

Ref: K/953/NSE&BSE/BM/2021

Date: 22.06.2021

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

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

Dear Sir/Madam,

Sub: Audited Financial Results (Standalone and Consolidated) for the Quarter and Year Ended 31st March 2021

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

With reference to the captioned subject, this is to inform that with the recommendation of the Audit Committee, the Board of Directors in its Meeting held on 22nd June 2021 approved the Audited Financial Results for the Quarter and Year Ended 31st March 2021.

Please find herewith the following documents:


1. Audited Consolidated Financial Results for the Quarter and Year Ended 31st March 2021;
2. Statement of Consolidated Assets and Liabilities for the Year Ended 31st March 2021;
3. Consolidated Cash Flow Statement for the Year Ended 31st March 2021;
4. Statutory Auditor's Report on Consolidated Financial Results for the Quarter and Year Ended 31st March 2021;
5. Audited Standalone Financial Results for the Quarter and Year Ended 31st March 2021;
6. Statement of Assets and Liabilities for the Year Ended 31st March 2021;
7. Standalone Cash Flow Statement for the Year Ended 31st March 2021;
8. Statutory Auditor's Report on Standalone Financial Results for the Quarter and Year Ended 31st March 2021; and
9. Statement on Impact of Audit Qualifications (for Audit Report with modified opinion) on:
 - a. Consolidated Financial Results for the Quarter and Year Ended 31st March 2021; and
 - b. Standalone Financial Results for the Quarter and Year Ended 31st March 2021

The Board Meeting commenced at 02.30 pm and concluded at 7.30 pm.

This is for your kind information and records please.

Thanking you

Yours faithfully
For ITI Limited


S Sharmuga Priya
Company Secretary

Encl: as above

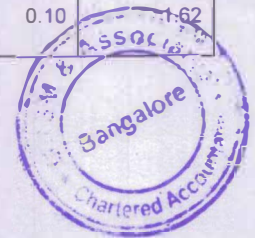


ITI LIMITED
 Reg. & Corporate Office,
 ITI Bhavan, Doorvaninaagar, Bangalore-560016
 Website: www.italtd.com
 Email Address: "cosecv crp@italtd.co.in"
 CIN No: L32202KA1950GOI000640

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31st March 2021

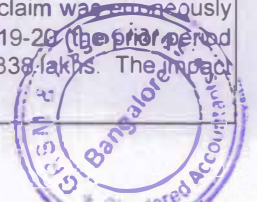
₹ in Lakhs except per share data

SL No	Particulars	Quarter Ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	Revenue from Operations	1,26,632	49,688	65,048	2,36,218	2,05,887
	Other Income	6,474	1,016	1,243	16,137	18,389
	Total Revenue	1,33,106	50,704	66,291	2,52,356	2,24,276
2	Expenses					
	(a) Cost of Materials Consumed & Services	82,268	42,168	19,411	1,64,797	1,20,255
	(b) Purchase of stock-in-trade	12,738	2,417	31,563	27,013	41,868
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	2,977	(2,143)	(3,599)	(855)	(4,029)
	(d) Employee benefits expense	7,183	5,036	6,256	29,044	23,101
	(e) Finance costs	3,363	4,050	3,594	15,959	14,066
	(f) Depreciation and amortisation expense	904	1,083	949	4,185	4,189
	(g) Other expenses	3,544	1,270	4,809	11,093	10,079
	Total Expenses	1,12,977	53,880	62,983	2,51,235	2,09,528
3	Profit / (Loss) before exceptional, Prior period and extraordinary items and tax (1 - 2)	20,129	(3,176)	3,308	1,120	14,748
4	Prior period Items	-	-	-	-	-
5	Profit / (Loss) before exceptional, extraordinary items and tax (3 + 4)	20,129	(3,176)	3,308	1,120	14,748
6	Exceptional Items	-	-	-	-	-
7	Share of Profit of Associate under Equity Method	(163)	(4)	(90)	(172)	(177)
8	Profit / (Loss) before tax (5 + 6 + 7)	19,965	(3,180)	3,218	948	14,571
9	Tax Expense:					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
10	Profit / (Loss) for the period (8 - 9)	19,965	(3,180)	3,218	948	14,571
11	Other comprehensive Income/(Loss)					
	Items not to be reclassified to Profit or Loss in subsequent period	1,666	98	(963)	1,960	392
	Other comprehensive Income/(Loss) for the period	1,666	98	(963)	1,960	392
12	Total comprehensive Income for the period (comprising profit/Loss) and other comprehensive Income for the period (10 + 11)	21,631	(3,082)	2,255	2,907	14,963
13	Paid up equity share capital (Face value of ₹10/- each)	93,352	92,512	92,512	93,352	92,512
14	i) Earnings Per Share (before extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	2.16	(0.34)	0.36	0.10	1.62
	(b) Diluted	2.16	(0.34)	0.36	0.10	1.62
	ii) Earnings Per Share (after extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	2.16	(0.34)	0.36	0.10	1.62
	(b) Diluted	2.16	(0.34)	0.36	0.10	1.62
	See accompanying note to the Financial Results					



