

06th July 2026

To
The Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai, Maharashtra – 400 001.

Sub: Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report for the financial year 2025-26.

Scrip Code: 517286.

Dear Sirs / Madam,

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2025-26.

The Notice of the 02nd Annual General Meeting (Post Relisting), together with the Annual Report for the financial year 2025-26, has been sent by email to the shareholders who have registered their email IDs with the Company / with any depository. Further, a letter containing the weblink to the Notice of the 02nd Annual General Meeting (Post Relisting) and the Annual Report has been dispatched to the shareholders who have not registered their email IDs.

The Annual Report is also available on the Company's website at <https://rnit.ai/announcements>.

This is for your information and record.

Thanking you,

Yours faithfully

For **RNIT AI Solutions Limited**

T.T.V.R. Seshan
Company Secretary & Compliance Officer
Membership Number: A73647

RNIT AI Solutions Limited [Formerly known as Autopal Industries Limited]

Registered Office

RNIT AI Solutions Limited, 138 Kalyan Kunj Colony,
Kalwar Road, Jhotwara, Jaipur, Rajasthan-302012.
CIN: L62090RJ1985PLC003427

Corporate Office

RNIT AI Solutions Limited, Plot No.92, 93 & 94
Kavuri Hills, Madhapur, Hyderabad-500033.
email: cs@rnit.ai; Phone No.: +919281417110
www.rnit.ai



Formerly known as
Autopal Industries Limited



2025-26 ANNUAL REPORT

Right AI Solutions...
RightNow



Managing Director's message

**RAJA SRINIVAS
NANDIGAM**

Managing Director
RNIT AI Solutions Limited

Managing Director's Message

Engineering the Intelligence That Powers Tomorrow

Dear Fellow Shareholders,

Artificial Intelligence is rapidly becoming the defining technology of our time, transforming how governments operate, enterprises compete and societies evolve. We believe the next decade will not simply be about digital transformation, but about intelligent transformation, where AI becomes the operating layer for every institution and every enterprise.

At RNIT AI Solutions, we are building for that future.

FY2025-26 marked a defining chapter in our journey. It was our first full year as RNIT AI Solutions Limited following our successful transformation, and a year in which we strengthened our position as an AI-first technology company delivering intelligent

digital platforms that create measurable impact across governments, enterprises and institutions.

I am pleased to share that the Company delivered another year of strong financial and operational performance. Revenue from Operations increased to ₹5,149.88 Lakhs, while Profit After Tax grew to ₹1,201.73 Lakhs, reflecting the strength of our execution, the growing adoption of our technology platforms and the confidence our customers continue to place in us. Our improved earnings demonstrate not only disciplined operational management but also the scalability of our business model.

While financial performance remains an important measure of success, our greatest achievement during the year was strengthening the technological foundation that will drive RNIT's next phase of growth.

Today, RNIT operates across four strategic technology pillars:

- ❖ Artificial Intelligence
- ❖ Trusted Digital Identity
- ❖ Digital Governance Platforms
- ❖ AI-powered SaaS Solutions

Together, these capabilities enable us to build intelligent platforms that improve governance, simplify enterprise operations and enhance citizen experiences through secure, scalable and responsible AI.

The evolution of Generative AI is fundamentally reshaping every industry. We see AI moving beyond automation towards intelligent collaboration, enabling organizations to understand, reason, predict and make better decisions. This represents one of the largest technology opportunities of our generation, and RNIT is investing with a long-term perspective to lead this transformation.

During the year, we continued to strengthen our capabilities across Custom Large Language Models (LLMs), Small Language Models (SLMs), Conversational AI, Intelligent Automation, Facial Recognition Technologies, Predictive Analytics and Multimodal AI Systems. These technologies form the core of our integrated AI ecosystem, enabling us to deliver highly secure, domain-specific and scalable solutions tailored to the unique requirements of governments, enterprises and regulated industries.

One of our most significant strategic investments is NIA (Neural Intellectual Assistant), our enterprise conversational AI platform. Built on Custom LLMs and SLMs, NIA is designed to deliver secure, multilingual and domain-aware intelligence that transforms how governments, educational institutions and enterprises engage with citizens, students, job aspirants, employees and customers. We believe conversational AI is expected to become one of the primary interfaces for digital services, and NIA positions RNIT at the forefront of this evolution.

Alongside our AI initiatives, our Digital Identity and Governance platforms continued to expand across multiple states, supporting millions of users daily through facial

recognition, beneficiary verification, attendance management, education ecosystems, SME enterprises operations and citizen-centric digital services. Each successful deployment reinforces our belief that technology should solve real-world problems while improving efficiency, transparency and trust.

As we continue to diversify our business, we are equally excited about expanding into the Small and Medium Enterprise (SME) segment through our next-generation AI-powered SaaS portfolio.

Our Faceify Edu platform is designed to help educational institutions digitize academic administration, attendance, student engagement and campus operations through AI-powered automation.

Similarly, Faceify Corp enables enterprises and SMEs to modernize workforce management, attendance, visitor management, access control and operational workflows through intelligent facial recognition and AI-driven automation. Together, these cloud-native SaaS platforms are designed to make enterprise AI accessible, affordable and scalable, empowering organizations to improve productivity while reducing operational complexity.

This strategic expansion complements our strong government presence and establishes a diversified growth engine that combines recurring SaaS revenues with large-scale digital transformation programs.

Our international engagement also gained momentum during the year with the execution of a Memorandum of Understanding (MoU) with Ajnihat Alnajah Group LLC, Kingdom of Saudi Arabia. The MoU reflects the Company's efforts to explore opportunities in the areas of Artificial Intelligence, Digital Transformation and Digital Public Infrastructure. We believe our experience in delivering mission-critical AI solutions positions us well to address similar opportunities across global markets.

Innovation, however, must always be guided by responsibility. As AI becomes increasingly embedded within critical public and enterprise systems, trust becomes as important as technology itself. At RNIT, we remain committed to responsible AI, robust governance, cybersecurity, regulatory compliance and ethical innovation. We believe sustainable leadership is built not only through technological excellence but also through accountability and transparency.

Looking ahead, our priorities are clear. We will continue investing in AI research, Custom LLMs and SLMs, enterprise AI platforms, intelligent digital identity, SaaS products and strategic global partnerships while strengthening our intellectual property portfolio. Our objective is not simply to participate in the AI revolution, but to build platforms that become foundational to how governments and enterprises operate in the years ahead.

The opportunities before us have never been greater. Governments worldwide are accelerating digital transformation. Enterprises are embracing AI at unprecedented speed. Educational institutions are reimagining learning experiences. SMEs are increasingly seeking intelligent yet affordable digital platforms. These structural shifts



create a long runway for sustainable growth, and we believe RNIT is uniquely positioned to capitalize on these opportunities.

None of these achievements would have been possible without the dedication of our employees, the confidence of our customers, the guidance of our Board of Directors, the support of our partners and the continued trust of our shareholders. On behalf of the entire leadership team, I extend my sincere gratitude to every stakeholder who has been part of our journey.

As we look to the future, our conviction remains stronger than ever.

The next era will not be defined by software alone. It will be defined by intelligent systems that continuously learn, adapt and create value. At RNIT, we are committed to engineering those intelligent systems, responsibly, securely and at scale.

With a strong foundation, a clear strategic direction and an unwavering commitment to innovation, we remain confident in our ability to create enduring value for our shareholders while contributing meaningfully to India's and the world's AI-driven future.

Thank you for your continued trust and support.

Warm Regards,

Raja Srinivas Nandigam
Managing Director
RNIT AI Solutions Limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

| | |
|---|--|
| Mr. Pramod Reddy Mallaiahgari | Chairman - Independent Director (w.e.f 28.05.2025) |
| Mr. Raja Srinivas Nandigam | Managing Director |
| Mrs. Neelima Nandigam | Non-Executive Director (w.e.f.06.12.2025) |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Executive Director (w.e.f 28.05.2025) |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | Non-Executive Director (w.e.f 28.05.2025) |
| Mr. Srikanth Somepalli | Independent Director (w.e.f 28.05.2025) |
| Mr. Vijendra Palavalasa | Independent Director (w.e.f 28.05.2025) |

KEY MANAGERIAL PERSONNEL

| | |
|---|--|
| Mr. Raja Srinivas Nandigam | Managing Director |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Chief Financial Officer |
| Mr. Mandeep Singh | Company Secretary & Compliance Officer (till 29.09.2025) |
| Mr. T.T.V.R. Seshan | Company Secretary & Compliance Officer (w.e.f 30.09.2025) |

OTHER INFORMATION

| | |
|----------------------|--|
| Statutory Auditors | M/s. M S P R & Co., Chartered Accountants, Hyderabad |
| Secretarial Auditors | M/s. MVK & Associates, Company Secretaries, Hyderabad |
| Bankers | 1. ICICI Bank Limited, Madhapur Branch, Hyderabad. 2. AU Small Finance Bank Limited, West Marredpally Branch, Hyderabad. |

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 02nd Annual General Meeting (“AGM”) (**Post Relisting**) of the members of **RNIT AI SOLUTIONS LIMITED [formerly known as Autopal Industries Limited]** (CIN: L62090RJ1985PLC003427), will be held on Wednesday the 29th July, 2026 at 10:30 A.M. (IST) through Video Conference (“VC”)/ Other Audio Visual Means (“OAVM”), to transact the following business.

ORDINARY BUSINESS

Item No. 1: To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026 together with the reports of the Board of Directors and Auditors thereon and in this regard to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2026 together with the report of the Board of Directors and Auditors thereon, be and are hereby received, considered, approved and adopted.”

Item No. 2: To re-appoint Mr. Raja Srinivas Nandigam (DIN: 08430111), who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013, Mr. Raja Srinivas Nandigam (DIN: 08430111), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

Item No. 3: To consider and approve shifting of the Registered Office of the Company from the State of Rajasthan to the State of Telangana and Consequential Alteration of Clause 2 of the Memorandum of Association.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, and subject to the approval of the Central Government (Regional Director), Registrar of Companies and such other statutory, regulatory or governmental authorities as may be required, consent of the Members of the Company be and is hereby accorded for shifting the Registered Office of the Company from the State of Rajasthan to the State of Telangana.

RESOLVED FURTHER THAT upon receipt of the requisite approvals and completion of all applicable statutory formalities, the Registered Office of the Company be shifted from the State of Rajasthan to the State of Telangana.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 12 and 13 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder, Clause 2 of the Memorandum of Association of the company be and is hereby substituted with the following Clause:

NOTES:

1. Pursuant to General Circular number 14/2020 dt. 8.4.2020, 17/2020 dt. 13.4.2020, 20/2020 dt. 5.5.2020, 28/2020 dt. 17.8.2020, 02/2021 dt. 13.1.2021, 19/2021 dt. 8.12.2021, 21/2021 dt. 14.12.2021, 02/2022 dt. 5.5.2022, 10/2022 dated 28.12.2022, 09/2023 dated 25.09.2023, 09/2024 dated 19.09.2024 and 03/2025 dated 22.09.2025 issued by the Ministry of Corporate Affairs (MCA) and SEBI Circular no(s). SEBI/HO/CFD/CMD2/CIR/P/2022/62 dt. 13.05.2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dt. 5.1.2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dt. 07.10.2023 and SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2024/133 dt. 03.10.2024 the companies are allowed to hold the Annual General Meeting through Video Conferencing or Other Audio Visual Means (“VC/ OAVM”), without the physical presence of the Members at a common venue. In compliance with applicable provisions of the Companies Act, 2013 (“Act”) read with aforesaid MCA Circulars and SEBI Circulars, the Annual General Meeting of the Company is being conducted through Video Conferencing or Other Audio Visual Means (“VC/OAVM”) (hereinafter referred to as “AGM”). In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 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.
4. 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 Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (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 e-voting on the date of the AGM will be provided by NSDL.

6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning the special business under Item No. 3 of the accompanying Notice, forms part of this Notice. The Board of Directors of the Company, at its meeting held on 03rd July 2026, considered all the businesses mentioned in the Notice of the AGM as being unavoidable and required to be transacted at the Annual General Meeting of the Company.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rnit.ai. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.
9. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with Secretarial Standard-2 on General Meetings, in respect of the Director seeking re-appointment at the AGM is furnished as an annexure to the Notice. The concerned Director has furnished consent/ declaration for his appointment as required under the Companies Act, 2013.
10. Pursuant to Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **Register of Members and Share Transfer Books of the Company will remain closed from 23rd July 2026 to 29th July 2026 (both days inclusive)** for the purpose of this AGM.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the accompanying Notice and Explanatory Statement, including the Memorandum of Association of the Company containing the proposed alterations, shall be available for inspection by the Members through electronic mode. Members seeking inspection of such documents may send an e-mail to cs@rnit.ai and the same shall be made available electronically.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on **Sunday the 26th July 2026, at 09:00 A.M. and ends on Tuesday, the 28th July 2026 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **22nd July 2026**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **22nd July 2026**.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned 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 Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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. 2. 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. 3. 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 4. 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 |

| | |
|---|--|
| | <p>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.</p> <p>5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <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 Shareholders (holding securities in demat mode) login through their depository participants

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.

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

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders 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 |
| Individual Shareholders 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. 1800-21-09911 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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 shareholders other than Individual shareholders 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.com 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.

How to 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 shareholders (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 cs@mvkassociates.in with a copy marked to evoting@nsdl.com. Institutional shareholders (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 or send a request to Ms. Prajakta Pawle at evoting@nsdl.com

Process for those shareholders 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 beetalrta@gmail.com with a copy to cs@rnit.ai
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 beetalrta@gmail.com with a copy to cs@rnit.ai. If you are an Individual shareholder 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.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF 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. Members 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. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@rnit.ai. The shareholders 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 (i.e. on or before 22 July 2026 up to 5.00 PM), demat account number/folio number, email id, mobile number at cs@rnit.ai. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

VOTING THROUGH ELECTRONIC MEANS

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the Members to exercise their votes electronically through the electronic voting service provided by the National Securities Depository Limited.

A person who has acquired the shares and has become a Member of the Company after the dispatch of the Notice of the AGM and prior to the Cut Off Date i.e 22nd July 2026 shall be entitled to exercise his/her vote electronically i.e. remote e-voting.

The Company has appointed M/s. MVK & Associates, Practicing Company Secretaries, Hyderabad to act as Scrutinizer for conducting the electronic voting process in a fair and transparent manner.

The scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through e-voting in the presence of two witnesses not in the employment of the Company and make, not later than two working days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any to the Chairman or a person authorized by him in writing who shall counter-sign the same. Thereafter, the Chairman or the person authorized by him in writing shall declare the result of the voting forthwith.

ANNEXURE TO THE NOTICE

ADDITIONAL INFORMATION ON THE DIRECTOR RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND AS PER SECRETARIAL STANDARDS - 2

| Resolution No | 2 |
|---|---|
| Name of the Director | RAJA SRINIVAS NANDIGAM |
| Director's Identification Number (DIN) | 08430111 |
| Age | 49 years |
| Qualification | B. Tech & MBA. |
| Nationality | Indian |
| Initial Date of Appointment | 08 th October 2024 |
| Nature of Appointment (appointment / re-appointment) | Retires by rotation and offers himself for re-appointment. |
| Terms & Conditions of Appointment | Mr. Raja Srinivas Nandigam retires by rotation at this Annual General Meeting pursuant to Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment as a Director of the Company. His appointment as Managing Director for a term of 05 years, approved by the shareholders on December 29, 2025, continues on the existing terms and conditions and remains unaffected by the proposed re-appointment as a Director. |
| Last Drawn Remuneration | As disclosed in the Corporate Governance Report. |
| Remuneration sought to be paid | No change is proposed in the remuneration. The remuneration payable to him under the existing terms of his appointment as the Managing Director, as approved by the shareholders on December 29, 2025, shall continue without any change. |
| Experience and Expertise in specific functional areas | Mr. Raja Srinivas Nandigam possesses over 26 years of rich and diverse experience in the technology and software services industry. Throughout his professional career, he has demonstrated strong leadership in driving technology-led business transformation and has developed significant expertise in emerging technologies, particularly Artificial Intelligence and digital innovation. Under his leadership, RNIT AI Solutions Limited has strengthened its capabilities in delivering AI-powered, E-Governance and digital transformation solutions for government and institutional customers. His strategic vision, business acumen and commitment to innovation have been |

BOARD'S REPORT

Dear Members

RNIT AI Solutions Limited,

Your directors have immense pleasure in presenting the 02nd Board's Report (Post Relisting) of your Company along with the Audited Financial Statements for the financial year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

The Financial Highlights of the Company are as given hereunder:

(Amount in lakhs, unless otherwise stated)

| Particulars | For the financial year 2025-2026 | For the financial year 2024-2025 |
|--|----------------------------------|----------------------------------|
| Revenue from Operations | 5,149.88 | 3,222.59 |
| Other Income | 78.03 | 5.68 |
| Total Income | 5,227.90 | 3,228.26 |
| Total Expenses | 3,566.88 | 2,497.74 |
| Profit before Interest, Depreciation & Tax | 2,146.13 | 1028.12 |
| Depreciation | 400.16 | 275.63 |
| Finance Costs | 84.95 | 21.97 |
| Profit before Tax | 1,661.02 | 730.52 |
| Current Tax | 418.04 | - |
| Deferred Tax | 41.25 | 9.58 |
| Profit after Tax | 1,201.73 | 720.94 |
| EPS (Basic & Diluted) (in Rs.) | 1.57 | 1.00 |

PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the Financial Year 2025–26, the Company generated revenue of ₹5,149.88 lakhs as against ₹3,222.59 lakhs in the previous financial year and reported a profit after tax of ₹1,201.73 lakhs as compared to ₹720.94 lakhs in the previous financial year.

The Board is pleased with the Company's financial performance during the year and remains optimistic about its future prospects. The Board expects the Company to continue its growth trajectory and create sustained value for its stakeholders in the years ahead.

AMOUNTS TRANSFERRED TO RESERVES

During the year under review, no amount was transferred to the reserves by the Board.

DIVIDEND

During the year, the Company did not declare any dividend.

DEPOSITS

During the year the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. As on March 31, 2026, there are no unclaimed deposits with the Company. Further the Company has not defaulted in repayment of deposits or payment of interest thereon.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of business.

ANNUAL RETURN

The Annual Return as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company and can be accessed at <https://rnit.ai/announcements>.

HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary, Joint Ventures and Associate Companies.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE THE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the year ended March 31, 2026, no company became or ceased to be a subsidiary, joint venture, or associate of the Company.

