ON THE FINANCIAL STATEMENT OF ITI LIMITED (STANDALONE) FOR THE YEAR ENDED 31ST MARCH 2024

	Comments of C&AG	Company's Reply
1.	<p>Comments on Profitability</p> <p>Statement of Profit and Loss</p> <p>Expenses:</p> <p>Other Expenses (Note No. 30)</p> <p>Rs. 16714.07 lakhs</p> <p>The above head is understated by an amount of Rs.242.30 lakh due to non- provisioning of expenditure pertaining to year 2023 - 24. This has also resulted in understatement of loss by the same amount.</p>	<p>The provision w.r.t. expense of Rs. 242.30 Lakhs pertaining to FY 2023-24, was missed inadvertently. However, the same expense has been duly accounted in the current FY 2024-25.</p>

For on behalf of Board of Director

RAJESH RAI

Chairman & Managing Director
(DIN: 10052045)

Place : Bengaluru
Date :10.10.2024



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ITI LIMITED (CONSOLIDATED) FOR THE YEAR ENDED 31st MARCH 2024

The preparation of Consolidated Financial Statements of ITI Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 read with section 129 (4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Revised audit report dated 31.07.2024 which supersede their earlier audit report dated 28.05.2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of ITI Limited for the year ended 31st March 2024 under section 143 (6) (a) read with Section 129 (4) of the Act. We conducted supplementary audit of the Consolidated financial statements of ITI Limited but did not conduct supplementary audit of the financial statements of India Satcom Limited (jointly controlled entity) for the year ended on that date. **Further, Section 139 (5) and 143 (6) (a) of the Act are not applicable to India Satcom Limited being a private entity, under the respective laws for the appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of this Company.** This supplementary Audit has been carried out independently without access to the working

papers of the Statutory Auditors and is limited primarily to inquiries of the statutory Auditors and Company Personnel, and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143 (6) (b) read with Section 129 (4) of the Act which have come to my attention, and which, in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

Profit and Loss

Expenses

Other Expenses- Rs.16714.07 lakhs (Note 30)

The above head is understated by an amount of Rs. 242.30 lakh due to non-provisioning of expenditure pertaining to year 2023-24.

This has also resulted in understatement of loss by the same amount.

For and on behalf of the
Comptroller & Auditor General of India

(Purushottam Tiwary)
Director General of Audit
(Finance & Communication)

Place: Delhi
 Date:17.09.2024

COMPANY'S REPLY W.R.T COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT 2013 ON THE FINANCIAL STATEMENT OF ITI LIMITED (CONSOLIDATED) FOR THE YEAR ENDED 31ST MARCH 2024

	Comments of C&AG	Company's Reply
1	<p>Comments on Profitability</p> <p>Statement of Profit and Loss</p> <p>Expenses:</p> <p>Other expenses (Note No. 30)</p> <p>Rs. 16714.07 lakhs</p> <p>The above head is understated by an amount of Rs.242.30 lakh due to non- provisioning of expenditure pertaining to year 2023 - 24. This has also resulted in understatement of loss by the same amount.</p>	<p>The provision w.r.t. expense of Rs. 242.30 Lakhs pertaining to FY 2023-24, was missed inadvertently. However, the same expense has been duly accounted in the current FY 2024-25.</p>

For on behalf of Board of Director

RAJESH RAI
 Chairman & Managing Director
 (DIN: 10052045)

Place : Bengaluru
 Date :10.10.2024

PRODUCTS & SERVICES OF ITI LIMITED



Partner In Nation Building Since 1948





ITI LIMITED

(A Government of India Undertaking)

CIN: L32202KA1950GOI000640

Registered & Corporate Office:

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