**NOTES:**

1	The above financial results for the year ended 31.03.2021 were reviewed by the Audit Committee on 22.06.2021 and upon its recommendations, were approved by the Board of Directors at their meeting held on 22.06.2021.
2	These results have been prepared in accordance with the IND AS notified under the companies (Indian Accounting Standards) Rules 2015, as amended.
3	Revenue for the quarter ended 31st March 2021 of ₹1,26,632 lakhs and ₹2,36,218 lakhs for the year ended 31st March 2021, includes ₹1,38,916 lakhs which has been recognised as 'Unbilled Revenue' during the year.
4	Other Income includes ₹6,474 Lakhs for the Quarter ended 31st March 2021 and ₹16,137 lakhs for the year ended 31st March 2021, which represent ₹2,043.71 lakhs provisions / liabilities written back/ no-longer required related to earlier year during the year.
5	Other Expense for the year ended 31.03.2021 includes ₹8.70 lakhs represents, unrealisable debts written off against previous year figures of ₹242.60 Lakhs
6	<p>(a) During the Previous year the Dept of Telecommunications (DoT), GOI has allocated Grant of ₹8540 lacs to the company towards meeting the liability of PF of the employees who were given VRS/VSS or whose VRS/VSS was under process as on 30.6.2018 which was approved by Dept of Expenditure, MoF. The DoT has intimated vide letter dated 31st Dec 2019 that the company may account for allocation of ₹8540 Lacs in the previous year 2019-20 to meet its liabilities on account of statutory dues from its own resources which will be recouped by DoT. In accordance with Ind AS 20 the amount has been recognised the Grant of ₹8540 lacs as " Other Income".</p> <p>(b) The company has received ₹15500 lakhs towards VRS expenditure. Up to the beginning of FY 2020-21 ₹4097.51 lakhs was spent. Upto 31st March (FY 2020-21) the company has incurred ₹6675.51 lakhs towards VRS expenses and the same has been appropriated from the Grants. As on 31st March 2021 balance un spent Grant remained at ₹4726.98 lakhs.</p>
7	<p>a) The Company had revalued its land and buildings in the year 2005-06 and under the previous GAAP carried a revaluation reserve in the books. During migration to IND AS, the Company used the optional exemptions and elected to measure all of its property, plant and equipment at their previous GAAP carrying value and had chosen the cost model. Under such circumstances, the revaluation reserve was required to be transferred to retained earnings. However, erroneously the carrying amount of such revaluation reserve of ₹235436.85 lakhs on 1-4-2016 was carried into the migrated IND AS financial statements as Revaluation Reserve and shown under Other Equity. Hence, the error is rectified by transferring the revaluation reserve to retained earnings. Since the error occurred before the earliest prior period presented in these financial statements, it is rectified by restating the opening balance of retained earnings for the earliest prior period presented i.e., on 1-4-2019.</p> <p>b) GST ineligible input credit of ₹209.68 lakhs of 2017-18 was erroneously carried as an asset (recoverable) in the balance sheet. The error was identified during the year and rectified in the prior period.</p> <p>c) During 2019-20, payments amounting to ₹1744.41 lakhs were made towards PL Encashment for employees who retired during the past years and for which provision was omitted to be made in the past. The error was rectified in 2019-20.</p> <p>d) Further to the rectification made in 2019-20 as mentioned in (c) above, provision for the remaining amount of non-provision of PL Encashment for employees who retired in the past is identified and rectified during 2020-21.</p>
8	The spread of Covid-19 pandemic and subsequent restrictions during the year adversely impacted several businesses across the globe. There was a moderate impact on the company's operations/performance for the quarter and year ended on 31-3-2021. Based on the information (internal, as well as external) available up to the date of approval of these financial results, Company expects to recover the carrying amounts of trade receivables and other financial assets. The company will continue to closely monitor the developments, future economic and business outlook, and its impact on the company's future performance.
9	The Company is primarily engaged in business of manufacturing, trading and servicing of telecommunication equipments and rendering other associated / ancillary services and there are no other reportable segments. The Company is primarily operating in India, which is considered as a single geographical segment. The company is also engaged in Defence projects. The MCA vide its notification dt.23.02.2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting.
10	The Company is a Sick Company as per provisions of Sick Industrial Companies Act(SICA), 1985. CCEA has approved a financial assistance of ₹4156.79 crore in February, 2014, for revival of ITI under Rehabilitation Scheme.
11	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.
12	Land admeasuring 77 acres with the carrying value of ₹ 3850 Lakhs was repossessed by the government of kerala is under adjudication of Apex court.
13	The company is still in the process of obtaining the fair values of various investment properties and hence the disclosure of this information is not given.
14	The company had received a claim for an amount of ₹338.00 lakhs towards refund of the additional expenditure incurred by Advanced Numerical Research and Analysis Group, Hyderabad against supplies made by the Company in the past. This claim was erroneously not provided for in the financial year 2019-20. The error is rectified by restating the comparative amounts for 2019-20 (the prior period presented) in which the error occurred under the line items 'Other expenses' and 'Other Financial Liabilities' by ₹338 lakhs. The impact on the Basic and Diluted Earnings Per Share is negligible.



15	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 the provisions of SEBI Listing Regulations due to insufficient number of Independent Directors including women independent director. However, the proposal for appointment of requisite number of Independent Directors including Women Independent Director on the Board of the Company is under process with the Administrative Ministry.
16	Postponement of the revenue recognition in respect of rent, due to uncertainty of ultimate collection owing to various reasons including but not limiting to finalisation of the terms of lease and not entering into formal agreements- i.) BMTc - 12.15 Acres, additionally 1.85 acres ii.) KPTC - 5 Acres iii.) C-DOT - 24.46 Acres iv.) NIFT - New Building
17	Balances in the accounts of creditors, advances from customers, debtors, claims recoverable, loans & advances, materials with fabricators, subcontractors/others, material in transit, deposits, loans, and other payables/receivables such as Sales Tax, VAT, Excise Duty, Cenvat, Service Tax, GST, TDS etc., are under confirmation/reconciliation. Adjustments, if any will be made on completion of such review / reconciliation / receipt of confirmation. However, in the opinion of the management, the Trade receivables, Current assets and Loans & advances are reliable in the ordinary course of business.
18	Corresponding Quarter figures have been regrouped/restated wherever necessary to conform with the current period's classification
19	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.

20	₹ in Lakhs	
	Quarter end	Year ended
EPS calculation:	31-03-2021	31-03-2021
Profit After Tax	19,965	948
Less:		
Preference Dividend	-	-
Dividend tax	-	-
Profit available to equity shareholders	19,965	948
No. of Shares at beginning of the period	925119508	925119508
No. of Shares issued during the period.	8403361	8403361
No. of Shares at the end of the period.	933522869	933522869
Weighted average no of shares during the period	926293676	926293676
Earning per equity share (for continuing operation): Basic & Diluted(in ₹)	2.16	0.10
21	The above results are available at www.itiltd-india.com and website of stock exchanges at www.bseindia.com and nseindia.com .	

22	Particulars	Quarter ended 31-03-2021
	INVESTOR COMPLAINTS:	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	-
	Disposed of during the quarter	-
	Remaining unresolved at the end of the quarter	Nil

AS per our report of even date
For M/S GRSM & ASSOCIATES
Chartered Accountants
Firm Reg No.: 0005639

GOPALKRISHNA HEGDE
Partner
M. No. 208063
Place: Bengaluru
Date: 22.06.2021



RAJEEV SRIVASTAVA
Director Finance / Chief Financial Officer

राजीव श्रीवास्तव / Rajeev Srivastava
निदेशक- वित्त / Director - Finance
आईटीआई लिमिटेड / ITI Limited
पंजीकृत एवं निगमित कार्यालय / Regd. & Corporate Office
आईटीआई भवन, दूवाणीनगर / ITI Bhavan, Dooravaninagar
बेंगलूरु -560016 / BANGALORE - 560 016