SHARE CAPITAL

(a) Authorized Share Capital

During the year under review, there was a change in authorized share capital of the Company. Authorized share capital of the company as on March 31, 2026 was Rs.85,00,00,000/-, comprising of 8,50,00,000 equity shares of Rs.10/- each.

(b) Paid-up Share Capital

During the year under review, there was a change in paid up share capital of the Company. Paid up share capital of the company as on March 31, 2026 was Rs.84,79,20,830/- comprising of 8,47,92,083 equity shares of Rs.10/- each.

(c) Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

(d) Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

(e) Bonus Shares

The Company has not issued any bonus shares during the year under review.

(f) Employees Stock Option

The Company has not implemented any Employees Stock Option Scheme during the Financial Year.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

During the year under review, the Company has not made any investments or granted loans or provided security, falling under the provisions of Section 186 of the Act.

DETAILS OF CREDIT RATING

The Company has not obtained any credit rating during the Financial Year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors consists of eminent professionals possessing extensive experience, integrity and expertise, who collectively provide strategic guidance, direction and leadership to the Company.

As on March 31, 2026, the Board comprised seven Directors, maintaining an appropriate balance between Executive and Non-Executive Directors, including one Woman Director. Out of the total strength of the Board, five Directors were Non-Executive Directors, of whom three were Independent Directors.

CHANGES IN THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year 2025–26, the following changes took place in the composition of the Board of Directors and Key Managerial Personnel of the Company. The appointments and redesignations approved by the Board of Directors and subsequently all appointments were approved by the Members at the 1st Annual General Meeting (Post Relisting) held on December 29, 2025, wherever required.

| Name of the Director / KMP | Designation | Nature of Change | Effective Date |
|--|--|-------------------------|-----------------------|
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Executive Director | Appointment | May 28, 2025 |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | Non-Executive Director | Appointment | May 28, 2025 |
| Mr. Pramod Reddy Mallaiahgari | Independent Director | Redesignation | May 28, 2025 |
| Mr. Srikanth Somepalli | Independent Director | Appointment | May 28, 2025 |
| Mr. Vijendra Palavalasa | Independent Director | Appointment | May 28, 2025 |
| Mrs. Neelima Nandigam | Non-Executive Director | Redesignation | December 6, 2025 |
| Mr. Mandeep Singh | Company Secretary & Compliance Officer | Resignation | September 29, 2025 |
| Mr. T.T.V.R. Seshan | Company Secretary & Compliance Officer | Appointment | September 30, 2025 |

RETIREMENT BY ROTATION

In accordance with the provisions of Companies Act, 2013, Mr. Raja Srinivas Nandigam, Managing Director of the Company would retire by rotation and, being eligible, offer himself for re-appointment. The necessary resolution seeking approval of the Members for his re-appointment forms part of the Notice convening the Annual General Meeting. The Board of Directors recommends his re-appointment at the ensuing Annual General Meeting.

Mrs. Neelima Nandigam (DIN: 08430112) retired and re-elected as the director at the AGM held during the financial year 2025-2026 on December 29, 2025.

DETAILS OF WHOLE-TIME KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the period under review, the Key Managerial Personnel of the Company were Mr. Raja Srinivas Nandigam Managing Director, Mr. Malladi Venkata Satya Surya Subrahmanya Sastri, Chief Financial Officer and Mr. T.T.V.R. Seshan, Company Secretary and Compliance Officer.

Based on the confirmations received from the Directors, none of the Directors is disqualified from being appointed as a Director under Section 164 of the Companies Act, 2013.

NUMBER OF MEETINGS OF THE BOARD:

During the year under review, Seventeen (17) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the time period prescribed under the Companies Act, 2013.

BOARD COMMITTEES

The Board has constituted the following Committees in accordance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

The details of the aforesaid Committees, including the composition thereof and the number of meetings held during the Financial Year 2025–26, are provided in the Report on Corporate Governance, which forms an integral part of this Annual Report.

BOARD EVALUATION

Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, the performance of its Committees and individual Directors.

The evaluation was conducted in accordance with the criteria and framework approved by the Board and covered various aspects relating to the functioning of the Board, its Committees and individual Directors. The Independent Directors evaluated the performance of the Non-Independent Directors, the Chairman and the Board as a whole, while the Board evaluated the performance of the Independent Directors.

The evaluation process indicated that the Board, its Committees and individual Directors functioned effectively and continued to contribute towards the Company's governance framework, operational oversight and strategic objectives.

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/79 dated May 10, 2018, the details of the Board Evaluation are provided below:

| Particulars | Details |
|---|---|
| Observations of Board Evaluation carried out for the year | The evaluation process indicated that the Board, its Committees and individual Directors functioned effectively and discharged their responsibilities in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles of Association of the Company. No material observations were identified during the evaluation process. |
| Previous year's observations and actions taken | There were no observations arising from the previous year's evaluation requiring any corrective action. |
| Proposed actions based on current year's observations | As no material observations emerged from the evaluation process, no specific action is proposed. |

INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed compliance with the Code for Independent Directors prescribed under Schedule IV to the Companies Act, 2013.

In the opinion of the Board, the Independent Directors possess the requisite integrity, expertise and experience, including proficiency, required to effectively discharge their duties and responsibilities.

MEETING OF INDEPENDENT DIRECTORS

In accordance with the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 28, 2026, without the attendance of Non-Independent Directors and members of the management.

At the meeting, the Independent Directors reviewed the performance of the Non-Independent Directors, the Chairman and the Board as a whole and assessed the quality, quantity and timeliness of the flow of information between the management and the Board. The Independent Directors noted that the Board and its Committees were functioning effectively and expressed satisfaction with the overall governance framework of the Company.

PARTICULARS OF EMPLOYEES

The disclosures required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in “**ANNEXURE – A**” forming part of this Report.

The information required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, in terms of the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report is being sent to the Members excluding the aforesaid information. Any Member interested in obtaining a copy of such information may send a request to the Company at cs@rnit.ai and the same will be provided upon request.

NOMINATION AND REMUNERATION POLICY

The Policy has been uploaded on the website of the Company at <https://rnit.ai/codes>

AUDITORS AND THEIR REPORT(S):

Statutory Auditors

Pursuant to the provisions of the Companies Act, 2013, the Members of the Company at the 1st Annual General Meeting (Post Relisting) held on December 29, 2025, approved the appointment of M/s. M S P R & Co., Chartered Accountants (Firm Registration No. 010152S), as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the Financial Year 2025–26 up to the Financial Year 2029–30.

The Statutory Auditors have issued an unmodified audit opinion on the Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

The notes to the financial statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3)(f) of the Companies Act, 2013.

During the year under review, the Statutory Auditors have not reported any instance of fraud under Section 143(12) of the Companies Act, 2013 and the rules made thereunder, either to the Company or to the Central Government.

Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, M/s. K R A Y & Associates, Chartered Accountants, Hyderabad, acted as the Internal Auditors of the Company for the Financial Year 2025–26 and conducted the internal audit of the Company's operations and processes.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Members of the Company at the 1st Annual General Meeting (Post Relisting) held on December 29, 2025, approved the appointment of M/s. MVK & Associates, Practising Company Secretaries, Hyderabad, as the Secretarial Auditors of the Company for a term of five consecutive years, commencing from the Financial Year 2025–26 up to the Financial Year 2029–30.

Secretarial Audit Report

The Secretarial Auditor's Report in Form MR-3 for the financial year 2025 –26 received from M/s. MVK & Associates, is enclosed as “**ANNEXURE – B**” and forms part of this report. The Report contains no adverse remarks; however, it includes an observation, which is self-explanatory.

Cost Records

Maintenance of cost records as prescribed under the provisions of Section 148 of the Companies Act, 2013 are not applicable for the business activities carried out by the Company during the financial year.

Cost Auditors

As per Section 148 read with Companies (Audit and Auditors) Rule, 2014, Cost Audit is not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

During the Financial Year 2025–26, the Company spent the amount required to be spent towards Corporate Social Responsibility (“CSR”) activities in accordance with the provisions of Section 135 of the Companies Act, 2013.

The disclosures relating to CSR activities, as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in “**ANNEXURE – C**” forming part of this Report.

The detailed CSR Policy has been uploaded on Company's website and can be accessed through the web-link <https://rnit.ai/codes>.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism / Whistle Blower Policy to provide a mechanism for Directors and Employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct.

The Vigil Mechanism provides adequate safeguards against victimisation of persons who use the mechanism and ensures direct access to the Chairperson of the Audit Committee in appropriate cases. The Whistle Blower Policy is available on the Company's website and can be accessed at <https://rnit.ai/codes>.

RISK MANAGEMENT POLICY

The Company has in place a Risk Management Policy in accordance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy provides a framework for identification, assessment, monitoring and mitigation of risks that may impact the achievement of the Company's business objectives.

The Board of Directors and the Senior Management periodically review the risk management framework and monitor its implementation to ensure effective risk mitigation and business continuity.

SECRETARIAL STANDARDS

The Directors confirm that, during the Financial Year 2025–26, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India under Section 118(10) of the Companies Act, 2013.

DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT

There is no revision of financial statement or the Report.

LISTING OF SHARES

The equity shares of the Company are listed on BSE Limited. The Company has paid the annual listing fees for the Financial Year 2025–26 to the Stock Exchange.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered into during the Financial Year 2025–26 were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company did not enter into any transaction falling within the ambit of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable.

During the Financial Year 2025–26, the Company had availed unsecured interest-free loans from a Promoter and a member of the Promoter Group. Details of related party transactions are disclosed in the notes forming part of the financial statements.

The Board is of the view that the related party transactions entered into during the Financial Year 2025–26 were in the best interests of the Company and did not give rise to any conflict with the interests of the Company.

The Policy on Related Party Transactions is available on the Company's website at <https://rnit.ai/codes>.

Unsecured Loans from the Directors

| S. No | Name of the Director | Designation | Loans availed during the year (₹ in Lakhs) | Outstanding as on 31.03.2026 (₹ in Lakhs) |
|-------|----------------------------|------------------------|--|---|
| 1 | Mr. Raja Srinivas Nandigam | Managing Director | 238.26 | 122.41 |
| 2 | Mrs. Neelima Nandigam | Non-Executive Director | 55.00 | 74.54 |

The Company has accepted the aforesaid unsecured loans from the Directors after obtaining the requisite declarations pursuant to Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014.

INFORMATION REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is set out in “**ANNEXURE – D**” which forms an integral part of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

During the Financial Year 2025–26, no significant or material orders were passed by any Regulator, Court or Tribunal which may impact the going concern status of the Company and its future operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established adequate internal control systems commensurate with the nature, size and complexity of its business operations. The internal control framework is designed to ensure the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Company has a well-defined organizational structure with clearly established roles, responsibilities and reporting lines, supported by documented policies and standard operating procedures governing its key business processes.

The internal control systems are periodically reviewed and monitored to ensure their effectiveness and continual improvement. The Statutory Auditors of the Company have audited the Internal Financial Controls over Financial Reporting as of March 31, 2026 and have expressed an unmodified opinion on the adequacy and operating effectiveness of such controls.

TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends remaining unclaimed for a period of seven consecutive years from the date of transfer to the Unpaid Dividend Account of the Company are required to be transferred to the Investor Education and Protection Fund (“IEPF”).

During the Financial Year 2025–26, there were no amounts required to be transferred by the Company to the Investor Education and Protection Fund.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134 (3) (c) of the Companies Act, 2013 with respect to the Directors Responsibilities Statement, it is hereby confirmed.

- (a) In the preparation of the annual financial statement, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any:

- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that year;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis;
- (e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to providing a safe, secure and conducive work environment and has zero tolerance for sexual harassment at the workplace. In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“PoSH Act”), the Company has adopted a Policy on Prevention of Sexual Harassment and constituted an Internal Committee to redress complaints relating to sexual harassment.

The Policy applies to all employees of the Company, including permanent, contractual, temporary and trainee personnel.

The summary of complaints received and disposed of under the PoSH Act during the Financial Year ended March 31, 2026 is provided below:

| Particulars | No. of Cases |
|---|---------------------|
| Number of complaints pending at the beginning of the year | Nil |
| Number of complaints received during the year | Nil |
| Number of complaints disposed of during the year | Nil |
| Number of complaints pending as on March 31, 2026 | Nil |

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the Financial Year 2025–26, no application was made and no proceeding was pending against the Company under the Insolvency and Bankruptcy Code, 2016 as on March 31, 2026.

THE 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

The disclosure required under Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 relating to the difference between the amount of valuation done at the time of one-time settlement and the valuation done while availing loans from Banks or Financial Institutions is not applicable to the Company during the Financial Year 2025–26.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of corporate governance and believes that sound governance practices are essential for enhancing stakeholder value and sustaining long-term growth.

Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance, together with the certificate from the Practising Company Secretary regarding compliance with the conditions of Corporate Governance, forms part of this Annual Report as **“ANNEXURE – E”**.

CORPORATE POLICIES

Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted various policies and codes to ensure compliance with applicable laws and promote good corporate governance practices. These policies are reviewed periodically by the Board and updated, whenever necessary. The policies are available on the Company's website at <https://rnit.ai/codes>.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with Schedule V(B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report and is enclosed as **“ANNEXURE – F”**.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement of furnishing a Business Responsibility and Sustainability Report is not applicable to the Company for the Financial Year 2025–26.

MATERNITY BENEFIT PROVIDED BY THE COMPANY UNDER THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961 and has extended all statutory benefits to eligible women employees in accordance with the applicable provisions of the Act.

GREEN INITIATIVES

In support of the Green Initiative undertaken by the Ministry of Corporate Affairs and to contribute towards environmental sustainability, electronic copies of the Notice of the Annual General Meeting and the Annual Report for the Financial Year 2025–26 are being sent to all Members whose e-mail addresses are registered with the Company or their respective Depository Participant(s).

APPRECIATION

Your directors place on record their sincere appreciation for the continued support and co-operation received from customers, promoters, shareholders, bankers, suppliers, auditors, regulatory authorities, various departments and agencies of the Central and State Governments, and other business associates.

Details as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

| Sl. No. | Particulars | Details |
|----------------|--|--|
| 1 | Ratio of the remuneration of each Director to the median remuneration of the employees of the Company | Mr. Raja Srinivas Nandigam, Managing Director – 21.14 times; Mr. Malladi V.S.S. Sastri, Executive Director & CFO – 5.60 times |
| 2 | Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year | Nil |
| 3 | Percentage change in the median remuneration of employees in the financial year | The median remuneration of employees decreased by 11.94% during the financial year. |
| 4 | Number of permanent employees on the rolls of the Company | 76 |
| 5 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | The average increase in the salaries of employees other than managerial personnel during the financial year was approximately 20%. There was no increase in the remuneration of the managerial personnel during the year. There were no exceptional circumstances warranting an increase in managerial remuneration. |
| 6 | The key parameters for any variable component of remuneration availed by the directors. | The Directors of the Company did not avail any variable component of remuneration during the financial year 2025-26. |
| 7 | Affirmation that the remuneration is as per the remuneration policy of the Company | The Company affirms that the remuneration paid is as per the Remuneration Policy of the Company. |

**On behalf of the Board of Directors
For RNIT AI SOLUTIONS LIMITED**

Sd/-

Sd/-

Pramod Reddy Mallaihgari

Raja Srinivas Nandigam

Chairman

Managing Director

Date: 03.07.2026

Place: Hyderabad

DIN: 02329517

DIN: 08430111

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended on March 31, 2026

[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,

RNIT AI SOLUTIONS LIMITED

[Formerly Autopal Industries Limited]

[CIN: L62090RJ1985PLC003427]

138 Kalyan Kunj Colony, Kalwar Road, Jhotwara,
Jaipur, Rajasthan, India, 302012

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RNIT AI SOLUTIONS LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)** and
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; **(Not applicable to the Company during the audit period)**
- (vi) Laws specially applicable to the industry to which the Company belongs, as identified by the Management:
- (a) Information Technology Act, 2000 and the rules made thereunder;
 - (b) The Indian Copy Rights Act, 1957
 - (c) The Patents Act, 1970; and
 - (d) The Trade Marks Act, 1999.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads / Company Secretary of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that the composition of the Board and its Committees was not in compliance with the prescribed requirements relating to Independent Directors up to May 27, 2025. However, with effect from May 28, 2025, the Board of Directors of the Company has been duly constituted with an appropriate balance of Executive Directors, Non-Executive Directors, and Independent Directors, and the Committees have also been duly reconstituted in compliance with the applicable requirements. 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.

We further report that adequate notice was given to all the Directors for convening the Board Meetings. The agenda and detailed notes on agenda were generally sent at least seven days in advance and, where necessary, the meetings were convened at shorter notice in compliance with the applicable provisions of the Companies Act, 2013 and the Secretarial Standards. Further, a system exists for seeking and obtaining further information and clarifications, as they may require, on the agenda items before the meetings and for enabling meaningful participation at the meetings.

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were without any dissent.

We further report that 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.

We further report that during the audit period; the following event had a major bearing on the affairs of the Company:

During the financial year, the Board of Directors approved the allotment of 1,00,00,000 equity shares of Rs. 10/- each to the Strategic Investors (Non-Promoter Category) in two tranches pursuant to the Resolution Plan approved by the Hon'ble NCLT, Jaipur Bench. The first tranche comprising 47,33,463 equity shares was approved for allotment on November 05, 2025 at an issue price of Rs. 44/- per share (including a securities premium of Rs. 34/- per share) and the second tranche comprising 52,66,537 equity shares was approved for allotment on March 28, 2026 at an issue price of Rs. 50/- per share (including a securities premium of Rs. 40/- per share).

For **MVK & ASSOCIATES**

Company Secretaries

Sd/-

M. VIJAYA KUMAR

Proprietor

FCS No.: F13906 | C.P. No.: 23384

UDIN: F013906H000741798

Peer Review No: 3426/2023

Place: Hyderabad

Date: 03.07.2026

This Report is to be read with our letter of even date which is annexed as '**Annexure-A**' and forms an integral part of this report.

