

PCL/CS/16586

20<sup>th</sup> May, 2026

The Secretary  
The Bombay Stock Exchange Ltd,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001  
Fax:-022-22723121

**Sub: Outcome of Board Meeting – Audited Financial Results for Quarter/Year ended 31<sup>st</sup> March, 2026**

Dear Sir,

Pursuant to the Regulation 30 (6) read with Part A of Schedule III and Regulation 33 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we would like to inform you that the Audited Quarterly and Annual Financial Results of the Company for the Quarter / Year ended 31<sup>st</sup> March, 2026 together with Statement of Assets & Liabilities as on report date, Cash Flow Statement for the period ended 31<sup>st</sup> March, 2026 has been considered and approved by the Board of Directors in the 239<sup>th</sup> Board Meeting of the Company held on 20<sup>th</sup> May, 2026 along with Statutory Auditors' Report thereon. The Meeting commenced at 1710 Hrs and concluded at 1915 Hrs.

In this regard, please find enclosed herewith the following information/documents in the prescribed format as given below:

1. The Audited Financial Results of the Company for the Quarter/Year ended 31<sup>st</sup> March, 2026.
2. The Statement of Assets & Liabilities of the Company as on 31<sup>st</sup> March, 2026 as per Regulation 33(3) (f) of SEBI (LODR) Regulations, 2015.
3. The Cash Flow Statement for the period ended 31<sup>st</sup> March, 2026 as per Regulation 33(3) (g) of SEBI (LODR) Regulations, 2015.
4. The Independent Audit Report on Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2026 as provided by our Statutory Auditors – M/s Charanjit Singh & Associates, Chartered Accountants.
5. Statement on Impact of Audit Qualifications on Audited Financial Results for the Year ended 31<sup>st</sup> March, 2026 under LODR Regulations.

This is for your information & records please.

Thanking you.

Yours faithfully  
For Punjab Communications Ltd.



(Company Secretary & Compliance Officer)

**PUNJAB COMMUNICATIONS LIMITED**

Regd Office : B-91, Phase VIII, Industrial Area, S A S Nagar (Mohali)-160071

(CIN:L32202PB1981SGC004616) (Web: www.puncom.com)



**AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED 31ST MARCH, 2026**

(₹ in Lacs)

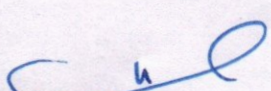
**PART I**

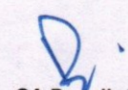
Sr. No.	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations	702.47	498.82	491.97	2,684.80	1,721.43
2	Other income	268.43	218.69	254.79	1,044.59	858.34
3	<b>Total Revenue (1+2)</b>	<b>970.90</b>	<b>717.51</b>	<b>746.76</b>	<b>3,729.39</b>	<b>2,579.77</b>
4	Expenses					
	a) Cost of materials consumed	210.79	127.81	101.83	724.82	575.43
	b) Purchases of Stock-in-Trade	204.74	(0.01)	39.83	426.08	276.19
	c) Change in inventories of finished goods, Stock-in-Trade and work-in-progress	(43.42)	20.56	22.95	(39.54)	6.60
	d) Employee benefits expense	284.02	437.19	297.63	1,360.73	1,320.77
	e) Finance costs	0.41	0.85	-	2.65	-
	f) Depreciation and amortisation expense	5.73	6.57	5.47	21.04	20.23
	g) Other expenses	278.23	215.40	137.89	936.00	484.18
	<b>Total expenses (4)</b>	<b>940.50</b>	<b>808.37</b>	<b>605.60</b>	<b>3,431.79</b>	<b>2,683.40</b>
5	Profit/(Loss) before exceptional items and tax (3-4)	30.40	(90.86)	141.16	297.60	(103.63)
6	Exceptional Items- Employees Expense . Please refer Note 5	-	-	-	-	-
7	Exceptional Items-Interest Income under OTS- Please refer Note 6	-	-	-	-	65.77
8	<b>Profit/(Loss) before tax (5-6+7)</b>	<b>30.40</b>	<b>(90.86)</b>	<b>141.16</b>	<b>297.60</b>	<b>(37.86)</b>
9	Tax Expense					
	(a) Current Tax	(74.48)	-	-	(74.48)	-
	(b) Deferred Tax	74.48	-	-	74.48	-
10	<b>Profit / (Loss) for the period from continuing operations (8-9)</b>	<b>30.40</b>	<b>(90.86)</b>	<b>141.16</b>	<b>297.60</b>	<b>(37.86)</b>
11	<b>Profit/(Loss) for the period</b>	<b>30.40</b>	<b>(90.86)</b>	<b>141.16</b>	<b>297.60</b>	<b>(37.86)</b>
12	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	(i) Re-measurement gains/(losses) on defined benefit obligations	(104.58)	47.37	34.60	(107.37)	9.85
	<b>Other Comprehensive Income/(Expenses)</b>	<b>(104.58)</b>	<b>47.37</b>	<b>34.60</b>	<b>(107.37)</b>	<b>9.85</b>
13	<b>Total Comprehensive Income for the period (11+12) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>	<b>(74.18)</b>	<b>(43.49)</b>	<b>175.76</b>	<b>190.22</b>	<b>(28.01)</b>
14	Earnings per Equity Share (EPS) :					
	(a) Basic	0.25	(0.76)	1.17	2.48	(0.31)
	(b) Diluted	0.25	(0.76)	1.17	2.48	(0.31)
15	Paid up Equity Share Capital (Face value of the share is Rs 10/-)	1,202.36	1,202.36	1,202.36	1,202.36	1,202.36
16	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	1,840.48	1,650.26