For ITI LIMITED

R M AGARWAL
Chairman & Managing Director

R.M. AGARWAL
Chairman & Managing Director
ITI Limited
Registered & Corporate Office
ITI Bhavan, Dooravaninagar
BENGALURU - 560 016



Statement of Consolidated Assets and Liabilities

₹ in Lakhs

Particulars	As at	As at
	31/03/2021	31/03/2020
	Audited	Audited
I. ASSETS		
(1) Non-current assets		
(a) Property, Plant & Equipment	2,63,292	262,529
(b) Capital work-in-progress	16,887	18,863
(c) Investment Property	6,747	6,748
(d) Goodwill	-	-
(e) Intangible assets	-	-
(f) Intangible assets under development	-	-
(g) Biological Assets other than bearer plants	-	-
(h) Financial Assets	-	-
(i) Investments	3,627	3,799
(ii) Trade receivables	35,273	35,936
(iii) Loans	7	17
(iv) Others	-	-
(i) Deferred Tax Assets (net)	-	-
(j) Other non current assets	-	-
TOTAL	3,25,832	3,27,892
(2) Current assets		
(a) Inventories	19,370	17,334
(b) Financial Assets	-	-
(i) Investments	-	-
(ii) Trade receivables	2,55,210	2,76,114
(iii) Cash and cash equivalents	2,794	3,978
(iv) Bank Balances other than (iii) above	51,970	20,529
(v) Loans	55,764	57,288
(vi) Unbilled Revenue	1,71,119	62,329
(vii) Others	-	-
(c) Current Tax Assets (Net)	-	-
(d) Other current assets	9,046	6,599
TOTAL	5,65,273	4,44,170
TOTAL	8,91,105	7,72,062
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	93,352	92,512
(b) Other Equity	1,52,239	1,39,507
TOTAL	2,45,592	2,32,019
Liabilities		
(1) Non-Current Liabilities		
(a) Government Grants	4,732	11,407
(b) Financial Liabilities	-	-
(i) Borrowings	30,000	18,000
(ii) Trade Payables	-	-
(iii) Others	7,312	13,393
(c) Provisions	5,325	7,434
(d) Deferred Tax Liabilities (Net)	-	-
(e) Other Non-Current Liabilities	-	-
TOTAL	47,368	50,234
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,16,426	1,03,558
(ii) Trade payables	2,80,898	2,18,305
(iii) Others	81,032	94,931
(b) Provisions	13,665	12,704
(c) Current Tax Liabilities (Net)	-	-
(d) Other current liabilities	1,06,125	60,311
TOTAL	5,98,146	4,89,810
TOTAL	8,91,105	7,72,062

As per our report of even date
For M/S GRSM & ASSOCIATES
Chartered Accountants
Firm Reg No.: 000863S

GOPALKRISHNA HEGDE
Partner
M. No. 208063
Place: Bengaluru
Date: 22.06.2021



RAJEEV SRIVASTAVA
Director Finance / Chief Financial Officer

राजीव श्रीवास्तव / Rajeev Srivastava
निदेशक - वित्त / Director - Finance
आईटीआई लिमिटेड / ITI Limited

पंजीकृत एवं निगमित कार्यालय / Regd. & Corporate Office
आईटीआई भवन, दूरवाणीनगर / ITI Bhavan, Dooravaninagar
बैंगलूरु - 560016 / BANGALORE - 560 016

For ITI LIMITED

R M AGARWAL
Chairman & Managing Director

R.M. AGARWAL
Chairman & Managing Director
ITI Limited
Registered & Corporate Office
ITI Bhavan, Dooravaninagar
BANGALURU - 560 016

ITI LIMITED

Consolidated Cash Flow Statement for the year ended 31.03.2021

₹ in Lakhs

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT/(LOSS) BEFORE TAX		947.79
Adjustment For :		14570.74
Depreciation	4184.84	4189.20
Financing Charges	15959.18	14065.90
Profit On Sale Of Investments	0.00	0.00
Interest/Dividend Received	(1160.60)	(1571.14)
Loss On Sale Of Asset	0.00	0.00
Profit On Sale Of Asset	(2810.64)	(179.31)
Transfer From Grant-In-Aid	(6675.51)	(8979.33)
Transfer From Grant-In-Aid	0.00	0.00
Other Comprehensive Income	1959.55	214.68
Non-Cash Expenditure	1201.29	1663.75
OPERATING CASH PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	13605.89	23974.48
Adjustment For:		
Trade And Other Receivables	(89334.86)	(64665.58)
Inventories	(2037.71)	(2804.24)
Trade Payables	87277.99	23567.90
Direct Taxes Paid	(3.64)	62.13
CASH GENERATED FROM OPERATIONS	9507.67	(19865.31)
CASH FLOW FROM OPERATING ACTIVITIES	9507.67	(19865.31)
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase Of Fixed Assets Including:		
Capital Work-In-Progress	(2968.68)	(6392.38)
Sale Of Fixed Assets	2810.64	179.31
Investments	172.42	177.09
Interest Received	1160.60	1571.14
Proceeds from maturity/Deposit of Other Bank Balances	(31441.11)	(2846.01)
Dividend Received	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES [B]	(30266.13)	(7310.83)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Short Term Borrowings	24867.83	(4312.29)
Share Application Money	10500.00	10500.00
Adjustment with surplus	165.51	(3107.80)
Grant-In-Aid Received	0.00	39470.00
Financing Expenses	(15959.18)	(14065.90)
NET CASH USED IN FINANCING ACTIVITIES [C]	19574.15	28484.01
NET INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]	(1184.31)	1307.85
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	3977.98	2670.13
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	2793.67	3977.98

Note:

The accompanying Significant Accounting Policies and notes form part of the financial statements

As per our report of even date

For M/S GRSM & ASSOCIATES

Chartered Accountants

Firm Reg No.: 000863S



GOPALKRISHNA HEGDE

Partner
M. No. 208063

SHANMUGA PRIYA

Company Secretary

RAJEEV SRIVASTAVA
Director Finance / Chief Financial Officer

For & On Behalf of Board of Directors

R.M. AGARWAL
Chairman & Managing Director

Place: Bengaluru

Date : 22.06.2021

राजीव श्रीवास्तव / Rajeev Srivastava
निदेशक- वित्त / Director - Finance
आईटीआई लिमिटेड / ITI Limited
पंजीकृत एवं निगमित कार्यालय / Regd. & Corporate Office
आईटीआई भवन, दूरवाणीनगर / ITI Bhavan, Dooravaninagar
बेंगलूरु - 560016 / BANGALORE - 560 016

R.M. AGARWAL
Chairman & Managing Director
ITI Limited
Registered & Corporate Office
ITI Bhavan, Dooravaninagar
BENGALURU - 560 016

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF
CONSOLIDATED FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF ITI LIMITED

Qualified Opinion

We have audited the accompanying Statement of Consolidated Financial Results of ITI LIMITED (the "Company") and its associate (the Company and its associate together referred to as the "Group"), for the quarter and year ended March 31, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the Statement:

- (i) includes the results of the associate of India Satcom Limited.
- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2021.