**Annual Secretarial Compliance Report of RNIT AI SOLUTIONS LIMITED
for the year ended March 31, 2026**

To,
The Members,
RNIT AI SOLUTIONS LIMITED
[Formerly Autopal Industries Limited]
[CIN: L62090RJ1985PLC003427],

We, **MVK & Associates**, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **RNIT AI SOLUTIONS LIMITED** (“the listed entity”),
- (b) the filings / submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document / filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2026 (“Review Period”) in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable during the Review Period;**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable during the Review Period;**
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable during the Review Period;**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) other regulations as applicable.

and circulars / guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder, except in respect of matters specified below:

| Compliance Requirement (Regulations / Circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action taken by | Type of Action (Advisory/ Clarification /Fine/ Show Cause Notice/ Warning, etc.) | Details of Violation | Fine Amount | Observations /Remarks of the Practicing Company) | Management Response |
|---|---|--|-----------------|--|--|-------------|--|--|
| The Board of Directors and its Committees are to be constituted in accordance with the provisions of Regulation 17, 18, 19 & 20 of the SEBI (LODR) Regulations, 2015. | Regulation 17, 18, 19 & 20 of the SEBI (LODR) Regulations, 2015 | Non-compliance with the prescribed composition requirements of the Board and Committees due to an insufficient number of Independent Directors up to 27.05.2025. | - | - | The composition of the Board and certain Committees was not in compliance with the prescribed requirements relating to Independent Directors up to 27.05.2025. | - | The Company was not in compliance with Regulation 17, 18, 19 & 20 of the SEBI (LODR) Regulations, 2015 during the period up to 27.05.2025. However, the Company achieved compliance with effect from 28.05.2025. | Due to the CIRP proceedings, the Company was unable to comply with the prescribed composition requirements of the Board and its Committees during the said period. However, the Company complied with the composition requirements of the Board and its Committees with effect from 28.05.2025 |

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Observations / Remarks of the PCS in the previous reports | Observations made in the Secretarial Compliance Report for the year ended | Compliance Requirement (Regulations / circulars / guidelines including specific clause) | Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity | Remedial actions, if any, taken by the listed entity | Comments of the PCS on the actions taken by the listed entity |
|---------|---|---|---|---|--|--|
| 1 | The Company had not submitted certain disclosures to BSE Limited within the prescribed timelines under the applicable | Secretarial Compliance Report for the financial year ended March 31, 2025 | Regulation 17 and other applicable provisions of SEBI (LODR) | Certain disclosures were delayed/ not submitted during the CIRP period | The Company has reconstituted the Board and | The Company has taken corrective measures and is complying with the applicable provisions and disclosure requirements. |

| | | | | | |
|---|--|-------------------|--|--|--|
| provisions of the SEBI (LODR) Regulations, 2015. Further, the Board of Directors and committees were not constituted with the requisite number of Independent Directors during the CIRP period. | | Regulations, 2015 | and the Board composition was not in compliance with Regulation 17. No notice or penalty was levied by the Stock Exchange. | committees in compliance with SEBI (LODR) Regulations, 2015. | |
|---|--|-------------------|--|--|--|

I We hereby report that, during the review period the compliance status of the listed entity is appended as below:

| Sr. No | Particulars | Compliance status (Yes/No/NA) | Observations / Remarks by PCS |
|--------|---|-------------------------------|-------------------------------|
| 1 | <u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013, and mandatorily applicable. | Yes | Nil |
| 2 | <u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI | Yes | Nil |
| 3 | <u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website | Yes | Nil |
| 4 | <u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by the company | Yes | Nil |
| 5 | <u>To examine details related to Subsidiaries of listed entities:</u> <ul style="list-style-type: none"> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries | NA | Nil |
| 6 | <u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015 | Yes | Nil |

| | | | |
|----|--|-------------------------|--|
| 7 | <u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations | Yes | Nil |
| 8 | <u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit committee. | Yes No such case | Prior approval has been obtained. Nil |
| 9 | <u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. | Yes | Nil |
| 10 | <u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 | Yes | Nil |
| 11 | <u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder | Yes | Nil |
| 12 | <u>Resignation of statutory auditors from the listed entity or its material subsidiaries:</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities. | Yes | Nil |
| 13 | <u>Additional Non-compliances, if any:</u> No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc. | Yes | No additional non-compliance observed for all SEBI regulation / circular / guidance note etc |

We further, report that the listed entity is in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations - NA

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
(Pursuant to Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014)**

1. Brief outline of the Corporate Social Responsibility (CSR) Policy

The Company's CSR Policy provides a framework for undertaking initiatives aimed at creating sustainable social impact and contributing to the welfare and development of society. The CSR activities of the Company are aligned with the areas specified in Schedule VII of the Companies Act, 2013 and focus on initiatives relating to education, healthcare, environmental sustainability, skill development, rural development and other socially beneficial activities.

2. Composition of the CSR Committee

As the amount required to be spent by the Company towards Corporate Social Responsibility activities during the Financial Year 2025–26 did not exceed ₹50 lakh, the requirement for constitution of a Corporate Social Responsibility Committee was not applicable to the Company pursuant to Section 135(9) of the Companies Act, 2013. Accordingly, the functions of the CSR Committee were discharged by the Board of Directors.

3. Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:
<https://rnit.ai/codes>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable for the financial year under review.

5.

| | | |
|---|--|---------------|
| a | Average net profit of the company as per sub-section (5) of section 135: | ₹ 2,24,40,236 |
| b | Two percent of average net profit of the company as per sub-section (5) of section 135: | ₹ 4,48,805 |
| c | Surplus arising out of the CSR projects or programs or activities of the previous financial years: | - |
| d | Amount required to be set off for the financial year, if any: | - |
| e | Total CSR obligation for the financial year [(b)+(c)-(d)]: | ₹ 4,48,805 |

6.

| | | |
|---|--|------------|
| a | Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | ₹ 4,50,000 |
| b | Amount spent in Administrative Overheads. | - |
| c | Amount spent on Impact Assessment, if applicable. | - |
| d | Total amount spent for the Financial Year [(a)+(b)+(c)] | ₹ 4,50,000 |

e. CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in ₹) | 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. |
| 4,50,000 | NIL | | | | |

f. Excess amount for set off, if any

| Sl. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 4,48,805 |
| (ii) | Total amount spent for the Financial Year | 4,50,000 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 1,195 |
| (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)] | Nil |

7. Details of Unspent CSR amount for the preceding three financial years:

| Sl 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. | |
| Not Applicable | | | | | | | |

8. 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: No.

9. 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.

**On behalf of the Board of Directors
For RNIT AI SOLUTIONS LIMITED**

Sd/-

Sd/-

Pramod Reddy Mallaihgar

Raja Srinivas Nandigam

Chairman

Managing Director

DIN: 02329517

DIN: 08430111

Date: 03.07.2026

Place: Hyderabad

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2026. A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as “**Listing Regulations**”) is given below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for sustainable growth, value creation and maintaining the confidence of its stakeholders. The Company's governance framework is founded on the principles of transparency, accountability, integrity, fairness and ethical business conduct.

The Board of Directors provides strategic direction and oversight to the management and is committed to safeguarding the interests of shareholders and other stakeholders. The Company strives to ensure responsible decision-making, effective internal controls, regulatory compliance and high standards of business ethics in all its operations.

The Company continuously reviews and strengthens its governance practices, policies and procedures in line with applicable laws, regulations and evolving best practices. The Company remains committed to complying with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, while fostering long-term value creation for all stakeholders.

2. BOARD OF DIRECTORS

Size and Composition of the Board

As on March 31, 2026, the Board of Directors of the Company comprised seven (7) Directors, consisting of one (1) Managing Director, one (1) Executive Director, two (2) Non-Executive Non-Independent Directors and three (3) Independent Directors. The composition of the Board is in compliance with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors on the Board holds directorships in more than ten public companies or acts as a director in more than seven listed entities. Further, none of the Directors is a member of more than ten committees or acts as Chairperson of more than five committees across all public companies in which he/she is a director. The necessary disclosures regarding committee positions have been received from all Directors.

The Board has an optimum combination of Executive, Non-Executive and Independent Directors. The Chairman of the Company during the year under review was an Independent Director.

(i) Composition, category of directors and attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting

The Composition of the Board of Directors and their attendance at Board Meetings during the financial year 2025 – 26 and at the last Annual General Meeting are given below:

| Name of the Director | Category & Designation | Board Meetings held | Board Meetings attended | Whether attended Last AGM |
|---|--------------------------------------|---------------------|-------------------------|---------------------------|
| Mr. Pramod Reddy Mallaiahgari | Chairman & Independent Director | 17 | 17 | Yes |
| Mr. Raja Srinivas Nandigam | Promoter & Managing Director | 17 | 17 | Yes |
| Mrs. Neelima Nandigam | Promoter & Non-Executive Director | 17 | 17 | Yes |
| #Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Executive Director & CFO | 17 | 15 | Yes |
| #Mr. Lakshmi Narasimha Kameswara Rao Mantha | Promoter & Non-Executive Director | 17 | 15 | Yes |
| #Mr. Srikanth Somepalli | Non-Executive & Independent Director | 17 | 15 | Yes |
| #Mr. Vijendra Palavalasa | Non-Executive & Independent Director | 17 | 15 | Yes |

Appointed with effect from May 28, 2025

(ii) Details of number of Directorships and Committee Memberships & Chairmanships held by Directors in other Companies as on March 31, 2026

| Name of the Director | *Number of Directorships in other Companies | | **Committee | | Name of other listed entity in which the directorship is being held and the category of directorship |
|--|---|--------|-------------|--------|--|
| | Chairman | Member | Chairman | Member | |
| Mr. Pramod Reddy Mallaiahgari | Nil | Nil | Nil | Nil | Not Applicable |
| Mr. Raja Srinivas Nandigam | Nil | Nil | Nil | Nil | Not Applicable |
| Mrs. Neelima Nandigam | Nil | Nil | Nil | Nil | Not Applicable |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Nil | Nil | Nil | Nil | Not Applicable |

| | | | | | |
|--|-----|-----|-----|-----|--|
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | Nil | Nil | Nil | Nil | Not Applicable |
| Mr. Srikanth Somepalli | Nil | 3 | 1 | Nil | Retina Paints Limited – Independent Director |
| Mr. Vijendra Palavalasa | Nil | 1 | Nil | Nil | Not Applicable |

Notes:

**Excludes Directorships / Chairmanships in Associations, Private Companies, Section 8 Companies, Foreign Companies, Government Companies and Alternate Directorships.*

***As per Regulation 26(1) of Listing Regulations, Committees means only Audit Committee and Stakeholder Relationship Committee.*

(iii) number of meetings of the board of directors held and dates on which held

Board Procedure

The Board meets at regular intervals to consider and deliberate on various matters relating to the Company's business, operations, strategy, governance and statutory compliances. The annual calendar of Board Meetings is generally finalised in advance and circulated to the Directors to facilitate their participation.

The agenda papers, together with detailed notes and relevant information, are circulated sufficiently in advance to enable the Directors to make informed decisions. The minimum information required to be placed before the Board pursuant to Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is regularly made available to the Board. Where it is not practicable to attach supporting documents to the agenda, the same are tabled at the meeting.

The Board Meetings are conducted in a structured manner, facilitating detailed deliberations and informed decision-making. The Directors actively participate in the discussions and contribute their expertise and guidance on matters placed before the Board.

During the Financial Year 2025–26, the Board of Directors met seventeen (17) times. The details of the Board Meetings held during the year are as under:

| S. No. | Date of Meeting |
|---------------|------------------------|
| 1 | May 14, 2025 |
| 2 | May 28, 2025 |
| 3 | May 29, 2025 |
| 4 | August 13, 2025 |
| 5 | August 23, 2025 |
| 6 | September 12, 2025 |
| 7 | September 30, 2025 |
| 8 | October 24, 2025 |
| 9 | November 1, 2025 |
| 10 | November 5, 2025 |
| 11 | November 8, 2025 |

| | |
|----|-------------------|
| 12 | November 17, 2025 |
| 13 | December 6, 2025 |
| 14 | January 19, 2026 |
| 15 | February 13, 2026 |
| 16 | March 13, 2026 |
| 17 | March 28, 2026 |

The Board and Committee meetings are conducted in an open and constructive manner, enabling detailed discussions and informed decision-making. The gap between any two consecutive Board Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iv) Relationship between Directors

Mr. Raja Srinivas Nandigam, Managing Director and Mrs. Neelima Nandigam, Non-Executive Director are related to each other. None of the other Directors are related to each other.

(v) Number of shares and convertible instruments held by non-executive directors

As on March 31, 2026, the shareholding of the Non-Executive Directors in the Company was as under:

| Name of Director | No. of Equity Shares Held |
|--|---------------------------|
| Mrs. Neelima Nandigam | 48,12,500 |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | 8,00,000 |

The Company did not have any outstanding convertible instruments as on March 31, 2026.

(vi) Familiarization Programme for Independent Directors

In terms of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a familiarisation programme for its Independent Directors. The programme is designed to provide insights into the Company's business, industry, operations, regulatory environment and their roles, rights and responsibilities as Independent Directors.

During the Financial Year 2025–26, the familiarisation programme covered, inter alia, an overview of the Company and its post-IBC restoration, the nature of the AI and IT industry, the Company's business model and operations, and the roles, rights and responsibilities of Independent Directors.

The details of the familiarisation programme imparted to the Independent Directors are available on the Company's website at <https://rnit.ai/familiarization-programme>.

Independent Directors Meeting

In accordance with the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 28, 2026, without the attendance of Non-Independent Directors and members of the management.

At the meeting, the Independent Directors reviewed the performance of the Non-Independent Directors, the Chairman and the Board as a whole and assessed the quality, quantity and timeliness of the flow of information between the management and the Board. The Independent Directors noted that the Board and its Committees were functioning effectively and expressed satisfaction with the overall governance framework of the Company.

(vii) Chart or matrix setting out skills/expertise/competence of Board of Directors

| Name of the Director | List of core skills/expertise/competencies identified by the Board of Directors as required in the context our business and sector to function effectively and available with the Board along with the names of Directors who have such skills/expertise/competencies | | | |
|--|---|-----------|-----------------------------------|-----------------|
| | Management & Leadership | Technical | Finance/Accounts/Taxation / Legal | Marketing/Admin |
| Mr. Raja Srinivas Nandigam | ✓ | ✓ | ✓ | ✓ |
| Mrs. Neelima Nandigam | ✓ | - | ✓ | ✓ |
| Mr. Pramod Reddy Mallaiahgari | ✓ | ✓ | ✓ | - |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | ✓ | ✓ | ✓ | ✓ |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | ✓ | - | ✓ | ✓ |
| Mr. Srikanth Somepalli | ✓ | - | ✓ | ✓ |
| Mr. Vijendra Palavalasa | ✓ | - | ✓ | ✓ |

(viii) Confirmation of Board for the independence of Independent Directors

The Board of Directors confirms that, in its opinion, the Independent Directors fulfil the conditions of independence specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The Board is also satisfied that the Independent Directors possess the requisite integrity, expertise and experience, including proficiency, required to discharge their duties and responsibilities effectively.

(ix) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his / her tenure: Not Applicable.

Code of Conduct

The Board of Directors has adopted a Code of Conduct applicable to all Directors and Senior Management Personnel of the Company. The Code of Conduct is available on the Company's

website at <https://rnit.ai/codes>. All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2026. A declaration to this effect signed by the Managing Director forms part of this Report.

Compliance Framework

The Board periodically reviews the compliance status of the Company with applicable laws, rules and regulations. The Company has established appropriate systems and processes to ensure compliance with the applicable statutory and regulatory requirements.

Code for Prevention of Insider Trading

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The aforesaid Codes are available on the Company's website at <https://rnit.ai/codes>.

The Code is applicable to all Directors, Designated Persons and other connected persons who may have access to unpublished price sensitive information. The Company has also implemented structured digital database and other internal controls as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

3. AUDIT COMMITTEE

The Audit Committee plays a pivotal role in overseeing the integrity of the Company's financial reporting process, internal control systems, risk management framework, audit processes and compliance with legal and regulatory requirements. The Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2026, the Audit Committee comprised two Independent Directors and one Non-Executive Director. Mr. Pramod Reddy Mallaiahgari, Independent Director, serves as the Chairman of the Committee.

During the Financial Year 2025–26, the Audit Committee met seven (7) times on May 29, 2025, August 13, 2025, September 12, 2025, November 8, 2025, December 6, 2025, February 13, 2026 and March 28, 2026.

The composition of the Audit Committee and attendance of members at the meetings held during the year are as follows:

| Name of Committee Member | Category | Designation | No. of Meetings Held During Tenure | No. of Meetings Attended |
|-------------------------------|----------------------|-------------|------------------------------------|--------------------------|
| Mr. Pramod Reddy Mallaiahgari | Independent Director | Chairman | 7 | 7 |
| Mr. Srikanth Somepalli | Independent Director | Member | 7 | 7 |

| | | | | | |
|--|-----|------------------------|--------|---|---|
| Mr. Lakshmi Narasimha Kameswara Mantha | Rao | Non-Executive Director | Member | 7 | 7 |
|--|-----|------------------------|--------|---|---|

The Company Secretary acts as the Secretary to the Committee. All members of the Committee possess adequate financial and accounting knowledge and are well versed in finance, accounts, corporate laws and business practices.

The Chief Financial Officer, representatives of the Statutory Auditors, Internal Auditors and other executives, as considered necessary, are invited to attend the meetings of the Audit Committee.

Mr. Pramod Reddy Mallaihgari, Chairman of the Audit Committee, attended the Annual General Meeting of the Company held on December 29, 2025 to address shareholders' queries.

Brief Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, inter alia, include the following:

- ✓ Oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- ✓ Review and recommendation of quarterly, half-yearly and annual financial statements and auditor's reports thereon before submission to the Board for approval;
- ✓ Review and monitoring of the effectiveness of internal financial controls, internal control systems and risk management framework;
- ✓ Review of the adequacy and effectiveness of the internal audit function and discussion with Internal Auditors on significant findings and follow-up actions thereon;
- ✓ Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors and review of their performance and independence;
- ✓ Review and approval / recommendation of related party transactions in accordance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015;
- ✓ Discussion with the Statutory Auditors regarding the nature and scope of audit, audit observations and matters arising from the audit;
- ✓ Scrutiny of inter-corporate loans and investments, valuation of undertakings or assets, wherever necessary, and monitoring the utilisation of funds raised through public issues, rights issues, preferential issues or other specified transactions, wherever applicable; and
- ✓ Carrying out such other functions as may be entrusted by the Board from time to time.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee ("NRC") is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2026, the Nomination and Remuneration Committee comprised two Independent Directors and one Non-Executive Non-Independent Director. Mr. Srikanth Somepalli, Independent Director, serves as the Chairman of the Committee.