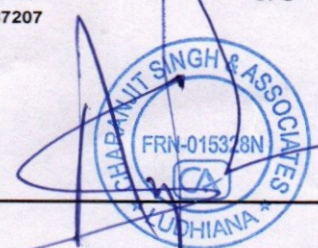
**Notes**

- The aforesaid Audited Financial Results for the Quarter and Year ended 31st March, 2026 have been taken on record by the Board of Directors in their meeting held on 20th May, 2026.
- The above financial results are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 being mandatory w.e.f. April 1, 2017.
- In terms of Regulation 33(2)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chief Executive Officer and Chief Financial Officer do hereby certify that financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.
- The company is primarily engaged in the business of telecom and its spares. As the basic nature of these activities are governed by same set of risks and returns, the sales have been grouped as single segment in the accounts as per Ind AS-108 dealing with "Operating Segments". Other Income for the period includes, Rs.163.04 lacs being Rental Income, Rs.101.84 lacs being Interest on FD (Other income for the year includes, interest on investments is Rs. 422.59 lacs (Previous year Rs. 375.87 lacs) and Rental income of Rs.609.12 lacs (Previous year Rs. 465.60 lacs) ).
- Exceptional item represents NIL lacs during the Quarter and Year ended 31.03.2026 (Previous year Rs. 65.77 lacs ) towards the interest income of the company under one time settlement (OTS) from U.P. Co-Operative Spinning Mills Federation Ltd.
- The company is taking necessary corrective actions for updation of variation in inventory in compliance of IND AS 2.
- The figures for the previous period have been regrouped and restated wherever necessary, to make them comparable.

For and on behalf of Board of Directors

  
**Harsuhinder Pal Singh Brar, IAS**  
**Managing Director**  
**DIN : 02987207**

  
**CA Deepika Arora**  
**CFO**



Dated : 20.05.2026  
UDIN:

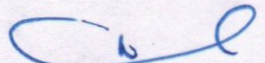
UDIN-26526217GCSUVT1578

**PUNJAB COMMUNICATIONS LIMITED**  
CIN No: L32202PB1981SGC004616  
STATEMENT OF ASSETS AND LIABILITIES AS ON 31ST MARCH 2026

Amount (Rs. In Lacs)