Basis for Qualified Opinion

1. The Company is carrying an amount of Rs.5,847.90 lakhs as receivable from C-DOT towards rent from premises leased out to them up to the period ended 31-3-2011. The company has not made a provision for credit losses in respect of this amount which is doubtful of recovery. The company has also not recognised any rent for further period due to uncertainty of collection.
2. The Company has also not made provision for credit losses in respect of the following items included under Current Financial Assets – Loans, which are also doubtful of recovery:
 - i) Recoverable from HCL Infosystems Limited of Rs.1690.20 lakhs as compensation on account of excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.
 - ii) Recoverable from Himachal Futuristic Communications Ltd of Rs.1049.41 lakhs towards Liquidated Damages.

Accordingly, the profit for the year and the net current assets would have been over reduced by Rs.8587.51 lakhs.

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder.

we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to the following matters under various notes (referred against each item) of the financial statements. Our opinion is not modified in respect of these matters.

- Balances in the accounts of trade receivables, claims recoverable, loans & advances, trade & other payables are subject to confirmation/ reconciliation. [Note No.17]
- The Company is a Sick Company as per provisions of Sick Industrial Companies Act, 1985. CCEA has approved a financial assistance of Rs.415679 lakhs in February 2014 for revival of ITI Limited under rehabilitation scheme. [Note No.10]
- Postponement of revenue recognition in respect of rent, due to uncertainty of ultimate collection owing to various reasons including but not limiting to finalisation of the terms of the lease and not entering into formal agreements. [Note No.16]
 - BMTC - 12.15 acres, additionally 1.85 acres
 - KPTC - 5 acres
 - C-DOT - 24.46 acres
 - NIFT - New Building
- The Company is not in compliance with the requirements of having specified proportion/ number of independent directors including women independent director(s). [Note No.15]
- Recoverability of carrying amounts of various assets due to the impact of Covid-19 [Note No.8]
- Provision for interest/ penalty on delayed remittance of statutory dues including provident fund contributions [Note No.11]
- Land admeasuring 77 acres with the carrying value of Rs.3850 lakhs was re-possessed by the Government of Kerala is under adjudication of the Apex Court. [Note No.12]
- Improper application of the principles of valuation of inventories, making provisions and accounting for leases as per the Indian Accounting Standards at the Raebareli Unit. [as reported by the branch auditor].
- Non filing of appropriate forms to carry cenvat deposit of Rs.108.85^{lakhs} to the GST regime at the Srinagar Unit [as reported by the branch auditor].

Management's Responsibilities for the Consolidated Financial Results

This Statement which includes Consolidated financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the audited interim condensed consolidated financial statements for the three months and year ended March 31, 2021. This responsibility includes preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- a) The consolidated financial results include the group's share of net loss of Rs.163 lakhs and Rs.172 lakhs in respect of an associate for the quarter and year ended March 31, 2021 respectively, whose financial statement have been audited by the respective Independent auditors. The independent auditors' report on Financial Results of this entity has been furnished to us and our opinion on the consolidated Financial Results in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- b) We did not audit the financial statements of Mankapur, Raebareli, Srinagar, Naini & Palakkad Branches included in the financial results of the Company whose financial statements reflect total assets of Rs.304598.68 lakhs as at March 31, 2021 and total income of Rs.31144.32 lakhs for the year ended on that date, as considered in the financial statements (excluding inter-unit balances and transactions). The financial statements of these branches have been audited by

the branch 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 branches is solely on the report of such Branch Auditors

- c) The consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our opinion on the consolidated financial results is not modified in respect of the above matters.

Place: Bangalore
Date: 22 June 2021

UDIN: 21208063AAAAGZ7240

For GRSM & ASSOCIATES
Chartered Accountants
[FRN: 000863S]

G. Hegde

GOPALKRISHNA HEGDE
Partner
M.No.208063





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

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31st March 2021

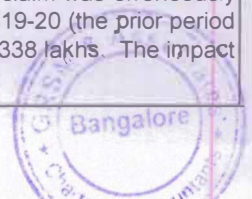
₹ in Lakhs except per share data

SL No	Particulars	Quarter Ended			Year Ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	Revenue from Operations	1,26,632	49,688	65,048	2,36,218	2,05,887
	Other Income	6,474	1,016	1,243	16,137	18,389
	Total Revenue	1,33,106	50,704	66,291	2,52,356	2,24,276
2	Expenses					
	(a) Cost of Materials Consumed & Services	82,268	42,168	19,411	1,64,797	1,20,255
	(b) Purchase of stock-in-trade	12,738	2,417	31,563	27,013	41,868
	(c) Changes in inventories of finished goods, work-in-progress and traded goods	2,977	(2,143)	(3,599)	(855)	(4,029)
	(d) Employee benefits expense	7,183	5,036	6,256	29,044	23,101
	(e) Finance costs	3,363	4,050	3,594	15,959	14,066
	(f) Depreciation and amortisation expense	904	1,083	949	4,185	4,189
	(g) Other expenses	3,544	1,270	4,809	11,093	10,079
	Total Expenses	1,12,977	53,880	62,983	2,51,235	2,09,528
3	Profit / (Loss) before exceptional, Prior period and extraordinary items and tax (1 - 2)	20,129	(3,176)	3,308	1,120	14,748
4	Prior period Items	-	-	-	-	-
5	Profit / (Loss) before exceptional, extraordinary items and tax (3 + 4)	20,129	(3,176)	3,308	1,120	14,748
6	Exceptional Items	-	-	-	-	-
7	Profit / (Loss) before tax (5 + 6)	20,129	(3,176)	3,308	1,120	14,748
8	Tax Expense:					
	(1) Current Tax	-	-	-	-	-
	(2) Deferred Tax	-	-	-	-	-
9	Profit / (Loss) for the period (7 - 8)	20,129	(3,176)	3,308	1,120	14,748
10	Other comprehensive Income/(Loss)					
	Items not to be reclassified to Profit or Loss in subsequent period	1,666	98	(963)	1,960	392
	Other comprehensive Income/(Loss) for the period	1,666	98	(963)	1,960	392
11	Total comprehensive Income for the period (comprising profit/Loss) and other comprehensive Income for the period (09+10)	21,794	(3,078)	2,345	3,080	15,140
12	Paid up equity share capital (Face value of ₹10/- each)	93,352	92,512	92,512	93,352	92,512
13	i) Earnings Per Share (before extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	2.17	(0.34)	0.37	0.12	1.64
	(b) Diluted	2.17	(0.34)	0.37	0.12	1.64
	ii) Earnings Per Share (after extraordinary items and prior period Items) (of ₹10/- each):					
	(a) Basic	2.17	(0.34)	0.37	0.12	1.64
	(b) Diluted	2.17	(0.34)	0.37	0.12	1.64
	See accompanying note to the Financial Results					