During the Financial Year 2025–26, the Nomination and Remuneration Committee met four (4) times on May 29, 2025, September 30, 2025, December 6, 2025 and March 28, 2026.

The composition of the Committee and attendance of members at the meetings held during the year are as follows:

| Name of Committee Member | Category | Designation | No. of Meetings Held During Tenure | No. of Meetings Attended |
|--|------------------------|--------------------|---|---------------------------------|
| Mr. Srikanth Somepalli | Independent Director | Chairman | 4 | 4 |
| Mr. Pramod Reddy Mallaiahgari | Independent Director | Member | 4 | 4 |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | Non-Executive Director | Member | 4 | 4 |

The Company Secretary acts as the Secretary to the Committee.

Brief Terms of Reference of the Nomination and Remuneration Committee

The terms of reference of the Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, inter alia, include the following:

- ✓ Formulation of criteria for determining qualifications, positive attributes and independence of Directors;
- ✓ Identification of persons who are qualified to become Directors and who may be appointed in Senior Management positions in accordance with the criteria approved by the Board;
- ✓ Recommendation to the Board regarding appointment, re-appointment, removal and succession planning of Directors and Senior Management Personnel;
- ✓ Formulation and recommendation of the Nomination and Remuneration Policy relating to the remuneration of Directors, Key Managerial Personnel and Senior Management Personnel;
- ✓ Evaluation of the performance of the Board, its Committees and individual Directors;
- ✓ Formulation of criteria for evaluation of Independent Directors and the Board;
- ✓ Ensuring that the level and composition of remuneration is reasonable, sufficient and linked to performance;
- ✓ Formulation and implementation of a policy on Board diversity; and
- ✓ Carrying out such other functions as may be delegated by the Board or prescribed under applicable laws and regulations from time to time.

Performance Evaluation Criteria for Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted a framework for evaluation of its own performance, that of its Committees and individual Directors, including Independent Directors.

The evaluation was carried out through a structured questionnaire covering various aspects such as attendance and participation in Board and Committee Meetings, contribution to Board deliberations, strategic guidance, governance oversight, professional expertise, safeguarding stakeholders' interests, exercise of independent judgment, adherence to ethical standards and contribution towards enhancing the effectiveness of the Board and its Committees.

The performance of Independent Directors was evaluated by the entire Board, excluding the Director being evaluated. The Independent Directors also reviewed the performance of the Non-Independent Directors, the Chairman and the Board as a whole. Based on the outcome of the evaluation process, the Board was satisfied with the overall effectiveness of the Board, its Committees and individual Directors.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee oversees and reviews matters relating to investor services, redressal of investor grievances and protection of shareholders' interests.

As on March 31, 2026, the Stakeholders' Relationship Committee comprised one Independent Director, one Managing Director and one Executive Director. Mr. Srikanth Somepalli, Independent Director, serves as the Chairman of the Committee.

During the Financial Year 2025–26, the Stakeholders' Relationship Committee met six (6) times on May 29, 2025, December 6, 2025, December 31, 2025, February 13, 2026, March 13, 2026 and March 28, 2026.

The composition of the Committee and attendance of members at the meetings held during the year are as follows:

| Name of Committee Member | Category | Designation | No. of Meetings Held During Tenure | No. of Meetings Attended |
|--|----------------------|-------------|------------------------------------|--------------------------|
| Mr. Srikanth Somepalli | Independent Director | Chairman | 6 | 6 |
| Mr. Raja Srinivas Nandigam | Managing Director | Member | 6 | 6 |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Executive Director | Member | 6 | 6 |

The Company Secretary acts as the Secretary to the Committee.

Brief Terms of Reference of the Stakeholders' Relationship Committee

The terms of reference of the Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and, inter alia, include the following:

- ✓ Resolving the grievances of security holders of the Company, including complaints relating to transfer/transmission of shares, issue of duplicate share certificates, non-receipt of annual reports, dividends and other shareholder-related matters;
- ✓ Review of measures taken for effective exercise of voting rights by shareholders;
- ✓ Review of adherence to service standards adopted by the Company in respect of services rendered by the Registrar and Share Transfer Agent;
- ✓ Review of various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, annual reports and statutory notices by shareholders;
- ✓ Monitoring investor grievance redressal mechanisms and reviewing the status of investor complaints received through SEBI SCORES, Stock Exchanges, Registrar and Share Transfer Agent or directly from shareholders;
- ✓ Reviewing and overseeing matters relating to dematerialization, rematerialisation, transfer, transmission and consolidation/split of securities, wherever applicable; and
- ✓ Carrying out such other functions as may be delegated by the Board or prescribed under applicable laws and regulations from time to time.

Investor Complaints

The status of investor complaints during the Financial Year 2025–26 is as under:

| Particulars | No. of Complaints |
|---|--------------------------|
| Complaints pending as on April 1, 2025 | 0 |
| Complaints received during the year | 2 |
| Complaints resolved during the year | 2 |
| Complaints pending as on March 31, 2026 | 0 |

Compliance Officer

Mr. T.T.V.R. Seshan, Company Secretary, acts as the Compliance Officer of the Company.

RNIT AI Solutions Limited

138, Kalyan Kunj Colony, Kalwar Road, Jhotwara, Jaipur – 302012, Rajasthan, India.

Email: cs@rnit.ai

Website: www.rnit.ai

5A. RISK MANAGEMENT COMMITTEE

The provisions relating to the constitution of a Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were not applicable to the Company during the Financial Year 2025–26.

5B. SENIOR MANAGEMENT

Particulars of Senior Management:

| Name | Designation | Date of joining / redesignation / resignation (if any) | Department |
|--|--------------------------|--|----------------------------------|
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Chief Financial Officer | 07.03.2025 | Finance |
| *Mr. Mandeep Singh | Company Secretary | 29.09.2025 | Legal and Secretarial |
| *Mr. T.T.V.R. Seshan | Company Secretary | 30.09.2025 | Legal and Secretarial |
| Mr. Partha Sai Surathu | Chief Technology Officer | 23.04.2019 | Technology & Product Development |

* Mr. Mandeep Singh resigned from the position of Company Secretary of the Company with effect from September 29, 2025, and Mr. T.T.V.R. Seshan was appointed as the Company Secretary of the Company with effect from September 30, 2025.

Changes therein in Senior Management since the close of the previous financial year: NIL

6. REMUNERATION OF DIRECTORS

(a) Pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity

During the Financial Year 2025–26, except for the holding of equity shares by certain Non-Executive Directors as disclosed elsewhere in this Report, there were no pecuniary relationships or transactions between the Company and its Non-Executive Directors.

(b) Criteria of making payments to Non-Executive Directors

The Non-Executive Directors are entitled to receive sitting fees for attending meetings of the Board and its Committees and reimbursement of expenses incurred for participation in such meetings, within the limits prescribed under the Companies Act, 2013 and applicable regulations.

During the Financial Year 2025–26, no sitting fees, commission or any other remuneration was paid to the Non-Executive Directors, including Independent Directors.

(c) Disclosures with respect to remuneration to Managing Director and Executive Directors

- ✓ Mr. Raja Srinivas Nandigam was appointed as the Managing Director of the Company for a period of five (5) years with effect from November 07, 2024. The Members of the Company, at the Annual General Meeting held on December 29, 2025, approved the payment of remuneration of up to ₹188.00 Lakhs per annum to Mr. Raja Srinivas Nandigam for a period of three (3) years commencing from November 07, 2024.

- ✓ Mr. Malladi Venkata Satya Surya Subrahmanya Sastri was appointed as the Executive Director of the Company for a period of five (5) years with effect from May 28, 2025. The Members of the Company, at the Annual General Meeting held on December 29, 2025, approved the payment of remuneration of up to ₹50.00 Lakhs per annum to Mr. Malladi Venkata Satya Surya Subrahmanya Sastri for a period of three (3) years commencing from May 28, 2025.

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2025 – 26 as required under Schedule V of Companies Act, 2013 and Listing Regulations are as follows:

(In Lakhs, unless otherwise stated)

| Name of Director | Designation | Salary & Perquisites (₹ in Lakhs) | Commission | Sitting Fees | Notice Period / Severance Fees | Total (₹ in Lakhs) |
|--|--------------------------|-----------------------------------|------------|--------------|--------------------------------|--------------------|
| Mr. Raja Srinivas Nandigam | Managing Director | 187.78 | Nil | Nil | NA | 187.78 |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Executive Director & CFO | 49.78 | Nil | Nil | NA | 49.78 |
| Mrs. Neelima Nandigam | Non-Executive Director | Nil | Nil | Nil | NA | Nil |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | Non-Executive Director | Nil | Nil | Nil | NA | Nil |
| Mr. Pramod Reddy Mallaiahgari | Independent Director | Nil | Nil | Nil | NA | Nil |
| Mr. Srikanth Somepalli | Independent Director | Nil | Nil | Nil | NA | Nil |
| Mr. Vijendra Palavalasa | Independent Director | Nil | Nil | Nil | NA | Nil |

The Company has not granted any stock options to any of its Directors during the Financial Year 2025–26.

No commission, bonus, pension, performance-linked incentives or severance fees were paid to any Director during the year, other than the remuneration disclosed above.

7. GENERAL BODY MEETINGS

a. Location and time, where last three annual general meetings held

| Financial Year | AGM | Date | Time | Venue |
|----------------|--|-------------------|------------------|---|
| 2024-25 | 01 st Annual General Meeting (Post Relisting) | December 29, 2025 | 02:00 P.M. (IST) | Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") |
| *2023-24 | Not Held | | | Not Applicable |
| *2022-23 | Not Held | | | Not Applicable |

***Note:** During the Corporate Insolvency Resolution Process (CIRP), the Annual General Meetings pertaining to the Financial Years 2022-23 and 2023-24 were not held. Following the approval and implementation of the Resolution Plan and relisting, the Company convened its 01st Annual General Meeting (Post Relisting) on December 29, 2025.

b. Whether any special resolutions passed in the previous three annual general meetings

| Financial Year | Date of AGM | Special Resolutions Passed |
|----------------|-------------------|--|
| 2024-25 | December 29, 2025 | <ol style="list-style-type: none"> Appointment of Mr. Raja Srinivas Nandigam (DIN:08430111) as Managing Director of the Company. Appointment of Mr. Malladi Venkata Satya Surya Subrahmanya Sastri (DIN: 10988161) as Executive Director of the Company. Appointment of Mr. Srikanth Somepalli (DIN: 08358760) as an Independent Director of the Company. Appointment of Mr. Vijendra Palavalasa (DIN: 07924580) as an Independent Director of the Company. Appointment of Mr. Pramod Reddy Mallaiahgari (DIN: 02329517) as an Independent Director of the Company. |
| *2023-24 | AGM Not Held | Not Applicable |
| *2022-23 | AGM Not Held | Not Applicable |

***Note:** During the Corporate Insolvency Resolution Process (CIRP), the Annual General Meetings pertaining to the Financial Years 2022-23 and 2023-24 were not held. Accordingly, no special resolutions were passed during those years.

c. Whether any special resolution passed last year through postal ballot – details of voting pattern: Not Applicable.

d. Person who conducted the postal ballot exercise: Not Applicable.

e. Whether any special resolution is proposed to be conducted through postal ballot: As on the date of this Report, there is No Special Resolution proposed to be passed through Postal Ballot.

f. Procedure for postal ballot: Not Applicable.

Extra Ordinary General Meeting (EGM)

No Extra Ordinary General Meeting (EGM) was held during the last three financial years.

NCLT Convened Meeting - Nil

8. MEANS OF COMMUNICATION

The Company is committed to timely and transparent dissemination of information to its shareholders, investors and other stakeholders. Financial results, shareholding pattern, corporate governance reports, notices, disclosures and other material information are promptly submitted to BSE Limited in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are simultaneously hosted on the Company's website, www.rnit.ai.

The Company did not make any presentation to institutional investors or analysts during the Financial Year 2025–26.

| Particulars | Details |
|---|---|
| Quarterly/Half-Yearly/Annual Financial Results | Submitted to BSE Limited |
| Newspapers wherein results are normally published | The Indian Express, Business Standard (English Edition) and Business Standard (Hindi Edition) |
| Website where displayed | www.rnit.ai |
| Whether website also displays official news releases | Yes |
| Presentations made to Institutional Investors or Analysts | Nil |
| Stock Exchange Website | www.bseindia.com |

The Company follows April - March as its financial year. The Key Financial Reporting dates for the Financial Year 2026 – 27 are:

| | |
|---|---|
| Unaudited Results for the First Quarter ended June 30, 2026 | On or before 14 th August 2026 |
| Unaudited Results for the Second Quarter ended September 30, 2026 | On or before 14 th November 2026 |
| Unaudited Results for the Third Quarter ended December 31, 2026 | On or before 14 th February 2027 |
| Audited Results for the Financial year ended March 31, 2027 | On or before 30 th May 2027 |

9. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

| | |
|--------------|--|
| Date & Day | July 29, 2026 & Wednesday. |
| Time | 10:30 A.M. |
| Venue | Through Video Conference or Other Audio Visual Means |
| Book Closure | July 23, 2026 to July 29, 2026 (Both days inclusive) |

b) **Financial year** – 01st April 2025 to 31st March 2026

c) **Dividend Payment Date** – Not Applicable

d) Listing of Shares and confirmation on annual listing fees

The equity shares of the Company are listed on **BSE Limited** having office at Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

The Company confirms that the annual listing fees for the Financial Year 2025-26 have been paid to BSE Limited.

e) Suspension of securities from trading

The equity shares of the Company remained under suspension from trading on BSE Limited due to the Corporate Insolvency Resolution Process (CIRP) up to October 23, 2025. Pursuant to the implementation of the Resolution Plan and completion of the relisting process, the equity shares of the Company were relisted on BSE Limited and trading commenced with effect from October 24, 2025.

f) Registrar and Share Transfer Agent

The Company has appointed M/s. Beetal Financial & Computer Services Pvt. Ltd. (CIN: U67120DL1993PTC052486) as its Registrar and Share Transfer Agent (RTA) for handling shareholder-related services and records. The contact details are provided below:

Beetal Financial & Computer Services Pvt. Ltd,
 Beetal House, 3rd Floor 99, Madangir, Behind local shopping center,
 New Delhi - 110062
 Email id - beetalrta@gmail.com
 Website: <https://beetal.in>

g) Share Transfer System

Pursuant to the provisions of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, transfer of securities in physical form is not permitted and requests for transfer of securities can be processed only in dematerialised form.

h) Distribution of Shareholding as at March 31, 2026

| No of Equity Shares held | No. of Shareholders | % of Total Shareholders | No. of Shares Held | % of Total no. of Shares |
|--------------------------|---------------------|-------------------------|--------------------|--------------------------|
| Up to 5,000 | 5,254 | 69.43 | 6,38,978 | 0.80 |

| | | | | |
|--------------------|--------------|---------------|--------------------|---------------|
| 5,001 – 10,000 | 728 | 9.62 | 6,17,810 | 0.78 |
| 10,001 – 20,000 | 524 | 6.92 | 8,30,397 | 1.04 |
| 20,001 – 30,000 | 225 | 2.97 | 5,70,308 | 0.72 |
| 30,001 – 40,000 | 114 | 1.51 | 4,10,281 | 0.52 |
| 40,001 – 50,000 | 120 | 1.59 | 5,86,833 | 0.74 |
| 50,001 – 1,00,000 | 242 | 3.20 | 13,51,121 | 1.70 |
| 1,00,001 and Above | 360 | 4.76 | 7,45,19,818 | 93.71 |
| Total | 7,567 | 100.00 | 7,95,25,546 | 100.00 |

Note: The above shareholding distribution schedule does not include 52,66,537 equity shares allotted on March 28, 2026 to strategic investors under the second tranche of the preferential allotment pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench, vide Order dated September 23, 2024. As the listing approval from BSE Limited for the said shares had not been received as on March 31, 2026, the shares were not considered for the purpose of the above distribution schedule. Subsequently, the Company received the necessary listing and trading approvals from BSE Limited for the said shares.

i) Dematerialization of shares and liquidity

The equity shares of the Company are held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2026, 100% of the shares of the Company were held in dematerialised form.

The equity shares of the Company are listed and traded on BSE Limited, thereby providing liquidity to the shareholders.

ISIN: INE335Q01026

j) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, Conversion date and likely impact on the Equity

As on March 31, 2026, the Company did not have any outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants, convertible securities or any other instruments convertible into equity shares.

k) Commodity price risk or foreign exchange risk and hedging activities

The Company is not exposed to any material commodity price risk.

The Company has exposure to foreign exchange fluctuations arising from its business operations and revenue earned from overseas customers. However, the Company had not undertaken any hedging activities during the Financial Year 2025–26.

l) Plant location

Not Applicable, as the Company does not have any manufacturing plant.

m) Address for Correspondence

For transfer/transmission of shares, dematerialization/rematerialisation of shares, change of address, nomination, dividend-related matters and any other shareholder queries, investors may contact the Company's Registrar and Share Transfer Agent:

Beetal Financial & Computer Services Private Limited

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110062.

Tel: 011-29961281-83

E-mail: beetalrta@gmail.com

Website: <https://beetal.in/>

For queries relating to the Annual Report, Corporate Governance matters and Secretarial matters, investors may contact:

Mr. T.T.V.R. Seshan

Company Secretary & Compliance Officer

RNIT AI Solutions Limited

Registered Office: 138, Kalyan Kunj Colony, Kalwar Road, Jhotwara, Jaipur, Rajasthan – 302012.

E-mail: cs@rnit.ai

Website: www.rnit.ai

Corporate Office

Plot Nos. 92, 93 & 94, Sy. Nos. 40 & 41, 1st Floor, Guttala Begumpet, Kavuri Hills, Madhapur, Hyderabad, Telangana – 500033, India.

n) List of all credit ratings obtained during the year

No credit ratings were obtained by the Company during the Financial Year 2025–26.

10. OTHER DISCLOSURES

a) Disclosures on of Related Party Transactions

All related party transactions entered into during the Financial Year 2025–26 were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2025–26, the Company had availed unsecured interest-free loans from a Promoter and a member of the Promoter Group. The Board is of the view that the related party transactions entered into during the year were in the best interests of the Company and did not give rise to any conflict with the interests of the Company.

There were no materially significant related party transactions with Promoters, Directors, Key Managerial Personnel or other related parties that may have a potential conflict with the interests of the Company at large.

All Related Party Transactions were reviewed and approved by the Audit Committee in accordance with the applicable provisions of law. The Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions is available on the Company's website at <https://rnit.ai/codes>.