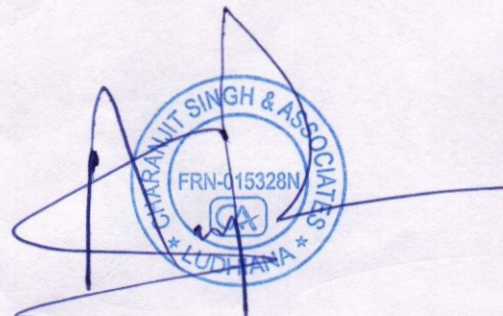
Particulars	Note	Amount (Rs. In Lacs)	
		As on 31 <sup>st</sup> March 2026	As on 31 <sup>st</sup> March 2025
<b>ASSETS</b>			
(1) <b>Non-Current Assets</b>			
a) Property Plant & Equipment	2	311.49	283.53
b) Investment Property	2A	105.89	106.29
c) <b>Financial Assets</b>			
Investments	3	-	-
Loans and advances	4	8.27	12.41
Other Financial Assets	5	36.37	26.42
d) Deferred tax assets (net)	6	74.48	-
e) Other non-current assets	7	0.00	0.02
(2) <b>Current Assets</b>			
a) Inventories	8	348.67	305.16
b) Financial Assets			
Trade receivables	9	1327.36	964.75
Cash and cash equivalents	10	617.52	399.52
Other Bank Balances	11	5271.06	5,176.65
Loans and advances	12	1.27	1.00
Other Financial Assets	13	620.48	564.17
c) Other Current Assets	14	170.99	247.02
<b>TOTAL</b>		<b>8,893.83</b>	<b>8,086.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Share Capital	15	1204.80	1,204.80
b) Other Equity	16	1840.48	1,650.26
<b>Liabilities</b>			
(1) <b>Non-Current Liabilities</b>			
a) Financial Liabilities			
Other Financial liabilities	17	92.33	91.48
b) Provisions	18	-	25.09
c) Other Non Current Liabilities	19	-	0.00
(2) <b>Current Liabilities</b>			
a) Financial Liabilities			
Borrowings	20	-	-
Trade Payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises		33.66	23.57
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,529.74	1,425.53
Other Financial liabilities	22	3,524.43	3,379.64
b) Other Current Liabilities	23	240.37	115.41
c) Provisions	24	428.03	171.16
<b>TOTAL</b>		<b>8893.83</b>	<b>8,086.94</b>

For and on behalf of the Board of Directors

  
Harsuhinder Pal Singh Brar, IAS  
Managing Director  
DIN : 02987207

  
CA Deepika Arora  
CFO

Dated : 20.05.2026



UDIN - 26526217 GCSUVT1578

PUNJAB COMMUNICATIONS LIMITED

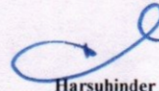
CIN No: L32202PB1981SGC004616

AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2026


(Amount Rs. In Lacs)

PARTICULARS	For the Year Ended 31 <sup>st</sup> March, 2026	For the Year Ended 31 <sup>st</sup> March 2025
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT/LOSS(-) BEFORE TAX	297.60	-37.86
Adjustment for :-		
Depreciation & Amortization	21.04	20.23
Long term Provision for Employee Benefits	-132.46	34.94
Short term Provision for Employee Benefits	256.87	43.92
Provision for doubtful written back	-	-
Bad Debt written off	-	-
Interest & other financial expenses	2.65	0.00
Fair value changes of financial Instruments	-1.22	0.21
Profit on sale of fixed assets	0.08	0.00
Other Non Current Financial Assets	-11.00	10.18
Interest/Rental Income	-1,031.71	-841.47
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>-598.15</b>	<b>-769.85</b>
Adjustment for :-		
Trade and Other Receivables	-362.61	97.06
Inventories	-43.51	-2.28
Short Term Loans and Advances	-0.27	0.22
Other Financial assets	-56.31	-136.27
Other Non Current Assets	0.02	8.95
Other Current assets	76.03	15.46
Long Term Loans and Advances	5.36	2.15
Trade and Other Payables	114.29	-79.59
Other current financial liabilities	144.79	-74.56
Other Non current liabilities	0.00	-0.35
Other current liabilities	124.96	-41.38
Movement in Non Current financial Liabilities	0.79	41.25
<b>CASH FROM/(USED IN) OPERATIONS</b>	<b>-594.61</b>	<b>-939.19</b>
Income Tax Paid	-74	-
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>-669.09</b>	<b>-939.19</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-49.04	-15.17
Sale of Fixed Assets	0.44	0.00
Movement in Non- Current Investments	0.00	0.00
Movement in Non- Current Financial Assets	1.04	201.78
Other Bank Balances Increase (-)/Decrease	-94.41	-2,006.12
Interest/Rental Income	1,031.71	841.47
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<b>889.74</b>	<b>-978.04</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	-2.65	0.00
Movement in Liabilities directly associated with Non current assets classified as held for sale	0.00	0.00
<b>NET CASH FROM/ (USED) IN FINANCING ACTIVITIES</b>	<b>-2.65</b>	<b>0.00</b>
Net Change in Cash & Cash Equivalents (A+B+C)	217.99	-1,917.23
Cash & Cash Equivalents at the beginning of the year	399.52	2,316.74
Cash & Cash Equivalents at the end of the year	617.52	399.52