**NOTES:**

1	The above financial results for the year ended 31.03.2021 were reviewed by the Audit Committee on 22.06.2021 and upon its recommendations, were approved by the Board of Directors at their meeting held on 22.06.2021.
2	These results have been prepared in accordance with the IND AS notified under the companies (Indian Accounting Standards) Rules 2015, as amended.
3	Revenue for the quarter ended 31st March 2021 of ₹1,26,632 lakhs and ₹2,36,218 lakhs for the year ended 31st March 2021, includes ₹1,38,916 lakhs which has been recognised as 'Unbilled Revenue' during the year.
4	Other Income includes ₹6,474 Lakhs for the Quarter ended 31st March 2021 and ₹16,137 lakhs for the year ended 31st March 2021, which represent ₹2,043.71 lakhs provisions / liabilities written back/ no-longer required related to earlier year during the year.
5	Other Expense for the year ended 31.03.2021 includes ₹8.70 lakhs represents, unrealisable debts written off against previous year figures of ₹242.60 Lakhs
6	<p>(a) During the Previous year the Dept of Telecommunications (DoT), GOI has allocated Grant of ₹8540 lacs to the company towards meeting the liability of PF of the employees who were given VRS/VSS or whose VRS/VSS was under process as on 30.6.2018 which was approved by Dept of Expenditure, MoF. The DoT has intimated vide letter dated 31st Dec 2019 that the company may account for allocation of ₹8540 Lacs in the previous year 2019-20 to meet its liabilities on account of statutory dues from its own resources which will be recouped by DoT. In accordance with Ind AS 20 the amount has been recognised the Grant of ₹8540 lacs as " Other Income".</p> <p>(b) The company has received ₹15500 lakhs towards VRS expenditure. Up to the beginning of FY 2020-21 ₹4097.51 lakhs was spent. Upto 31st March (FY 2020-21) the company has incurred ₹6675.51 lakhs towards VRS expenses and the same has been appropriated from the Grants. As on 31st March 2021 balance un spent Grant remained at ₹4726.98 lakhs.</p>
7	<p>a) The Company had revalued its land and buildings in the year 2005-06 and under the previous GAAP carried a revaluation reserve in the books. During migration to IND AS, the Company used the optional exemptions and elected to measure all of its property, plant and equipment at their previous GAAP carrying value and had chosen the cost model. Under such circumstances, the revaluation reserve was required to be transferred to retained earnings. However, erroneously the carrying amount of such revaluation reserve of ₹235436.85 lakhs on 1-4-2016 was carried into the migrated IND AS financial statements as Revaluation Reserve and shown under Other Equity. Hence, the error is rectified by transferring the revaluation reserve to retained earnings. Since the error occurred before the earliest prior period presented in these financial statements, it is rectified by restating the opening balance of retained earnings for the earliest prior period presented i.e., on 1-4-2019.</p> <p>b) GST ineligible input credit of ₹209.68 lakhs of 2017-18 was erroneously carried as an asset (recoverable) in the balance sheet. The error was identified during the year and rectified in the prior period.</p> <p>c) During 2019-20, payments amounting to ₹1744.41 lakhs were made towards PL Encashment for employees who retired during the past years and for which provision was omitted to be made in the past. The error was rectified in 2019-20.</p> <p>d) Further to the rectification made in 2019-20 as mentioned in (c) above, provision for the remaining amount of non-provision of PL Encashment for employees who retired in the past is identified and rectified during 2020-21.</p>
8	The spread of Covid-19 pandemic and subsequent restrictions during the year adversely impacted several businesses across the globe. There was a moderate impact on the company's operations/performance for the quarter and year ended on 31-3-2021. Based on the information (internal, as well as external) available up to the date of approval of these financial results, Company expects to recover the carrying amounts of trade receivables and other financial assets. The company will continue to closely monitor the developments, future economic and business outlook, and its impact on the company's future performance.
9	The Company is primarily engaged in business of manufacturing, trading and servicing of telecommunication equipments and rendering other associated / ancillary services and there are no other reportable segments. The Company is primarily operating in India, which is considered as a single geographical segment. The company is also engaged in Defence projects. The MCA vide its notification dt.23.02.2018 has exempted companies engaged in the Defence production from the requirement of Segment Reporting.
10	The Company is a Sick Company as per provisions of Sick Industrial Companies Act(SICA), 1985. CCEA has approved a financial assistance of ₹4156.79 crore in February, 2014, for revival of ITI under Rehabilitation Scheme.
11	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.
12	Land admeasuring 77 acres with the carrying value of ₹ 3850 Lakhs was repossessed by the government of kerala is under adjudication of Apex court.
13	The company is still in the process of obtaining the fair values of various investment properties and hence the disclosure of this information is not given.
14	The company had received a claim for an amount of ₹338.00 lakhs towards refund of the additional expenditure incurred by Advanced Numerical Research and Analysis Group, Hyderabad against supplies made by the Company in the past. This claim was erroneously not provided for in the financial year 2019-20. The error is rectified by restating the comparative amounts for 2019-20 (the prior period presented) in which the error occurred under the line items 'Other expenses' and 'Other Financial Liabilities' by ₹338 lakhs. The impact on the Basic and Diluted Earnings Per Share is negligible.



15	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 the provisions of SEBI Listing Regulations due to insufficient number of Independent Directors including women independent director. However, the proposal for appointment of requisite number of Independent Directors including Women Independent Director on the Board of the Company is under process with the Administrative Ministry.
16	Postponement of the revenue recognition in respect of rent, due to uncertainty of ultimate collection owing to various reasons including but not limiting to finalisation of the terms of lease and not entering into formal agreements- i.) BMTC - 12.15 Acres, additionally 1.85 acres ii.) KPTC - 5 Acres iii.) C-DOT - 24.46 Acres iv.) NIFT - New Building
17	Balances in the accounts of creditors, advances from customers, debtors, claims recoverable, loans & advances, materials with fabricators, subcontractors/others, material in transit, deposits, loans, and other payables/receivables such as Sales Tax, VAT, Excise Duty, Cenvat, Service Tax, GST, TDS etc., are under confirmation/reconciliation. Adjustments, if any will be made on completion of such review / reconciliation / receipt of confirmation. However, in the opinion of the management, the Trade receivables, Current assets and Loans & advances are reliable in the ordinary course of business.
18	Corresponding Quarter figures have been regrouped/restated wherever necessary to conform with the current period's classification
19	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year.