The disclosures relating to Related Party Transactions as required under Indian Accounting Standard (Ind AS) 24 are provided in Note No. 28 to the Financial Statements forming part of this Annual Report.

There were no pecuniary relationships or transactions with the Non-Executive Directors which, in the opinion of the Board, may have a potential conflict with the interests of the Company at large.

b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

There were no instances of non-compliance and no penalties or strictures were imposed on the Company by any Stock Exchange, the Securities and Exchange Board of India (SEBI) or any statutory authority on any matter relating to the capital markets during the last three years.

c) Details of establishment of vigil mechanism / whistle blower policy

The Company is committed to conducting its affairs in a fair, transparent and ethical manner and has established a Vigil Mechanism / Whistle Blower Policy in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Policy provides a mechanism for directors and employees to report genuine concerns, unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct. The Vigil Mechanism provides adequate safeguards against victimisation of persons who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in appropriate cases.

No person was denied access to the Audit Committee during the Financial Year 2025–26.

The Whistle Blower Policy is available on the Company's website at <https://rnit.ai/codes>.

During the year under review, no complaints were received under the Vigil Mechanism / Whistle Blower Policy.

d) Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements

The Company has complied with the applicable mandatory requirements prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted certain non-mandatory requirements, to the extent considered appropriate, as disclosed under the relevant sections of this Report.

e) Web link where policy for determining ‘material’ subsidiaries is disclosed

The Company does not have any subsidiary as on March 31, 2026. Accordingly, the provisions relating to material subsidiaries are not applicable to the Company.

f) Web link where policy on dealing with related party transactions

The Policy on Related Party Transactions, as approved by the Board of Directors, is available on the Company's website and can be accessed through the web-link <https://rmit.ai/codes>

g) Disclosure of commodity price risks and commodity hedging activities

The Company did not undertake any commodity hedging activities during the Financial Year 2025–26.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

Pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench, vide its Order dated September 23, 2024, the Company allotted 1,00,00,000 equity shares to a Strategic Investor (Non-Promoter) in two tranches by way of preferential allotment for the purpose of business expansion, including working capital requirements and general corporate purposes, as detailed below:

| Particulars | First Tranche | Second Tranche |
|-------------------------------|---------------------|---------------------|
| Date of Allotment | November 05, 2025 | March 28, 2026 |
| No. of Equity Shares Allotted | 47,33,463 | 52,66,537 |
| Issue Price per Share (₹) | 44 | 50 |
| Amount Raised (₹) | 20,82,72,372 | 26,33,26,850 |

The funds raised through the first tranche were fully utilised for the objects stated in the Resolution Plan, namely business expansion, including working capital requirements and general corporate purposes.

As on March 31, 2026, no amount out of the funds raised through the second tranche had been utilised. The statement(s) of utilisation of funds raised through preferential allotment were reviewed and approved by the Audit Committee. The Audit Committee noted that there was no deviation or variation in the utilisation of funds from the objects for which the funds were raised.

During the Financial Year 2025–26, the Company did not raise any funds through a Qualified Institutions Placement.

i) Certificate regarding Non-Disqualification of Directors

A certificate from a Practising Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA) or any other statutory authority is enclosed as “**ANNEXURE – G**” to this Report.

j) Acceptance of Recommendations of Committees of the Board

During the Financial Year 2025–26, all recommendations made by the Committees of the Board were accepted by the Board.

k) Total Fees Paid to Statutory Auditors

| Particulars | 31 st March 2026 |
|---------------------|-----------------------------|
| Statutory audit fee | 7.50 |
| Tax Audit fee | 1.00 |
| Total | 8.50 |

The above details are also disclosed in Note No. 25 to the Financial Statements forming part of this Annual Report.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the Financial Year 2025–26, no complaints were received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

| Particulars | No. of Cases |
|---|--------------|
| Number of complaints pending at the beginning of the year | Nil |
| Number of complaints received during the year | Nil |
| Number of complaints disposed of during the year | Nil |
| Number of complaints pending as on March 31, 2026 | Nil |

m) Disclosure of Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are Interested

During the Financial Year 2025–26, the Company did not grant any loans or advances in the nature of loans to firms or companies in which any of the Directors are interested.

n) Details of Material Subsidiaries

The Company did not have any subsidiary during the Financial Year 2025–26 and consequently did not have any material subsidiary.

11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

The Company has complied with all the applicable requirements of Corporate Governance as specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year 2025–26. There were no instances of non-compliance requiring disclosure under this section.

12. NON-MANDATORY REQUIREMENTS / DISCRETIONARY REQUIREMENTS – PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The status of compliance with the non-mandatory requirements prescribed under Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

A. Chairman of the Board

The Chairman of the Board is a Non-Executive Independent Director and his position is separate from that of the Managing Director.

B. Shareholder Rights

The quarterly, half-yearly and annual financial results of the Company are disseminated to the Stock Exchange and are also made available on the Company's website.

C. Auditor's Opinion

The Statutory Auditors have issued an unmodified opinion on the Financial Statements of the Company for the Financial Year 2025–26.

D. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee of the Board.

13. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and the requisite disclosures have been made in this Corporate Governance Report.

DECLARATION BY THE MANAGING DIRECTOR

The declaration signed by the Managing Director confirming that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management is enclosed as **"ANNEXURE – H"** to this Report.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Certificate from the Practising Company Secretary regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **"ANNEXURE – I"** to this Report.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

Pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench, vide its Order dated September 23, 2024, certain equity shares pertaining to eligible shareholders were transferred to the Demat Suspense Account pending receipt of valid claims and completion of the prescribed formalities by such shareholders. These shares include entitlement shares of erstwhile public shareholders of Autopal Industries Limited who were holding shares in physical form as well as shares arising pursuant to the merger of RNIT Solutions and Services Limited with Autopal Industries Limited.

Upon receipt of valid claims and completion of the requisite formalities, the shares are transferred from the Demat Suspense Account to the respective shareholders' demat accounts.

The details of shares lying in the Demat Suspense Account are as under:

| Particulars | No. of Shareholders | No. of Equity Shares |
|--|---------------------|----------------------|
| Aggregate number of shareholders and outstanding shares in the Suspense Account lying at the beginning of the year | 16,373 | 11,20,466 |
| Number of shareholders who approached the Company for transfer of shares from the Suspense Account during the year | 22 | 8,00,810 |
| Number of shareholders to whom shares were transferred from the Suspense Account during the year | 22 | 8,00,810 |
| Aggregate number of shareholders and outstanding shares in the Suspense Account lying at the end of the year | 16,351 | 3,19,656 |

Note: The balance of shares in the Demat Suspense Account includes 3 equity shares representing fractional entitlements arising pursuant to the implementation of the approved Resolution Plan.

The voting rights in respect of the shares lying in the Demat Suspense Account shall remain frozen until the rightful owners claim such shares.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

During the Financial Year 2025–26, the Company was not a party to any agreement required to be disclosed under Regulation 30A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURE OF ACCOUNTING TREATMENT

The Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other applicable accounting principles generally accepted in India have been followed in the preparation of the Financial Statements of the Company. No treatment different from that prescribed under the applicable Accounting Standards has been followed in the preparation of the Financial Statements.

ADDITIONAL INFORMATION

i. Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit is carried out by a Practising Company Secretary on a quarterly basis in accordance with the requirements prescribed by the Securities and Exchange Board of India (SEBI). The audit reconciles the total issued, listed and admitted capital of the Company with the aggregate number of equity shares held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The audit confirms that the total issued and paid-up share capital of the Company is in agreement with the aggregate of the total number of equity shares held in dematerialised form

with NSDL and CDSL. The Reconciliation of Share Capital Audit Reports are submitted to the Stock Exchange within the prescribed timelines.

ii. Information on Deviation from Accounting Standards, if any

There has been no deviation from the applicable Indian Accounting Standards (Ind AS) in the preparation of the Financial Statements for the Financial Year 2025–26.

iii. Managing Director & Chief Financial Officer Certification

The certificate issued by the Managing Director and Chief Financial Officer pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as “ANNEXURE – J” to this Report.

iv. Category wise Shareholding as on March 31, 2026

| Category | Number of Shareholders | No. of Shares held | Percentage of Shareholding (%) |
|---|------------------------|--------------------|--------------------------------|
| Promoters (Both Indian & Foreign) | 10 | 5,36,16,509 | 67.42 |
| Mutual Funds and UTI | 0 | 0 | 0.00 |
| Banks, Financial Institutions, Insurance Companies | 0 | 0 | 0.00 |
| FIIIs | 0 | 0 | 0.00 |
| Private Corporate Bodies | 0 | 0 | 0.00 |
| Indian Public | 7245 | 2,27,20,591 | 28.57 |
| Non-Resident Indians Non-repatriable and Repatriable | 121 | 5,11,341 | 0.64 |
| Bodies Corporate | 49 | 20,09,255 | 2.53 |
| Trusts | 0 | 0 | 0.00 |
| HUF | 142 | 6,67,850 | 0.84 |
| IEPF | 0 | 0 | 0.00 |
| Total | 7567 | 7,95,25,546 | 100.00 |

Note: The above category-wise shareholding pattern is based on the shareholding as on March 31, 2026 and does not include 52,66,537 equity shares allotted on March 28, 2026 to strategic investors under the second tranche of the preferential allotment pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench, vide Order dated September 23, 2024, as the listing and trading approval from BSE Limited for the said shares had not been received as on March 31, 2026. Accordingly, the shareholding percentages disclosed above are based on the listed equity share capital as on that date. The Company subsequently received the necessary listing and trading approvals from BSE Limited for the said shares.

v. Shareholders holding more than 1% of the Shares as on March 31, 2026

| Name of the Shareholder | Number of shares held | Percentage of Shareholding (%) |
|--|-----------------------|--------------------------------|
| Promoters: | | |
| Mr. Raja Srinivas Nandigam | 4,24,80,855 | 53.42 |
| Mrs. Neelima Nandigam | 48,12,500 | 6.05 |
| M/s. Mile Deep Capital Private Limited | 20,00,000 | 2.51 |
| Mr. Ravikiran Prasad Yalamanchili | 15,00,000 | 1.89 |
| Mr. Veeramachaneni Venkateswara Rao | 10,00,000 | 1.26 |

| | | |
|--|-----------|------|
| Mrs. Sumithradevi Lanka | 9,58,335 | 1.21 |
| Mr. Lakshmi Narasimha Kameswara Rao Mantha | 8,00,000 | 1.01 |
| Non-Promoters: | | |
| Mr. N D V Ramana | 20,45,454 | 2.57 |
| M/s. Sahasrar Capital Private Limited | 9,99,999 | 1.26 |
| Mr. Sanjay Katkar | 9,55,000 | 1.20 |
| Mr. Kailash Sahebrao Katkar | 8,41,000 | 1.06 |

Note: The above statement of shareholders holding more than 1% of the equity share capital is based on the shareholding pattern as on March 31, 2026. It does not include 52,66,537 equity shares allotted on March 28, 2026 to strategic investors under the second tranche of the preferential allotment pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench, vide Order dated September 23, 2024, as the listing and trading approval from BSE Limited for the said shares had not been received as on March 31, 2026. Consequently, the percentage shareholding disclosed above is based on the listed equity share capital as on that date. The Company subsequently received the necessary listing and trading approvals from BSE Limited for the said shares.

vi. Management Discussion and Analysis

Management Discussion and Analysis forms part of the Board's Report and is enclosed as "ANNEXURE – F" to this Annual Report.

vii. Disclosure by Senior Management

Based on the disclosures received from the Senior Management Personnel, none of them has entered into any material financial or commercial transaction having a potential conflict with the interests of the Company at large.

viii. Prohibition of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company.

ix. Compliance Report

The Board periodically reviews compliance reports pertaining to all applicable laws and regulations. The Board also reviews the status of significant legal matters, regulatory developments and business risks, along with the mitigation measures adopted by the management. The Board considers materially important notices, directions and communications received from regulatory and statutory authorities and reviews the actions taken by the Company in this regard.

x. Proceeds from Public Issues, Rights Issues, Preferential Issues, etc

During the Financial Year 2025–26, the Company did not raise any funds through public issue or rights issue. The Company allotted equity shares on a preferential basis pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian technology sector continues to witness significant growth driven by increasing adoption of Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT), cloud computing, data analytics and digital transformation initiatives. Government-led digitization programmes, citizen-centric service delivery models, intelligent automation and data-driven decision-making are creating substantial opportunities for technology solution providers.

RNIT AI Solutions Limited operates in the technology and digital solutions sector, offering AI-driven solutions, digital transformation platforms, facial recognition technologies, IoT-enabled applications, enterprise software solutions and e-Governance services. The Company continues to focus on delivering innovative and scalable technology solutions to Government and enterprise customers.

2. OPPORTUNITIES AND THREATS

Opportunities

AI-Driven Digital Transformation

The increasing adoption of Artificial Intelligence (AI), Machine Learning (ML), intelligent automation and data analytics across Government and enterprise sectors presents significant opportunities for technology solution providers offering innovative and scalable solutions.

Government and Public Sector Digitization

Continued emphasis on digital governance, citizen-centric service delivery, digital public infrastructure and data-driven administration is expected to create opportunities for deployment of technology-enabled platforms and services.

Growing Demand for Integrated Technology Solutions

Organizations are increasingly seeking integrated technology solutions encompassing software development, digital platforms, analytics, automation and IoT-enabled applications to improve operational efficiency and service delivery.

Expansion of Emerging Technologies

Growing adoption of cloud computing, open-source technologies, Internet of Things (IoT) solutions and intelligent digital ecosystems is expected to support demand for innovative technology products and services.

Threats

Rapid Technological Evolution

The technology sector is characterized by continuous innovation and evolving customer requirements, necessitating sustained investment in technology, product enhancement and skill development.

Cybersecurity and Data Protection Risks

Increasing dependence on digital platforms and data-driven solutions exposes businesses to cybersecurity threats, information security risks and evolving data protection requirements.

Intense Market Competition

The Company operates in a highly competitive environment comprising established technology companies, niche solution providers and emerging start-ups, which may impact market opportunities and pricing dynamics.

Regulatory and Compliance Requirements

Changes in laws, regulations and compliance frameworks relating to technology, artificial intelligence, data privacy and information security may result in additional operational and compliance obligations.

3. SEGMENT-WISE PERFORMANCE

The Company operates in a single reportable segment comprising Artificial Intelligence solutions, software development, digital platforms, technology consulting and related support services. Accordingly, separate segment-wise reporting is not applicable.

4. OUTLOOK

The technology sector continues to offer significant growth opportunities supported by increasing digital adoption, automation initiatives and investments in emerging technologies. Advancements in Artificial Intelligence, data analytics, cloud computing and digital infrastructure are expected to further accelerate technology adoption across Government and enterprise sectors.

The Company intends to continue focusing on AI-driven solutions, digital transformation platforms, facial recognition technologies, IoT-enabled applications, enterprise software solutions and e-Governance initiatives. The Company also intends to strengthen its technology capabilities, expand its solution portfolio and enhance its presence across Government and enterprise segments.

The outlook for the Company's business remains positive, supported by the growing demand for technology-enabled solutions and digital transformation initiatives across sectors.

5. RISKS AND CONCERNS

The Company is exposed to risks associated with rapid technological changes, cybersecurity threats, evolving regulatory requirements, project execution, market competition and talent retention. To address these risks, the Company continues to strengthen its risk management framework, internal control systems, technology capabilities and operational processes.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established adequate internal control systems commensurate with the nature, size and complexity of its business operations. The internal control framework is designed to ensure the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

The Company has a well-defined organizational structure with clearly established roles, responsibilities and reporting lines, supported by documented policies and standard operating procedures governing its key business processes.

The internal control systems are periodically reviewed and monitored to ensure their effectiveness and continual improvement. The Statutory Auditors of the Company have audited the Internal Financial Controls Over Financial Reporting as of March 31, 2026 and have expressed an unmodified opinion on the adequacy and operating effectiveness of such controls.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company for the Financial Year 2025–26 as compared with the previous financial year is summarized below:

| Particulars | FY 2025–26 (₹ in Lakhs) | FY 2024–25 (₹ in Lakhs) |
|---|----------------------------|----------------------------|
| Revenue from Operations | 5,149.88 | 3,222.59 |
| Other Income | 78.03 | 5.68 |
| Total Income | 5,227.90 | 3,228.26 |
| Total Expenses | 3,566.88 | 2,497.74 |
| Profit before Interest, Depreciation and Tax (PBIDT) | 2,146.13 | 1,028.12 |
| Depreciation | 400.16 | 275.63 |
| Finance Costs | 84.95 | 21.97 |
| Profit Before Tax (PBT) | 1,661.02 | 730.52 |
| Current Tax | 418.04 | - |
| Deferred Tax | 41.25 | 9.58 |
| Profit After Tax (PAT) | 1,201.73 | 720.94 |
| Earnings Per Share (Basic & Diluted) (₹) | 1.57 | 1.00 |

During the Financial Year 2025–26, the Company recorded Revenue from Operations of ₹5,149.88 lakhs as compared to ₹3,222.59 lakhs in the previous year, reflecting continued growth in business operations. Total Income increased to ₹5,227.90 lakhs from ₹3,228.26 lakhs in FY 2024–25.

The Company reported a Profit Before Tax of ₹1,661.02 lakhs as against ₹730.52 lakhs in the previous year, while Profit After Tax increased to ₹1,201.73 lakhs from ₹720.94 lakhs. The improved financial performance was driven by growth in revenues and efficient management of operating costs.

Basic and Diluted Earnings Per Share increased from ₹1.00 in FY 2024–25 to ₹1.57 in FY 2025–26, reflecting the Company's improved profitability and enhanced shareholder value.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

The Company recognizes its human resources as a key contributor to its growth and success and remains committed to fostering a professional, inclusive and performance-driven work environment.

There were no material adverse developments in human resources or industrial relations during the Financial Year 2025–26. Employee relations remained cordial and the Company continued to maintain a stable and harmonious work environment.

The Company continues to focus on employee engagement, capability development and talent retention to support its business objectives and operational requirements.

As on March 31, 2026, the Company had 76 employees.