20		₹ in Lakhs	₹ in Lakhs
	EPS calculation:	Quarter end	Year ended
		31-03-2021	31-03-2021
	Profit After Tax	20,129	1,120
	Less:		
	Preference Dividend	-	-
	Dividend tax	-	-
	Profit available to equity shareholders	20,129	1,120
	No. of Shares at beginning of the period	925119508	925119508
	No. of Shares issued during the period.	8403361	8403361
	No. of Shares at the end of the period.	933522869	933522869
	Weighted average no of shares during the period	926293676	926293676
	Earning per equity share (for continuing operation): Basic & Diluted (in ₹)	2.17	0.12
21	The above results are available at www.itilt-d-india.com and website of stock exchanges at www.bseindia.com and nseindia.com .		

22	Particulars	Quarter ended 31-03-2021
	INVESTOR COMPLAINTS:	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	-
	Disposed of during the quarter	-
	Remaining unresolved at the end of the quarter	Nil

As per our report of even date
For M/S GRSM & ASSOCIATES
Chartered Accountants
Firm Reg No.: 0008635



GOPALKRISHNA HEGDE
Partner
M. No. 208063
Place: Bengaluru
Date: 22.06.2021

RAJEEV SRIVASTAVA
Director Finance / Chief Financial Officer

राजीव श्रीवास्तव / Rajeev Srivastava
निदेशक- वित्त / Director - Finance
आईटीआई लिमिटेड / ITI Limited
पंजीकृत एवं निगमित कार्यालय / Regd. & Corporate Office
आईटीआई भवन, दूरवाणीनगर / ITI Bhavan, Dooravaninagar
बंगलुरु - 560016 / BANGALORE - 560 016

For ITI LIMITED

R. M. AGARWAL

Chairman & Managing Director
R.M. AGARWAL
Chairman & Managing Director
ITI Limited
Registered & Corporate Office
ITI Bhavan, Dooravaninagar
BENGALURU - 560 016



Statement of Assets and Liabilities

₹ in Lakhs

Particulars	As at	As at
	31/03/2021	31/03/2020
	Audited	Audited
I. ASSETS		
(1) Non-current assets		
(a) Property, Plant & Equipment	2,63,292	2,62,529
(b) Capital work-in-progress	16,887	18,863
(c) Investment Property	6,747	6,748
(d) Goodwill	-	-
(e) Intangible assets	-	-
(f) Intangible assets under development	-	-
(g) Biological Assets other than bearer plants	-	-
(h) Financial Assets	-	-
(i) Investments	41	41
(ii) Trade receivables	35,273	35,936
(iii) Loans	7	17
(iv) Others	-	-
(i) Deferred Tax Assets (net)	-	-
(j) Other non current assets	-	-
TOTAL	3,22,246	3,24,134
(2) Current assets		
(a) Inventories	19,370	17,334
(b) Financial Assets	-	-
(i) Investments	-	-
(i) Trade receivables	2,55,210	2,76,114
(iii) Cash and cash equivalents	2,794	3,978
(iv) Bank Balances other than (iii) above	51,970	20,529
(v) Loans	55,764	57,288
(vi) Unbilled Revenue	1,71,119	62,329
(vii) Others	-	-
(c) Current Tax Assets (Net)	-	-
(d) Other current assets	9,046	6,599
TOTAL	5,65,273	4,44,170
TOTAL	8,87,519	7,68,304
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	93,352	92,512
(b) Other Equity	1,48,653	1,35,748
TOTAL	2,42,006	2,28,260
Liabilities		
(1) Non-Current Liabilities		
(a) Government Grants	4,732	11,407
(b) Financial Liabilities	-	-
(i) Borrowings	30,000	18,000
(ii) Trade Payables	-	-
(iii) Others	7,312	13,393
(c) Provisions	5,325	7,434
(d) Deferred Tax Liabilities (Net)	-	-
(e) Other Non-Current Liabilities	-	-
TOTAL	47,368	50,234
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,16,426	1,03,558
(ii) Trade payables	2,80,897	2,18,305
(iii) Others	81,033	94,931
(b) Provisions	13,665	12,704
(c) Current Tax Liabilities (Net)	-	-
(d) Other current liabilities	1,06,125	60,311
TOTAL	5,98,146	4,89,810
TOTAL	8,87,519	7,68,304

As per our report of even date
For M/S GRSM & ASSOCIATES
Chartered Accountants
Firm Reg No.: 0008636



GOPALKRISHNA HEGDE
Partner
M. No. 208063
Place: Bengaluru
Date: 22.06.2021

RAJEEV SRIVASTAVA
Director Finance / Chief Financial Officer

राजीव श्रीवास्तव / Rajeev Srivastava
निदेशक- वित्त / Director - Finance
आईटीआई लिमिटेड / ITI Limited
पंजीकृत एवं निगमित कार्यालय / Regd. & Corporate Office
आईटीआई भवन, दूरवाणीनगर / ITI Bhavan, Dooravaninagar
बैंगलुरु - 560016 / BANGALORE - 560 016

For ITI LIMITED

R M AGARWAL
Chairman & Managing Director
ITI Limited
Registered & Corporate Office
ITI Bhavan, Dooravaninagar
BENGALURU - 560 016

ITI LIMITED

Standalone Cash Flow Statement for the year ended 31.03.2021

₹ in Lakhs

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT/(LOSS) BEFORE TAX		1120.20
Adjustment For :		
Depreciation	4184.84	4189.20
Financing Charges	15959.18	14065.90
Profit On Sale Of Investments	0.00	0.00
Interest/Dividend Received	(1160.60)	(1571.14)
Loss On Sale Of Asset	0.00	0.00
Profit On Sale Of Asset	(2810.64)	(179.31)
Transfer From Grant-In-Aid	(6675.51)	(8979.33)
Transfer From Grant-In-Aid	0.00	0.00
Other Comprehensive Income	1959.55	391.77
Non-Cash Expenditure	1201.29	1486.66
OPERATING CASH PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	13778.31	24151.58
Adjustment For:		
Trade And Other Receivables	(89334.86)	(64665.58)
Inventories	(2037.71)	(2804.24)
Trade Payables	87277.99	23567.90
Direct Taxes Paid	(3.64)	62.13
CASH GENERATED FROM OPERATIONS	9680.08	(19688.21)
CASH FLOW FROM OPERATING ACTIVITIES	9680.08	(19688.21)
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase Of Fixed Assets Including:		
Capital Work-In-Progress	(2968.68)	(6392.38)
Sale Of Fixed Assets	2810.64	179.31
Investments	0.00	0.00
Interest Received	1160.60	1571.14
Proceeds from maturity/Deposit of Other Bank Balances	(31441.11)	(2846.01)
Dividend Received	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES (B)	(30438.54)	(7487.93)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Short Term Borrowings	24867.83	(4312.31)
Share Application Money	10500.00	10500.00
Adjustment with surplus	165.51	(3107.80)
Grant-In-Aid Received	0.00	39470.00
Financing Expenses	(15959.18)	(14065.90)
NET CASH USED IN FINANCING ACTIVITIES (C)	19574.14	28484.00
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(1184.32)	1307.86
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	3977.99	2670.13
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	2793.67	3977.99

Note:

The accompanying Significant Accounting Policies and notes form part of the financial statements

As per our report of even date
For M/S GRSM & ASSOCIATES
Chartered Accountants
Firm Reg No. 000860S

GOPALKRISHNA HEGDE
Partner
M. No. 208063

S SHANMUGA PRIYA
Company Secretary

RAJEEV SRIVASTAVA
Director Finance / Chief Financial Officer

For & On Behalf of Board of Directors

R.M. AGARWAL
Chairman & Managing Director

Place: Bengaluru
Date : 22.06.2021

राजीव श्रीवास्तव / Rajeev Srivastava
निदेशक- वित्त / Director - Finance
आईटीआई लिमिटेड / ITI Limited
पंजीकृत एवं निगमित कार्यालय / Regd. & Corporate Office
आईटीआई भवन, दूरवाणीनगर / ITI Bhavan, Dooravaninagar
बेंगलूरु - 560016 / BANGALORE - 560 016

R.M. AGARWAL
Chairman & Managing Director
ITI Limited
Registered & Corporate Office
ITI Bhavan, Dooravaninagar
BENGALURU - 560 016

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE
STANDALONE FINANCIAL RESULTS**

TO THE BOARD OF DIRECTORS OF ITI LIMITED

Qualified Opinion

We have audited the accompanying Statement of Standalone Financial Results of ITI LIMITED (the "Company"), for the quarter and year ended March 31, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2021.

Basis for Qualified Opinion

1. The Company is carrying an amount of Rs.5,847.90 lakhs as receivable from C-DOT towards rent from premises leased out to them up to the period ended 31-3-2011. The company has not made a provision for credit losses in respect of this amount which is doubtful of recovery. The company has also not recognised any rent for further period due to uncertainty of collection.
2. The Company has also not made provision for credit losses in respect of the following items included under Current Financial Assets – Loans, which are also doubtful of recovery:
 - i) Recoverable from HCL Infosystems Limited of Rs.1690.20 lakhs as compensation on account of excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.
 - ii) Recoverable from Himachal Futuristic Communications Ltd of Rs.1049.41 lakhs towards Liquidated Damages.

Accordingly, the profit for the year and the net current assets would have been over reduced by Rs.8587.51 lakhs.

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the quarter and year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

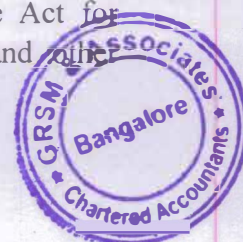
Emphasis of Matter

We draw attention to the following matters under various notes (referred against each item) of the financial statements. Our opinion is not modified in respect of these matters.

- Balances in the accounts of trade receivables, claims recoverable, loans & advances, trade & other payables are subject to confirmation/ reconciliation. [Note No.17]
- The Company is a Sick Company as per provisions of Sick Industrial Companies Act, 1985. CCEA has approved a financial assistance of Rs.415679 lakhs in February 2014 for revival of ITI Limited under rehabilitation scheme. [Note No.10]
- Postponement of revenue recognition in respect of rent, due to uncertainty of ultimate collection owing to various reasons including but not limiting to finalisation of the terms of the lease and not entering into formal agreements. [Note No.16]
 - BMTC - 12.15 acres, additionally 1.85 acres
 - KPTC – 5 acres
 - C-DOT – 24.46 acres
 - NIFT – New Building
- The Company is not in compliance with the requirements of having specified proportion/ number of independent directors including women independent director(s). [Note No.15]
- Recoverability of carrying amounts of various assets due to the impact of Covid-19 [Note No.8]
- Provision for interest/ penalty on delayed remittance of statutory dues including provident fund contributions [Note No.11]
- Land admeasuring 77 acres with the carrying value of Rs.3850 lakhs was re-possessed by the Government of Kerala is under adjudication of the Apex Court. [Note No.12]
- Improper application of the principles of valuation of inventories, making provisions and accounting for leases as per the Indian Accounting Standards at the Raebareli Unit [as reported by the branch auditor].
- Non filing of appropriate forms to carry cenvat deposit of Rs.108.85^{lakhs} to the GST regime at the Srinagar Unit [as reported by the branch auditor].

Management's Responsibilities for the Standalone Financial Results

This Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited Interim condensed standalone financial statements for the three months and year ended March 31, 2021. This responsibility includes preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records 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 the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit



evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- a) We did not audit the financial statements of Mankapur, Raebareli, Srinagar, Naini & Palakkad Branches included in the standalone financial results of the Company whose financial statements reflect total assets of Rs.304598.68 lakhs as at March 31, 2021 and total income of Rs.31144.32 lakhs for the year ended on that date, as considered in the standalone financial statements (excluding inter-unit balances and transactions). The financial statements of these branches have been audited by the branch 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 branches is solely on the report of such Branch Auditors.
- b) The standalone financial results include the results for the quarter ended March 31, 2021, being the derived figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were reviewed by us.

Our opinion is not modified in respect of these matters.