9. KEY FINANCIAL RATIOS

| Particulars | FY 2025–26 | FY 2024–25 | Variance (%) |
|--------------------------------------|------------|------------|--------------|
| (a) Current Ratio | 3.56 | 3.77 | (5.57%) |
| (b) Debt-Equity Ratio | 0.13 | 0.19 | (31.58%) |
| (c) Debt Service Coverage Ratio | 3.91 | 0.63 | 520.63% |
| (d) Return on Equity Ratio | 0.11 | 0.25 | (56.00%) |
| (e) Inventory Turnover Ratio | - | - | - |
| (f) Trade Receivables Turnover Ratio | 2.94 | 2.86 | 2.80% |
| (g) Trade Payables Turnover Ratio | 5.92 | 1.96 | 202.04% |
| (h) Net Capital Turnover Ratio | 0.92 | 1.05 | (12.38%) |
| (i) Net Profit Ratio | 0.23 | 0.22 | 4.55% |
| (j) Return on Capital Employed | 0.13 | 0.09 | 44.44% |
| (k) Interest Coverage Ratio | 20.55 | 34.25 | (40.00%) |
| (l) Operating Profit Margin (%) | 42% | 32% | 30.62% |

Explanations for significant changes (i.e., change of 25% or more) in key financial ratios as compared to the previous financial year are as under:

- ✓ Debt-Equity Ratio decreased from 0.19 in FY 2024–25 to 0.13 in FY 2025–26 primarily due to the allotment of equity shares to strategic investors pursuant to the Resolution Plan approved by the Hon'ble National Company Law Tribunal, Jaipur Bench.
- ✓ Debt Service Coverage Ratio increased from 0.63 in FY 2024–25 to 3.91 in FY 2025–26 primarily on account of improved profitability and enhanced debt servicing capacity during the year.
- ✓ Return on Equity Ratio decreased from 0.25 in FY 2024–25 to 0.11 in FY 2025–26 primarily due to the increase in equity capital pursuant to the allotment of equity shares to strategic investors under the approved Resolution Plan, which was proportionately higher than the increase in profit after tax during the year.
- ✓ Trade Payables Turnover Ratio increased from 1.96 in FY 2024–25 to 5.92 in FY 2025–26 primarily due to higher operating expenses and increased business activity during the year.
- ✓ Return on Capital Employed increased from 0.09 in FY 2024–25 to 0.13 in FY 2025–26 primarily due to improved operating profitability during the year.

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,
RNIT AI SOLUTIONS LIMITED
[Formerly Autopal Industries Limited]
[CIN: L62090RJ1985PLC003427]
138 Kalyan Kunj Colony, Kalwar Road, Jhotwara,
Jaipur, Rajasthan, India, 302012.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RNIT AI SOLUTIONS LIMITED** having CIN: L62090RJ1985PLC003427 and having registered office at 138 Kalyan Kunj Colony, Kalwar Road, Jhotwara, Jaipur, Rajasthan, India, 302012 (hereinafter referred to as “**the Company**”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authorities.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|----------------|--|------------|---------------------------------------|
| 1. | Mr. Raja Srinivas Nandigam | 08430111 | 08/10/2024 |
| 2. | Mrs. Neelima Nandigam | 08430112 | 08/10/2024 |
| 3. | Mr. Pramod Reddy Mallaiahgari | 02329517 | 08/10/2024 |
| 4. | Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | 10988161 | 28/05/2025 |
| 5. | Mr. Srikanth Somepalli | 08358760 | 28/05/2025 |
| 6. | Mr. Lakshmi Narasimha Kameswara Rao Mantha | 01810556 | 28/05/2025 |
| 7. | Mr. Vijendra Palavalasa | 07924580 | 28/05/2025 |

Ensuring the eligibility of 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.

For **MVK & ASSOCIATES**
Company Secretaries
Sd/-

M. VIJAYA KUMAR
Proprietor

FCS No.: | C.P. No.: 23384
UDIN: F013906H000741908
Peer Review No: 3426/2023

Place: Hyderabad
Date: 03.07.2026

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) and Schedule V Para C Clause E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
RNIT AI SOLUTIONS LIMITED
[Formerly Autopal Industries Limited]
[CIN: L62090RJ1985PLC003427]
138 Kalyan Kunj Colony, Kalwar Road, Jhotwara,
Jaipur, Rajasthan, India, 302012.

1. We have examined the compliance of the conditions of Corporate Governance by **RNIT AI SOLUTIONS LIMITED** (CIN: L62090RJ1985PLC003427) (“**the Company**”) for the financial year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“**SEBI Listing Regulations**”).

Management’s responsibility

2. The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Our responsibility

3. Pursuant to the requirements of the SEBI Listing Regulations, our responsibility is limited to examining the procedures and implementations thereof, adopted by the Company and express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stated in paragraph 1 above.

Opinion

4. Based on our examination of the relevant records and according to the information and explanations provided to us, we certify that the composition of the Board and its Committees was not in compliance with the prescribed requirements relating to Independent Directors up to May 27, 2025. However, with effect from May 28, 2025, the Board of Directors of the Company has been duly constituted with an appropriate balance of Executive Directors, Non-Executive Directors, and Independent Directors, and the Committees have also been duly reconstituted in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CEO & CFO CERTIFICATION

(As per Regulation 17(8) of SEBI (LODR) Regulations, 2015, as amended from time to time)

To

The Board of Directors of
RNIT AI SOLUTIONS LIMITED
[Formerly Autopal Industries Limited]
Rajasthan.

We, Mr. Raja Srinivas Nandigam, Managing Director and Mr. Malladi Venkata Satya Surya Subrahmanya Sastri, Chief Financial Officer of **RNIT AI SOLUTIONS LIMITED** (the Company) to the best of our knowledge and belief certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statements for the financial year ended March 31, 2026 and based on our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated, based on our most recent evaluation, wherever applicable, to the auditors and the Audit Committee
 - i. Significant changes, if any, in the internal controls over financial reporting during the year;
 - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Sd/-
RajaSrinivas Nandigam
Managing Director
DIN: 08430111

Sd/-
Malladi Venkata Satya Surya Subrahmanya Sastri
CFO & Executive Director

Place: Hyderabad
Date: 03.07.2026

INDEPENDENT AUDITOR’S REPORT

To

The Members of

RNIT AI SOLUTIONS LIMITED

(Formerly known as Autopal Industries Limited)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **RNIT AI SOLUTIONS LIMITED (Formerly known as Autopal Industries Limited) (“the Company”)** which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2026, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31st March 2026. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

| Revenue Recognition | How the matter was addressed in the audit |
|---|--|
| The company derives revenue primarily from rendering artificial intelligence solutions, | Our audit procedure included, among others: |

software development services, technology consulting, and related support services to domestic and overseas customers.

Revenue arrangements include time-and-material contracts, fixed-price contracts, milestone-based deliverables, and subscription or managed service arrangements. Recognition of revenue requires management judgment in:

- Identification of performance obligations;
- Determination of timing of transfer of control;
- Estimation of stage of completion for fixed-price contracts;
- Recognition of contract assets including unbilled revenue; and
- Assessment of customer acceptance and project completion status.

Considering the significance of revenue to the financial statements and the inherent risk associated with estimation and period cut-off in technology service contracts, revenue recognition was determined to be a Key Audit Matter.

- Evaluating the company's revenue recognition policies for compliance with Ind AS 115 – Revenue from Contracts with Customers;
- Testing the design and operating effectiveness of internal controls relating to contract approval, effort recording, billing, and revenue recognition;
- Reviewing a sample of customer contracts to evaluate identification of performance obligations and revenue recognition methodology;
- Testing revenue recognized during the year by verifying supporting documentation such as contracts, statements of work, timesheets, milestone confirmations, and customer acceptance evidence;
- Assessing management estimates relating to stage of completion and recognition of unbilled revenue;
- Performing cut-off testing around the reporting date to ensure revenue was recognized in the appropriate period;
- Performing analytical procedures on revenue trends across projects and geographies; and
- Evaluating adequacy of disclosures relating to revenue and contract balances in the financial statements.

Management and Board of Director's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion, reasonable level of assurance is a high level of assurance, but it is not guarantee that an audit conducted in accordance with the SA's 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 economic decisions of users taken the basis of these financial statements.

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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which is to the best of our knowledge and belief were necessary for the purpose of 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;
 - c. The Balance Sheet, the Statement of Profit and Loss and statement of cash flow dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
 - e. On the basis of written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the 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 does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (A) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kinds of funds) by the company to or in any other person or entity, including foreign entity (“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) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“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 the audit procedures that have been 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) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

Place: Hyderabad
Date: 29-04-2026

**For M S P R & Co.,
Chartered Accountants
FRN: 010152S
Sd/-
Teja Kiran P
Partner
M. No. 263464
UDIN: 26263464UCHIQE5834**

Annexure A to the Independent Auditors Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of RNIT AI SOLUTIONS LIMITED of even date):

| S. No. | Particulars | Auditors Remark |
|---------------|---|--|
| (i) | (a) (A) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment; | Yes. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment in the ERP Software. |
| | (B) whether the company is maintaining proper records showing full particulars of intangible assets; | Yes. The Company is maintaining full records of Intangible assets in ERP Software. |
| | (b) whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts; | Yes. The Company is verifying Property, Plant and Equipment at reasonable intervals. At the end of Financial Year we have also verified current year additions of Property, Plant and Equipment alongside internal auditors. We have not been encountered with such material discrepancies during the year. |
| | (c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof; | No immovable properties held in the name of Company and hence such verification has not been occurred. |
| | (d) whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; | No such instances found |
| | (e) whether any 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 there under, if so, whether the company has appropriately disclosed the details in its financial statements; | As per the information provided by management there were no such transactions occurred in the books of Company. |

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| (ii) | (a) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the book of account; | Not Applicable |
| | (b) whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details; | <p>The Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, from banks or financial institutions during the year. The outstanding balance as at 31st March 2026 is ₹13.12 crore against a sanctioned limit of ₹14.87 crore.</p> <p>However, the said facility is in the nature of an overdraft against fixed deposits and is not secured by current assets. As per the terms of the sanction letter, the Company is not required to submit quarterly returns or statements to the bank.</p> <p>Accordingly, reporting on agreement of quarterly returns/statements with the books of account is not applicable.</p> |
| (iii) | whether during the year the company has 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, if so, | The Company has not made any 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. |
| | <p>(A) whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity, if so, indicate-</p> <p>(i) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;</p> <p>(ii) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;</p> | Not Applicable |

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| | (b) whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest; | Not Applicable |
| | (c) In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular; | Not Applicable |
| | (d) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest; | Not Applicable |
| | (e) whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year; | Not Applicable |
| | (f) whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013; | Not Applicable |
| (iv) | In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof. | The Company has not given any loans, investments, guarantees and security and hence there is no violation of provisions of section 185 and 186 of the Companies Act, 2013. |

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| (v) | <p>In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?</p> | <p>The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.</p> <p>Accordingly, the provisions of this clause are not applicable to the Company.</p> |
| (vi) | <p>Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.</p> | <p>The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for the Company's activities.</p> <p>Accordingly, the provisions of this clause are not applicable to the Company.</p> |
| (vii) | <p>(a) whether the company is regular in depositing undisputed statutory dues including 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 appropriate authorities and if not, 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, shall be indicated;</p> | <p>The Company is generally regular in depositing and there were no undisputed statutory dues including 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 appropriate authorities</p> |
| | <p>(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).</p> | <p>No, the Company has not disputed any dues relating to Income Tax or GST.</p> |
| (viii) | <p>Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments</p> | <p>As per the information provided to us, the Company has no such transactions, which are unrecorded in the books of accounts have been surrendered or</p> |

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| | under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year; | disclosed as income in tax assessments during the year under the provisions of the Income Tax Act, 1961 (43 of 1961). |
| (ix) | (a) Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults, to banks, financial institutions, and Government, lender wise details to be provided). | According to the explanations and information provided to us, that the company has not defaulted in repayment of loans from banks as at balance sheet date. |
| | (b) whether the company is a declared willful defaulter by any bank or financial institution or other lender; | No the Company has not been declared willful defaulter by any bank or financial institution or other lender |
| | (c) whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported; | Yes, the loan was applied for the purpose for which the loan was obtained. |
| | (d) whether funds raised on short term basis have been utilized for long term purposes, if yes, the nature and amount to be indicated; | No the Company has not raised any funds on short term basis and hence no deviations occurred. |
| | (e) whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case; | No the Company does not availed any loan from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures |
| (x) | (a) whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported; | The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under this clause is not applicable. |
| | (b) whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the | During the year, the Company has made preferential allotments / private placements of equity shares as under: 52,66,537 equity shares of face value ₹10 each issued at a price of ₹50 per share (including a premium of ₹40 per share) to non-promoter strategic investors on a Preferential basis. |

| | | |
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| | <p>purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;</p> | <p>47,33,463 equity shares of face value ₹10 each issued at a price of ₹44 per share (including premium thereon).</p> <p>In respect of the above allotments, based on our examination of records and information and explanations provided by the management, the Company has complied with the requirements of Section 42 and Section 62 of the Companies Act, 2013 and the rules made thereunder.</p> <p>Further, the funds raised through the said allotments have been applied for the purposes for which they were raised, and no material deviations have been noticed.</p> |
| (xi) | <p>(a) whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;</p> | <p>Based on the information and explanations provided to us by the management, and the audit procedures performed for the purpose of expressing an opinion on the true and fair view of the financial statements, we report that no fraud by the Company, or any material fraud on the Company by its officers or employees, has been noticed or reported during the year.</p> |
| | <p>(b) whether any report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;</p> | <p>No instances of fraud found and hence no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.</p> |
| | <p>(c) whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;</p> | <p>As per the information provided to us by the management, there are no whistle blower complaints received by the Company during the year.</p> |
| (xii) | <p>(a) whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;</p> | <p>No the Company is not a Nidhi Company and hence not hence not applicable to Company.</p> |

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| | (b) whether the Nidhi Company is maintaining ten percent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability; | Not Applicable |
| | (c) whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof; | Not Applicable |
| (xiii) | whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards; | According to explanations given to us and based on our examination of records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in financial statements as required by the applicable accounting standards. |
| (xiv) | (a) whether the company has an internal audit system commensurate with the size and nature of its business; | Yes. The internal audit system exists and it commensurate with the size and nature of its business. |
| | (b) whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor; | Yes we have considered the reports of Internal Auditors issued to the company during the year. |
| (xv) | whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with; | According to the explanations and information provided to us, the Company has not entered any non-cash transactions with directors or persons connected with him during the year and hence there is no contraventions of provisions of section 192 of Companies Act, 2013. |
| (xvi) | (a) whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and if so, whether the registration has been obtained; | The Company is not required to be registered under section 45-IA of RBI Act, 1934. As such this clause is not applicable. |
| | (b) whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; | Not Applicable |

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| | (c) whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria; | Not Applicable |
| | (d) whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group; | Not Applicable |
| (xvii) | whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses; | The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year. |
| (xviii) | whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors; | There has been no resignation of the statutory auditors during the year. However, there has been a change in statutory auditors, and M/s MSPR & Co., Chartered Accountants have been appointed in place of M/s BRAND Associates LLP. Accordingly, reporting under this clause is not applicable. |
| (xix) | on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; | As per the information provided by the management no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. |
| (xx) | (a) whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act; | There were no unspent amounts in respect of Corporate Social Responsibility (CSR) for other than ongoing projects as at the end of the financial year. Accordingly, the requirement to transfer any amount to a Fund specified in Schedule VII to the Companies Act, 2013 does not arise. |

Annexure B to the Auditor's Report

“Annexure B” referred to in paragraph 2(e) under “Report on other legal and Regulatory Requirements” section of report on Ind AS financial statements of even date to the members of M/s. RNIT AI Solutions Limited (Formerly known as Autopal Industries Limited) on the Ind AS financial statement for the year ended 31st March 2026.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of RNIT AI Solutions Limited ('the Company') (Formerly known as Autopal Industries Limited) as of 31st March 2026 in conjunction with our audit of the Ind AS financial statements 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 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 the 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

| RNIT AI SOLUTIONS LIMITED | | | |
|--|----------------|-------------------------|-------------------------|
| (Formerly known as Autopal Industries Limited) | | | |
| CIN: L62090RJ1985PLC003427 | | | |
| Balance sheet as at 31st March 2026 | | | |
| Amount ₹ In Lakhs (except for number of shares and EPS) | | | |
| Particulars | Note No | As at 31-03-2026 | As at 31-03-2025 |
| ASSETS: | | | |
| 1 Non-Current Assets: | | | |
| (a) Property, Plant and Equipment | 3 | 54.86 | 49.50 |
| (b) Intangible assets | 3 | 2,915.15 | 1,423.91 |
| (c) Capital Work-in-progress | | - | - |
| (d) Goodwill | | 3,997.91 | 3,997.91 |
| (e) Financial Assets: | | | |
| (i) Investments | | - | - |
| (ii) Other Financial Assets | 4a | 1,810.94 | - |
| (f) Other Non Current Assets | 4b | 121.61 | 46.15 |
| | | 8,900.47 | 5,517.48 |
| 2 Current Assets: | | | |
| (a) Inventories | | | |
| (b) Financial Assets: | | | |
| (i) Trade Receivables | 5 | 2,063.34 | 1,434.71 |
| (ii) Cash and Cash Equivalents | 6 | 2,867.86 | 776.12 |
| (iii) Loans and Advances | 7 | 1,250.91 | 959.79 |
| (c) Other Current Assets | 8 | 1,631.63 | 1,014.77 |
| | | 7,813.74 | 4,185.40 |
| Total Assets | | 16,714.20 | 9,702.87 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| 1 Shareholder Funds | | | |
| (a) Equity Share Capital | 9 | 8,479.21 | 7,179.20 |
| (b) Other Equity | 10 | 5,425.03 | 507.31 |
| | | 13,904.24 | 7,686.51 |
| LIABILITIES | | | |
| 1 Non-Current Liabilities | | | |
| (a) Financial Liabilities: | | | |
| (i) Borrowings | 11 | 478.13 | 820.32 |
| (b) Provisions | 16 | 59.75 | 50.37 |
| (c) Deferred Tax Liabilities (Net) | 12 | 77.44 | 36.19 |
| (d) Other Non-current Liabilities | | | |
| | | 615.32 | 906.87 |

| RNIT AI SOLUTIONS LIMITED (Formerly known as Autopal Industries Limited) CIN: L62090RJ1985PLC003427 Statement of Profit and Loss for the Year ended 31st March 2026 Amount ₹ In Lakhs (except for number of shares and EPS) | | | |
|---|---------|--------------------------|--------------------------|
| Particulars | Note No | Year Ended 31-03-2026 | Year Ended 31-03-2025 |
| I. Revenue from Operations | 18 | 5,149.88 | 3,222.59 |
| II. Other Income | 19 | 78.03 | 5.68 |
| III. Total Income (I +II) | | 5,227.90 | 3,228.57 |
| Expenses: | | | |
| Cost of materials consumed | | - | - |
| Purchase of Stock-in-Trade | | - | - |
| Operating expenses | 20 | 1,460.27 | 788.69 |
| Employee Benefits expense | 21 | 795.29 | 859.75 |
| Finance costs | 22 | 84.95 | 21.97 |
| Depreciation and Amortization Expense | 3 | 400.16 | 275.63 |
| Other Expenses | 23 | 826.22 | 551.70 |
| IV. Total Expenses | | 3,566.88 | 2,497.74 |
| V. Profit/(Loss) before exceptional items and tax (III - IV) | | 1,661.02 | 730.52 |
| VI. Exceptional Items (refer Note no.8(d)) | | - | - |
| VII. Profit/(Loss) before tax (V-VI) | | 1,661.02 | 730.52 |
| VIII. Tax expense: | | | |
| (1) Current tax | | 418.04 | - |
| (2) Deferred tax | 12 | 41.25 | 9.58 |
| IX. Profit/(Loss) for the period from continuing operations (VII-VIII) | | 1,201.73 | 720.94 |
| X. Profit/(Loss) for the period from dis-continuing operations | | - | - |
| XI. Other Comprehensive Income. | | | |
| A. Items that will not be reclassified to Profit or Loss | | | |
| (i) Exchange (gain)/Loss on foreign currency transactions | | - | - |
| (ii) Actuarial loss on defined benefit plans recognised in accordance with Ind AS 19. | | - | - |
| B. Items that will be reclassified to Profit or Loss | | - | - |
| Total Comprehensive Income for the period | | 1,201.73 | 720.94 |
| XII. Earnings per equity share (for continuing operation): | | | |
| (1) Basic | | 1.57 | 1.00 |
| (2) Diluted | | 1.57 | 1.00 |
| Summary of Significant Accounting Policies | 1&2 | | |
| The accompanying Notes are an Integral Part of the Financial Statements | | | |

AS PER OUR REPORT OF EVEN DATE

For M S P R & Co.,
Chartered Accountants
FRN: 010152S

Sd/-
Teja Kiran P
Partner
M.No. 263464
UDIN: 26263464UCHIQE5834

Place: Hyderabad
Date: 29-04-2026

For and on behalf of the Board
RNIT AI Solutions Limited

Sd/-
Pramod Reddy Mallaiahgari
Chairman & Independent Director
DIN: 02329517

Sd/-
Raja Srinivas Nandigam
Managing Director
DIN: 08430111

Sd/-
M.V.S.S.S. Sastri
Executive Director & CFO

Sd/-
T. T. V. R. Seshan
Company Secretary
M. No.: A73647

| RNIT AI SOLUTIONS LIMITED (Formerly known as Autopal Industries Limited) CIN: L62090RJ1985PLC003427 Statement of Cash Flow For the Year ended 31st March,2026 Amount ₹ In Lakhs (except for number of shares and EPS) | | |
|--|--------------------------|--------------------------|
| Particulars | Year Ended 31-03-2026 | Year Ended 31-03-2025 |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before taxation, and extraordinary items | 1,661.02 | 730.52 |
| Adjustments for: | | |
| Interest on borrowings | 84.95 | - |
| Interest on Fixed deposit | (53.66) | 21.97 |
| Foreign Exchange Gain | (24.37) | - |
| Depreciation | 400.16 | 275.63 |
| Operating Profit before working capital changes | 2,068.10 | 1,028.12 |
| Adjustments for: | | |
| Increase / (decrease) in trade payables | (135.16) | (176.56) |
| Increase / (decrease) in Current tax liabilities | 418.04 | - |
| Increase / (decrease) in Provisions | (1.00) | 7.00 |
| Increase / (decrease) in borrowings | 983.46 | 338.97 |
| Increase / (decrease) in Other current liabilities | (180.20) | 171.05 |
| Increase / (decrease) in Other Non-current liabilities | - | (31.21) |
| Decrease / (increase) in Loans and advance | (291.12) | (861.56) |
| Decrease / (increase) in other Non-current assets | (75.45) | (39.46) |
| Decrease / (increase) in trade receivables | (628.62) | (619.64) |
| Decrease / (increase) in Inventory | - | 44.23 |
| Decrease / (increase) in Other Current Assets | (616.85) | (542.91) |
| Cash generated from operations | 1,541.20 | (681.98) |
| Direct taxes paid (net of refunds) | (418.04) | |
| Cash flow before extraordinary items | 1,123.15 | (681.98) |
| Extraordinary items | | - |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 1,123.15 | (681.98) |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets and Intangible Assets | (1,896.75) | (1,698.79) |
| Interest on Fixed Deposits | 53.66 | |
| Increase in other financial assets | (1,810.94) | |
| Capital work in progress | - | - |
| Proceeds from other financial assets | - | - |
| Proceeds from Loan | - | - |
| Proceeds to Advances | - | - |
| Cash paid for acquisition | - | (3,997.91) |
| Proceeds from Non-Current Investments | - | 7.53 |
| Net Cash Used In Investing Activities | (3,654.03) | (5,689.17) |

RNIT AI SOLUTIONS LIMITED

Statement of changes in equity for the year ended 31st March 2026

**A) Equity share capital
Equity shares of Rs.10/- each issued, subscribed and fully paid**

| | Number of shares | Rs. Lakhs |
|------------------------------|--------------------|-----------------|
| As at 31st March 2025 | 7,17,91,983 | 7,179.20 |
| Changes in share capital | 1,30,00,100 | 1,300.01 |
| As at 31st March 2026 | 8,47,92,083 | 8,479.21 |

1) Current Reporting Period

| | Rs. Lakhs |
|--|-----------------|
| Balance at the beginning of the current reporting period | 7,179.19 |
| 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 | 1,300.01 |
| Balance at the end of the current reporting period | 8,479.21 |

2) Previous Reporting Period

| | Rs. Lakhs |
|--|-----------------|
| Balance at the beginning of the current reporting period | 41.70 |
| 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 | 7,137.50 |
| Balance at the end of the current reporting period | 7,179.19 |

| B) Other equity | | Rs. Lakhs | | | | | | | | | | ₹ in Lakhs | | |
|-----------------------------|---|---|-----------------|--------------------|--------------------------------|-------------------|---|--|---------------------------------------|---------------------|--|--|---------------------------------------|----------|
| | | Reserves and surplus | | | | | | | | | | Total | | |
| 1) Current Reporting Period | | Equity component of compound financial instrument | Capital Reserve | Securities Premium | Other Reserves - Forfeiture of | Retained Earnings | Debt instruments through other comprehensive income | Equity instrument through other comprehensive instrument | Effective portion of cash flow hedges | Revaluation surplus | Exchange difference on the financial statements of a foreign operation | Other items of other comprehensive income (specify nature) | Money received against share warrants | Total |
| | Share application money pending allotment | - | - | - | - | - | - | - | - | - | - | - | - | 507.31 |
| | Balance at the beginning of reporting period | - | 2,233.63 | - | (1,726.32) | - | - | - | - | - | - | - | - | 507.31 |
| | Changes in accounting policy or prior period errors | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Changes in reserves | - | - | 3,715.99 | - | - | - | - | - | - | - | - | - | 3,715.99 |
| | Restated balance at the beginning of the reporting period | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total comprehensive income for the year | - | - | - | 1,201.73 | - | - | - | - | - | - | - | - | 1,201.73 |
| | Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Transfer to retained earnings | - | - | - | 1,201.73 | - | - | - | - | - | - | - | - | 1,201.73 |
| | Any other change (by virtue of NCLT Order) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Balance at the end of the year | - | 2,233.63 | 3,715.99 | (524.59) | - | - | - | - | - | - | - | - | 5,425.03 |

| 2) Previous Reporting Period | Rs. Lakhs | | | | | | | | | | ₹ in Lakhs | | | |
|---|---|---|-----------------|--------------------|--------------------------------|-------------------|---|--|---------------------------------------|------------------------|--|--|---------------------------------------|------------|
| | Share application money pending allotment | Equity component of compound financial instrument | Capital Reserve | Securities Premium | Other Reserves - Forfeiture of | Retained Earnings | Debt instruments through other comprehensive income | Equity instrument through other comprehensive instrument | Effective portion of cash flow hedges | Revaluation of surplus | Exchange difference on translating the financial statements of a foreign operation | Other items of other comprehensive income (specify nature) | Money received against share warrants | Total |
| Balance at the beginning of reporting period | - | - | - | - | 5.10 | (2,447.25) | - | - | - | - | - | - | - | (2,442.15) |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Changes in reserves | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | - | 720.94 | - | - | - | - | - | - | - | 720.94 |
| Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | 720.94 | - | - | - | - | - | - | - | 720.94 |
| Any other change (by virtue of NCLT Order) | - | - | 2,233.63 | - | (5.10) | - | - | - | - | - | - | - | - | 2,228.53 |
| Balance at the end of the year | - | - | 2,233.63 | - | - | (1,726.32) | - | - | - | - | - | - | - | 507.31 |

AS PER OUR REPORT OF EVEN DATE

For M S P R & Co.,
Chartered Accountants
FRN: 010152S

Sd/-
Teja Kiran P
Partner
M.No. 263464
UDIN: 26263464UCHIQE5834

Place: Hyderabad
Date: 29-04-2026

For and on behalf of the Board
RNIT AI Solutions Limited

Sd/-
Pramod Reddy Malliahgari
Chairman & Independent Director
DIN: 02329517

Sd/-
M.V.S.S.S. Sastri
Executive Director & CFO

Sd/-
Reja Srinivas Nandigam
Managing Director
DIN: 08430111

Sd/-
T. T. V. R. Seshan
Company Secretary
M. No.: A73647

Significant Accounting Policies for the year ended March 31, 2026

1.

1.1 Corporate Information

RNIT AI Solutions Limited (Formerly known as Autopal Industries Limited) is a software development company incorporated under the provisions of Companies Act, 2013. Pursuant to an Application filed by M/s Tack Innovations ('Operational Creditor') under Section 9 of the Code for initiation of Corporate Insolvency Resolution Process ('CIRP'), to the Hon'ble National Company Law Tribunal, Jaipur Bench (Adjudicating Authority). By virtue of this application, the Hon'ble National Company Law Tribunal, Jaipur Bench, vide its order dated September 23, 2024 (Adjudicating Authority) approved the Resolution plan ("Approved Resolution Plan") submitted by Raja Srinivas Nandigam (Managing Director and CEO of RNIT Solutions & Services Limited) and Mr. Vivek Kumar Ratakonda (Fellow member of the Institute of Chartered Accountants of India) collectively referred to as the "Resolution Applicants", along with the scheme of arrangement (for the merger M/s RNIT Solutions & Services Limited into RNIT AI Solutions Limited). Its registered office is located at 138 Kalyan Kunj Colony, Kalwar Road Jhotwara, Jaipur, Rajasthan, India 302012. The company is engaged in the business activities of Internet of Things (IOT), Artificial Intelligence, Mobile Solutions, Application Development. The Financial Statements have been approved by the Board of Directors of the Company at their meeting held on 29th April 2026.

1.2 Statement of compliance and basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited financial statements have been discussed in the respective notes.

As the year-to-date figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year-to-date figures reported in this statement.

1.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware

of changes in circumstances surrounding the estimates. Changes in estimates and judgments are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Current/non-current classification

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realised within 12 months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within 12 months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

1.4 Measurement of Fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. Material valuation issues, if any, are reported to the Company's Management.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares, quoted debt instruments and mutual fund investments;

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is Material to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2. Material Accounting Policies

a. Revenue Recognition

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves Material judgment.

Fixed-price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed-price maintenance contract is recognized ratably 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 the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

The Company uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves Material judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

Contracts with customers includes subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other

factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent.

Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

b. Property, plant and equipment and depreciation:

i. Property, plant and equipment

Property, plant and equipment represent a Material proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii. Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has componentized its PPE and has separately assessed the life of major components. The Company depreciates its fixed assets over the useful lives as prescribed in Schedule II to the Act.

c. Intangible Assets

I. Recognition and Measurement

Intangible assets acquired are measured on cost basis on initial recognition. Subsequently, intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, if any, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

II. Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

A summary of amortization policies applied to the company’s intangible assets is as below:

| Particulars | Useful life |
|------------------------|-------------|
| Intangible Assets - I | 5 Years |
| Intangible Assets - II | 10 Years |

d. Impairment of non-financial assets:

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at the cash generating unit level. All individual assets or cash generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their ‘value in use’.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist.

e. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on risk exposure arising from financial assets like debt instruments measured at amortized cost e.g., trade receivables and deposits.

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on Trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a Material increase in the credit risk since initial recognition. If credit risk has not increased Materially, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased materially, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a Material.

Increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of profit and loss. This amount if any will be reflected under the head 'other expenses' in the Statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable Material increases in credit risk to be identified on a timely basis.

f. Borrowing costs

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost with any difference between the proceeds (net of transaction costs) and the redemption value recognized in the Statement of profit and loss within finance costs over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

g. Provision and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for onerous contracts 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, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Provisions for warranty-related costs are recognized when the product is sold to the customer. Initial recognition is based on management estimate of product failure rates. The initial estimate of warranty-related costs is revised annually.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Contingent assets are not recognized or disclosed in these financial statements since this may result in the recognition of income that may never be realized.

h. financial instrument

i. Classification:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial liabilities are measured at amortized cost using the effective interest method.

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

ii. Initial recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

iii. Measurement:

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv. Impairment of financial assets (other than at fair value):

The Company assesses at each reporting date whether a financial asset or a group of financial assets and contract assets (unbilled revenue) is impaired. The Company recognizes loss allowances, in accordance with IND AS 109, using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue with no Material financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a Material increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit or loss.

v. Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i. Employee Benefits:

i) Post-employment and pension plans:

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

ii) Short-term benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related services are provided. Liabilities for wages and salaries including the amount expected to be paid under short-term cash bonus or profit sharing plans, expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii) Compensated absences:

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year as applicable. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are classified under current liabilities and balance under non-current liabilities.

iv) Share- based payment transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grants are made using a Black Scholes model. The cost is recognized in employee benefits expense, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in a gradual vesting manner. The amount recognized as expense is based on the estimate of the number of awards for which the related service is expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

j. Taxes

Taxation on profit and loss comprises current tax and deferred tax. Tax is recognized in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income in which case tax impact is also recognized in equity or other comprehensive income.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date along with any adjustment relating to tax payable in previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is provided at amounts.

Expected to is paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

k. Earnings per share

Basic earnings per share are computed using the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is computed by considering the impact of the potential issuance of ordinary shares, on the weighted average number of shares outstanding during the period except where the results would be anti-dilutive.

l. Cash and cash equivalents

As per the policy of the company Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments which are readily convertible into known amounts of cash and are subject to immaterial risk of changes in

value. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Deposits held with banks as security for overdraft facilities are included in restricted deposits held with bank. The company does not have any borrowings or overdraft from banks or financial institutions.

m. Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Statement of Profit and Loss.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations between entities under common control is accounted for at carrying value of the assets and liabilities in the Group's Consolidated financial statements. The payments related to options issued by the Group over the non-controlling interests in its subsidiaries are accounted as financial liabilities and initially recognized at the estimated present value of gross obligations. Such options are subsequently measured at fair value in order to reflect the amount payable under the option at the date at which it becomes exercisable. In the event that the option expires unexercised, the liability is derecognized.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

n. Goodwill

Goodwill on acquisitions might be arised is recognized in the financial statement. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

o. Material accounting judgments, estimates and assumptions:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts and disclosures. The company based its assumptions and estimates on parameters available when the financial statements were prepared and reviewed at each balance sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures.

| | As on 31-03-2026 | | As on 31-03-2025 | |
|---|------------------|-------------|------------------|-------------|
| | No of shares | % of Shares | No of shares | % of Shares |
| III | | | | |
| Share held by Promoters: | | | | |
| Equity Shares of Rs. 10 each Held By | | | | |
| Raja Srinivas Nandigam | 4,24,80,855 | 50.10 | 3,94,58,505 | 54.96 |
| Vivek Kumar Ratha Konda | 60,000 | 0.07 | - | - |
| Neelima Nandigam | 48,12,500 | 5.68 | 48,12,500 | 6.70 |
| Rithvika Nandigam | 3,600 | 0.00 | - | - |
| Sumithradevi Lanka | 9,58,335 | 1.13 | 9,58,335 | 1.33 |
| Ravi Kiran Prasad Yalamanchili | 15,00,000 | 1.77 | - | - |
| Yalamanchili Rajendra Prasad | - | - | 15,00,000 | 2.09 |
| Veeramachaneni Venkateswara Rao | 10,00,000 | 1.18 | 10,00,000 | 1.39 |
| Lakshmi Narasimha Kameswara Rao Mantha | 8,00,000 | 0.94 | 8,00,000 | 1.11 |
| Venkateswara Prasad Ratakonda | 1,219 | 0.00 | 6,25,000 | 0.87 |
| Vinayak Talwar | - | - | 10,00,000 | 1.39 |
| Mile Deep Capital Private Limited | 20,00,000 | 2.36 | 20,00,000 | 2.79 |
| IV | | | | |
| Details of Shareholder holding more than 5% shares of the company: | | | | |
| Raja Srinivas Nandigam | 4,24,80,855 | 50.10 | 3,94,58,505 | 54.96 |
| Neelima Nandigam | 48,12,500 | 5.68 | 48,12,500 | 6.70 |

During the year ended 31 March 2026, the Company has made a preferential allotment of 1,00,00,000 equity shares of face value of ₹10 each to strategic investors (public category) in two tranches.

Out of the above:

47,33,463 shares were issued at a price of ₹44 per share (including premium of ₹34 per share) as on 5th November 2025, and 52,66,537 shares were issued at a price of ₹50 per share (including premium of ₹40 per share) as on 28th March 2026

The above allotment aggregates to ₹4,715.99 lakhs and has been made for cash consideration in accordance with the provisions of the Companies Act, 2013. The face value of shares has been credited to Equity Share Capital and the premium has been credited to Securities Premium in accordance with applicable Indian Accounting Standards.

The equity shares so allotted rank pari passu in all respects with the existing equity shares of the Company. The proceeds from the issue have been utilised for business expansion including working capital purpose and general corporate purposes.