Place: Bangalore
Date: 22 June 2021

UDIN: 21208063 AAAG 72773

For GRSM & ASSOCIATES
Chartered Accountants
[FRN: 000863S]


GOPALKRISHNA HEGDE
Partner
M.No.208063



Consolidated Statement of Impact of Audit Qualifications for The Financial Year Ended March 31st, 2021

(Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)

(₹ In Lakhs)

S. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Audited figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	2,52,355.63	2,52,355.63
2	Total Expenditure	2,51,235.44	2,59,822.95
3	Net Profit/(Loss)	947.78	-7,253.32
4	Earnings per share	0.10	-0.78
5	Total Assets	8,91,105.43	8,91,105.43
6	Total Liabilities	6,45,513.85	6,54,101.36
7	Net worth	2,45,591.58	2,37,004.07
8	Any other financial item's (as felt appropriate by the management)		

Qualification No. 1

I	Audit Qualification
a.	Details of Audit Qualification The Company is carrying an amount of ₹ 5,847.90 lakhs as receivable from C-DOT towards rent from premises leased out to them up to the period ended 31-3-2011. The company has not made a provision for credit losses in respect of this amount which is doubtful of recovery. The company has also not recognised any rent for further period due to uncertainty of collection
b.	Type of Qualification - Qualified Opinion
c.	Frequency of Qualification -Repetitive
d.	Audit Qualification - Quantified <ul style="list-style-type: none"> • The company has been rigorously following on with the C-DoT for resolving the pending issue of the rent due from C-DoT. Subsequently, DoT has informed ITI to present the subject matter to ITI Board for perusal for the further course of action. Company is of the view that provision for ₹ 5847.90 Lakhs at this juncture is not required till the issue is finally settled.

Qualification No. 2

II	Audit Qualification
a.	Details of Audit Qualification i) Recoverable from HCL Infosystems Limited of ₹ 1690.20 lakhs as compensation on account of excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.
b.	Type of Qualification – Qualified Opinion
c.	Frequency of Qualification – New
d.	Audit Qualification – Quantified <ul style="list-style-type: none">The implementation of GSM Project 2M, 3M & 9M BSNL Project AND 1M MTNL Project and there was Master agreement (MoU) in 2006 and subsequent addendums. Due to LD, payment & short closure the some works the dispute arose between the parties as such the arbitration clause is invoked by the HCL in December 2017 during the pendency of their civil suit. In this case ITI has also filed its amended counter claim. Cross Examination of RW1 is continuing. Matter was last listed for further cross examination of RW1 on 10.04.2021 to 13.04.2021. However, due to pandemic it could not happen. Next date of hearing is not given by arbitrator due to the pandemic and lockdown. We are hopeful to get the decision in companies favour, provision at this juncture is not possible.

Qualification No. 3

III	Audit Qualification
a.	Details of Audit Qualification Recoverable from Himachal Futuristic Communications Ltd of ₹ 1049.41 lakhs towards Liquidated Damages
b.	Type of Qualification – Qualified Opinion
c.	Frequency of Qualification – New
d.	Audit Qualification – Quantified <ul style="list-style-type: none">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. The award was passed in favour of HFCL. However, HFCL has filed the present case for enhancement of award. Case was last listed on 28.01.2020. We are hopeful to get the decision in companies favour, provision at this juncture is not possible.

To be signed by:	
CEO/Managing Director	
Director Finance	
Audit Committee Chairman	
Statutory Auditor	

Place: Bangalore

Date: 22.06.2021.

Standalone Statement of Impact of Audit Qualifications for The Financial Year Ended March 31st, 2021

(Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)

(₹ In Lakhs)

S. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Audited figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	2,52,355.63	2,52,355.63
2.	Total Expenditure	2,51,235.44	2,59,822.95
3.	Net Profit/(Loss)	1,120.19	-7,467.32
4.	Earnings per share	0.12	-0.81
5.	Total Assets	8,87,519.37	8,87,519.37
6.	Total Liabilities	6,45,513.85	6,54,101.36
7.	Net worth	2,42,005.52	2,33,418.01
8.	Any other financial item's (as felt appropriate by the management)		

Qualification No. 1

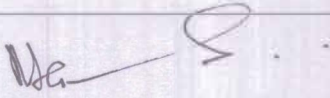

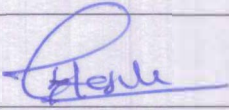
I	Audit Qualification
a.	<p>Details of Audit Qualification</p> <p>The Company is carrying an amount of ₹ 5,847.90 lakhs as receivable from C-DOT towards rent from premises leased out to them up to the period ended 31-3-2011. The company has not made a provision for credit losses in respect of this amount which is doubtful of recovery. The company has also not recognised any rent for further period due to uncertainty of collection</p>
b.	Type of Qualification – Qualified Opinion
c.	Frequency of Qualification –Repetitive
d.	<p>Audit Qualification – Quantified</p> <ul style="list-style-type: none"> The company has been rigorously following on with the C-DoT for resolving the pending issue of the rent due from C-DoT. Subsequently, DoT has informed ITI to present the subject matter to ITI Board for perusal for the further course of action. Company is of the view that provision for ₹ 5847.90 Lakhs at this juncture is not required till the issue is finally settled.

Qualification No. 2

II	Audit Qualification
a.	Details of Audit Qualification i) Recoverable from HCL Infosystems Limited of ₹ 1690.20 lakhs as compensation on account of excess amount spent by the Mankapur Unit of the Company based on the agreement between ITI, HCL and Alcatel.
b.	Type of Qualification – Qualified Opinion
c.	Frequency of Qualification – New
d.	Audit Qualification – Quantified <ul style="list-style-type: none">The implementation of GSM Project 2M, 3M & 9M BSNL Project AND 1M MTNL Project and there was Master agreement (MoU) in 2006 and subsequent addendums. Due to LD, payment & short closure the some works the dispute arose between the parties as such the arbitration clause is invoked by the HCL in December 2017 during the pendency of their civil suit. In this case ITI has also filed its amended counter claim. Cross Examination of RW1 is continuing. Matter was last listed for further cross examination of RW1 on 10.04.2021 to 13.04.2021. However, due to pandemic it could not happen. Next date of hearing is not given by arbitrator due to the pandemic and lockdown. We are hopeful to get the decision in companies favour, provision at this juncture is not possible.

Qualification No. 3

III	Audit Qualification
a.	Details of Audit Qualification Recoverable from Himachal Futuristic Communications Ltd of ₹ 1049.41 lakhs towards Liquidated Damages
b.	Type of Qualification – Qualified Opinion
c.	Frequency of Qualification – New
d.	Audit Qualification – Quantified <ul style="list-style-type: none">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. The award was passed in favour of HFCL. However, HFCL has filed the present case for enhancement of award. Case was last listed on 28.01.2020. We are hopeful to get the decision in companies favour, provision at this juncture is not possible.

To be signed by:	
CEO/Managing Director	
Director Finance	
Audit Committee Chairman	
Statutory Auditor	

Place: Bangalore

Date: 22.06.2021.