Terms / Rights Attached to Equity Shares

The Company has issued and paid up equity shares having par value of INR 10/- per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends and dividend, if any, declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year the Company has not proposed any dividend on Equity shares. 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.

RNIT AI SOLUTIONS LIMITED
(Formerly known as Autopal Industries Limited)
Notes to Financial Statements for the Year ended March 31, 2026
Amount ₹ In Lakhs (except for number of shares and EPS)

Note No. 10 : Other Equity

| S. No. | Particulars | As on 31-03-2026 | As on 31-03-2025 |
|--------|---|------------------|-------------------|
| I | RESERVES AND SURPLUS | | |
| | a) Capital reserve | | |
| | As at the commencement of the year | 2,233.63 | |
| | Add: Liabilities written off during the year | - | 3,904.50 |
| | Less: Assets written off during the year | - | 1,670.87 |
| | | 2,233.63 | 2,233.63 |
| | b) Securities Premium | 3,715.99 | |
| | c) Forfeiture of shares | | - |
| | d) Retained Earnings : | | |
| | i) Opening Balance - Statement of Profit and Loss | (1,726.31) | (2,447.25) |
| | Add: Transfer from Statement of Profit & Loss | 1,201.73 | 720.94 |
| | | (524.59) | (1,726.31) |
| | Total Other Equity | 5,425.03 | 507.31 |

Nature and Purpose

i) Capital reserve

Capital reserve is created by derecognition of the assets and liabilities of the acquirer company by virtue of the NCLT order.

ii) Retained earnings

Retained earnings comprises of Company's undistributed earnings after taxes.

iii) Securities Premium

Securities premium consists of the difference between the face value of the equity shares and the consideration received in respect of shares issued.

Note No. 11 : Borrowings (Non-Current)

| S.No. | Particulars | As on 31-03-2026 | As on 31-03-2025 |
|-------|---|------------------|------------------|
| | Secured loans | | |
| a | Vehicle loan | - | 16.01 |
| b | Axis Finance limited Loan * | 294.56 | |
| | Less: Current maturities | (13.37) | (0.28) |
| | Unsecured loans | | |
| a | Raja Srinivas | - | 300.00 |
| b | Loans and advances from related parties | 196.95 | 504.58 |
| | Total Borrowings | 478.13 | 820.32 |

The term loan from Axis Bank is secured by equitable mortgage of immovable properties owned by the Directors and offered as collateral security for the loan. The loan is repayable in equal monthly instalments over a period of 12 Years and carries interest at 11% per annum. There has been no default in repayment of principal or interest during the year.

Note No. 12 :Deferred Tax Liability

| S.No. | Particulars | As on 31-03-2026 | As on 31-03-2025 |
|-------|-------------------------------------|------------------|------------------|
| a | Deferred tax liability | 77.44 | 36.19 |
| | Total Deferred tax liability | 77.44 | 36.19 |

Financial assets/liabilities as at March 31, 2025

| | Note | Amortised cost | Fair value through profit and loss | Fair value through other comprehensive income | Total carrying value | Level 1 | Level 2 | Level 3 | Total |
|---|------|----------------|------------------------------------|---|----------------------|---------|---------|---------|-------|
| Assets | | | | | | | | | |
| Financial assets not measured at fair value | | | | | | | | | |
| Cash and cash equivalents | 8 | 775.11 | - | - | 775.11 | - | - | - | - |
| Other bank balances | 8 | 1.01 | - | - | 1.01 | - | - | - | - |
| Trade receivables | 7 | 1,434.71 | - | - | 1434.71 | - | - | - | - |
| Loans and Advances | 9 | 959.79 | - | - | 959.79 | - | - | - | - |
| | | 3170.62 | | | 3170.62 | | | | |
| Liabilities | | | | | | | | | |
| Financial liabilities not measured at fair value | | | | | | | | | |
| Borrowings | | | | | | | | | |
| Non-Current | 13 | 820.32 | - | - | 820.32 | - | - | - | - |
| Current | 16 | 342.42 | - | - | 342.42 | - | - | - | - |
| Trade payables | 17 | 314.35 | - | - | 314.35 | - | - | - | - |
| | | 1477.09 | - | - | 1477.09 | - | - | - | - |

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair value of the financial instruments that are:

- recognised and measured at fair value.
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels as mentioned under Indian accounting standards.

Level 1-Quoted prices(unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity share, quoted debt instruments and mutual fund investments. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement;

Level 2- The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data

and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3- Inputs for the assets or liabilities that are not based on observable market data (Unobservable inputs).

Financial assets:

The Company has not disclosed the fair values of cash and cash equivalents including other bank balances, trade receivables and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

Financial liabilities:

Borrowings:

It includes Term loan and, bank overdraft (current and non-current borrowings). Current and non-current borrowings are measured at amortised cost.

The carrying amounts of the current and non-current borrowings would be a reasonable approximation of their fair value.

Trade Payables and Other financial liabilities:

The company has not disclosed the fair values of trade payables and other financial liabilities because their carrying amounts are a reasonable approximation of their fair value.

B. Measurement of fair values

The following methods and assumption were used to estimate the fair values:

The carrying amount of trade payables, trade receivables, current borrowings, other financial liabilities and other financial assets (current), measured at cost in the restated financial statements, are considered to be the same as their fair values, due to their short-term nature.

Financial risk management

The company activities expose it to a variety of financial risks, market risks, credit risks and liquidity risks.

Risk management framework

The company's Board of Directors have overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

C. Credit risk

Credit risk is managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired. Cash and cash equivalents, trade receivables (other than those carried at cost) and other bank balances are neither past due nor impaired.

Financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end. The company has provided for the financial assets based on the best estimate.

Accordingly, ECL disclosure are not given for the same. The company has used a practical expedient and analysed the recoverable amount of receivables on an individual basis by computing the expected loss allowance for financial assets based on historical credit loss experience.

Movement in the expected credit loss allowance of trade receivables:

| Particulars | As at March 31 2026 | As at March 31 2025 |
|----------------------------------|---------------------|---------------------|
| Balance at beginning of the year | - | - |
| Less: reversals of provision | - | - |
| Balance at the end of the year | - | - |

D. Liquidity risk

i. Liquidity risk management

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company approach when damage to the company reputation. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no significant liquidity risk is perceived. As of 31 March 2026, the company had a working capital of INR 5,619.10 lakhs (31 March 2025: INR 3075.90 lakhs) cash and cash equivalents as of 31st March 2026 INR 2,866.85 lakhs (31st March 2025: INR 775.11 lakhs) and other bank balances as of 31st March 2026 INR 1.01 lakhs (31st March 2025: 1.01).

ii. Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2026:

The amounts are gross and undiscounted and include contractual interest payments.

| Particulars | Note | Carrying value | < 1 year | 1 to 5 years | > 5 years | Total |
|-------------------------|------|-----------------|----------|--------------|-----------|-----------------|
| Loan from related party | 11 | 196.95 | 196.95 | - | - | 196.95 |
| Borrowings | | - | - | - | - | - |
| Non-current | 11 | 478.13 | - | 478.13 | - | 478.13 |
| Current | 13 | 1,312.51 | 1,312.51 | - | - | 1,312.51 |
| Trade payables | 14 | 179.19 | 134.89 | 44.30 | - | 179.19 |
| | | 2,166.78 | | | | 2,166.78 |

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2025:

The amounts are gross and undiscounted and include contractual interest payments.

| Particulars | Note | Carrying value | < 1 year | 1 to 5 years | > 5 years | Total |
|-------------------------|------|----------------|----------|--------------|-----------|----------|
| Loan from related party | 28 | 804.58 | 444.50 | 360.08 | - | 804.58 |
| Borrowings | | | | | | |
| Non-current | 13 | 820.32 | - | 820.32 | - | 820.32 |
| Current | 16 | 342.42 | 342.42 | - | - | 342.42 |
| Trade payables | 17 | 314.35 | 314.35 | - | - | 314.35 |
| | | 2,281.67 | 1,101.27 | 1,180.40 | - | 2,281.67 |

E. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises two types of risk: currency rate risk and interest rate risk.

Financial instruments affected by market risks include loans and borrowings, deposits, investments and payables.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's borrowing with floating interest rates. The company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

As at March 31, 2026

| Particulars | Floating Rate Borrowings | Fixed Rate Borrowings | Non-interest-bearing borrowings | Total borrowings |
|------------------------------------|--------------------------|-----------------------|---------------------------------|------------------|
| Financial liabilities (borrowings) | 1,620.44 | - | - | 1,620.44 |
| Total | 1,620.44 | - | - | 1,620.44 |

As at March 31, 2025

| Particulars | Floating Rate Borrowings | Fixed Rate Borrowings | Non-interest-bearing borrowings | Total borrowings |
|---|--------------------------|-----------------------|---------------------------------|------------------|
| Financial liabilities (borrowings) Vehicle loans and Bank overdraft | 358.43 | - | - | 358.43 |
| Total | 358.43 | - | - | 358.43 |

Sensitivity analysis on floating rate borrowings:

As at March 31, 2026

| Particulars | Impact on Profit or (loss) before tax | Impact on equity, net of tax |
|--------------------|--|-------------------------------------|
| 1% increase | (16.20) | (11.96) |
| 1% decrease | 16.20 | 11.96 |

As at March 31, 2025

| Particulars | Impact on Profit or (loss) before tax | Impact on equity, net of tax |
|--------------------|--|-------------------------------------|
| 1% increase | (3.58) | (2.65) |
| 1% decrease | 3.58 | 2.65 |

Interest rate sensitivity has been calculated assuming the borrowings outstanding at reporting date have been outstanding for the entire reporting year.

25.Details of payment to Auditor

| Particulars | 31st March 2026 | 31st March 2025 |
|---------------------|-----------------------------------|-----------------------------------|
| Statutory audit fee | 7.50 | 6.00 |
| Tax Audit fee | 1.00 | 1.00 |
| Total | 8.50 | 7.00 |

26.Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit. The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet for the plan:

Reconciliation of opening and closing balances of the present value of the defined benefit

Defined Benefit Obligations:

| Particulars | 31-03-2026 | 31-03-2025 |
|--|-------------------|-------------------|
| Opening Balance | 50.37 | 30.38 |
| Current service cost | 3.09 | 19.99 |
| Past service cost | 8.85 | - |
| Interest Cost | - | - |
| Benefits paid | 2.56 | - |
| Actuarial gain | - | - |
| Closing Balance | 59.75 | 50.37 |
| Present value of projected benefit obligation at the end of the year | - | - |
| Fair value of plan assets at the end of the year | - | - |
| Net liability recognised in the balance sheet | 59.75 | 50.37 |

| Expenses recognized in statement of profit and loss | 31-03-2026 | 31-03-2025 |
|---|-------------------|-------------------|
| Service cost | 11.94 | 19.99 |
| Interest cost | - | - |
| Gratuity Cost | 11.94 | 19.99 |
| Re-measurement gains/ (losses) in OCI | - | - |
| Actuarial gain / (loss) due to demographic assumption changes | - | - |
| Actuarial gain / (loss) due to financial assumption changes | - | - |
| Actuarial gain / (loss) due to experience adjustments | - | - |
| Return on plan assets greater (less) than discount rate | - | - |
| Total expenses routed through OCI | 11.94 | 19.99 |
| Assumptions | 31-03-2026 | 31-03-2025 |
| Discount rate (per annum) | 7.74% p.a | 6.70% p.a |
| Further Salary increases | 10.00% p.a | 10.00% p.a |

27. Earnings Per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|------------------|------------------|
| Profit after tax | 1,201.73 | 720.94 |
| Weighted Average No. of Equity Shares | 7,67,56,152 | 7,17,91,983 |
| Basic and diluted earnings per share for continued operations (in rupees) | 1.57 | 1.00 |

28. Related Party Transactions

A. Name of the Related Parties and Related Party Relationship

a) Key Managerial Personnel

| Name | Relationship |
|--|---|
| Mr. Raja Srinivas Nandigam | Promoter and Managing Director |
| Mr. Malladi Venkata Satya Surya Subrahmanya Sastri | Executive Director and Chief Financial Officer |
| Mr. Mandeep Singh | Company Secretary (up to September 29, 2025) |
| Mr. T.T.V.R. Seshan | Company Secretary (with effect from September 30, 2025) |

b) Promoters / Directors (Other Related Parties)

| Name | Relationship |
|-------------------------|-------------------------------------|
| Mrs. Neelima Nandigam | Promoter and Non-Executive Director |
| Mrs. Sumithradevi Lanka | Promoter Group |

Transactions During the Year

| Particulars | 31-Mar-26 | 31-Mar-25 |
|--|------------------|------------------|
| A. Key Managerial Personnel | | |
| Mr. Raja Srinivas Nandigam | | |
| Repayment of loans through allotment of shares (other than cash) | - | - |
| Loans received | 238.26 | 400.50 |
| Loans repaid | 566.36 | - |
| Managerial Remuneration | 187.78 | 187.78 |
| Mr. M.V.S.S.S. Sastri | | |
| Managerial Remuneration | 49.78 | 49.78 |
| Mr. Mandeep Singh | | |
| Managerial Remuneration | 2.09 | - |
| Mr. T.T.V.R. Seshan | | |
| Managerial Remuneration | 4.96 | - |
| B. Other Related Parties | | |
| Mrs. Neelima Nandigam | | |
| Repayment of loans through allotment of shares (other than cash) | - | - |
| Loans received | 55.00 | 32.75 |
| Loans repaid | 25.00 | - |
| Mrs. Sumithradevi Lanka | | |
| Loan repaid during the year | 9.58 | - |

Balances Outstanding as at the Year End

| Particulars | 31-Mar-26 | 31-Mar-25 |
|-----------------------------------|------------------|------------------|
| Key Managerial Personnel | | |
| Mr. Raja Srinivas Nandigam | | |
| Loans from Director | 122.41 | 750.50 |
| Other Related Parties | | |
| Mrs. Neelima Nandigam | | |
| Loans from Director | 74.54 | 44.50 |
| Mrs. Sumithradevi Lanka | | |
| Loans from Promoter | - | 9.58 |

29.MSME

There are no dues payable to suppliers under Micro, Small and Medium Enterprises Development Act, 2006.

30.Subsequent Events

There are no significant events that occurred after the balance sheet date.

31.Prior year comparatives

The figures of the previous year have been regrouped/reclassified, where necessary, to conform with the current year's classification.

32.Additional Regulatory Information

- i) The company doesn't possess any immovable property. In respect of immovable properties taken on lease and disclosed as property, plant and equipment in the Ind AS financial statements, the lease agreements are duly executed in the name of the Company.
- ii) The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii) No loans and advances were granted to promoters, directors, KMPs and the related parties.
- iv) The company did not hold any Benami Property and hence no proceedings were initiated or pending against the company.
- v) There are no borrowings from banks on the basis of current assets given as security. Returns and statements submitted by the company are in agreement with the Books of Account.
- vi) The company was not declared as a wilful defaulter by any bank or financial institution.
- vii) The company did not enter into any transactions with struck off companies.

viii) Ratios

| Particulars | Formula | 2025-26 | 2024-25 |
|--------------------------------------|--|---------|---------|
| (a) Current Ratio | Total Current assets/Total Current liabilities | 3.56 | 3.77 |
| (b) Debt-Equity Ratio | (Current + non-current Borrowings)/Shareholders Equity | 0.13 | 0.19 |
| (c) Debt Service Coverage Ratio | (PAT + Interest + Depreciation)/ Interest +principal repayment During the year | 3.91 | 0.63 |
| (d) Return on Equity Ratio | PAT/Average shareholder's fund | 0.11 | 0.25 |
| (e) Inventory turnover ratio | Cost of goods sold/Average inventory | - | - |
| (f) Trade Receivables turnover ratio | Net Credit sales/average accounts receivable | 2.94 | 2.86 |

| | | | |
|-----------------------------------|---|-------|-------|
| (g) Trade payables turnover ratio | Operating expenses/average trade payables | 5.92 | 1.96 |
| (h) Net capital turnover ratio | Turnover/net working capital | 0.92 | 1.05 |
| (i) Net profit ratio | Net profit/Turnover | 0.23 | 0.22 |
| (j) Return on Capital Employed | EBIT/Capital Employed | 0.13 | 0.09 |
| (k)Return on investment | Net profit/Equity share capital | 0.09 | 0.10 |
| (l)Interest Coverage Ratio | EBIT/Finance cost | 20.55 | 34.25 |
| (m)Operating profit margin ratio | EBITDA/Revenue from operations | 42.00 | 32.00 |
| (n)Return on Net worth | Net profit after taxes/average total Equity | 11.00 | 25.00 |

* **Explanation for changes in the ratio by more than 25% and ratios not applicable as compared to the preceding year.**

b. Debt equity ratio decreased due to issue of equity shares during the year.

c. Debt service coverage ratio increased due to Increase in Debt during the year.

d. Return on Equity increased decreased due to increase in Equity and increase in finance, operating and administrative expenses during the year.

g. Trade payables turnover ratio increased due to Increase in operating expenses during the year as compared to last financial year.

j. Return on Capital Employed increased due to increase in profit during the year.

l. Interest Coverage Ratio decreased from 34.25 times in FY 2024–25 to 20.55 times in FY 2025–26 primarily due to an increase in finance costs during the year.

m. Operating Profit Margin increased from 32% in FY 2024–25 to 42% in FY 2025–26 primarily due to growth in revenue and improved operating performance during the year.

n. The Return on Net Worth decreased from 25% in FY 2024–25 to 11% in FY 2025–26 primarily due to a significant increase in the Company's net worth on account of capital infusion

33.Details of Deferred Tax Liability on account of timing difference is as under:

| Deferred Tax Liabilities | As on 31-03-2026 | As on 31-03-2025 |
|---|-------------------------|-------------------------|
| Opening Balance | 36.19 | 26.61 |
| Add: Adjustment for timing difference of Depreciation | 41.25 | 9.58 |
| Closing Balance | 77.44 | 36.19 |

34.Undisclosed Income

All transactions were recorded in the books of account and there was no undisclosed income that has been surrendered or disclosed as income during the year.



Registered Office

RNIT AI Solutions Limited

138 Kalyan Kunj Colony, Kalwar
Road Jhotwara, Jhotwara,
Jaipur, Rajasthan, India, 302012

Corporate Office

RNIT AI Solutions Limited

Plot No.92, 93 & 94 Kavuri Hills,
Madhapur, Hyderabad,
Telangana-500033



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