For and on behalf of the  
Board of Directors

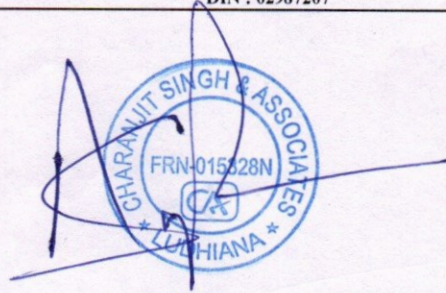


Harsuhinder Pal Singh  
Brar, IAS  
Managing Director  
DIN : 02987207



CA Deepika Arora  
CFO

Dated: 20.05.2026



UDIN-26526217 GCSUVT1578

**STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION)**  
**SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS (Standalone)**

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026</b> <i>(See regulation 33 of the SEBI (LODR) Regulations, 2015)</i>				
<b>I.</b>	<b>SI. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualifications)</b>	<b>Adjusted Figures (audited figures after adjusting for qualifications)</b>
	1.	Turnover / Total income	₹ 3729.39 Lakhs	Not ascertainable
	2.	Total Expenditure	₹ 3431.79 Lakhs	Not ascertainable
	3.	Net Profit/(Loss)	₹ 297.60 Lakhs	Not ascertainable
	4.	Earnings Per Share	₹ 2.48	Not ascertainable
	5.	Total Assets	₹ 8893.83 Lakhs	Not ascertainable
	6.	Total Liabilities	₹ 5848.55 Lakhs	Not ascertainable
	7.	Net Worth	₹ 3045.28 Lakhs	Not ascertainable
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-



<b>IIa</b>	<b>Audit Qualifications: Details of Audit Qualifications:</b>	<p>a) As per the company's stated accounting policy, inventory is to be valued using the FIFO Method. However, the inventory of raw materials is valued on the basis of "last purchase rate". The Company has not provided us the valuation of the inventory as per the FIFO Method. The calculation of inventory of raw material as per the last purchase cost is also not in compliance with the provisions of Ind AS 2 on Inventories.</p> <p>b) As per the Company's accounting policy, cost of work in process includes cost of material plus direct labour which cannot be correct as the Cost of Work in Process should be valued only at material cost. However, the inventory of work in process carried in the Balance Sheet has been valued only at material cost. Further, the material cost is calculated on the basis of last purchase rate method.</p> <p>c) As per the Company's accounting policy, cost of finished sub-assemblies includes cost of material plus overheads apportioned on the same. However, the inventory of finished sub-assemblies carried in the Balance Sheet have been valued only at material cost. Further, the material cost is calculated on the basis of last purchase rate method.</p> <p>d) As per IND AS- 2, INVENTORIES; "Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realisable value." Therefore, the Non-Moving Inventory of Raw Materials should be valued at the Replacement Cost. However, the Non-Moving Inventory of Raw Materials is valued at Cost. Further, the material cost is calculated on the basis of last purchase rate method.</p> <p>e) As required by Ind AS 109 Financial Instruments, the company should have an accounting policy to estimate Expected Credit Loss (ECL) for measuring impairment of its trade receivables and other financial assets. However, we observed that the company is not following any accounting policy to estimate ECL. In the absence of estimation of ECL as at 31.03.2026, we are unable to comment on the possible impact on the loss for the year ended on that date.</p>
b.	<b>Type of Audit Qualifications: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</b>	Qualified Opinion
c.	<b>Frequency of qualification: Whether appeared first time / repetitive / since how long continuing</b>	Continuing

d.	<b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>	Not Applicable as Impact is unquantified.
e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>		
i. <b>Management's estimation on</b>		Not ascertainable
ii. <b>If management is unable to estimate the impact, reasons for the same:</b>		<p>The Company has carefully considered the observations made by the Statutory Auditor. The management believes that the accounting treatment and disclosures adopted by the Company are in compliance with the applicable provisions of the Companies Act, 2013, Indian Accounting Standards ("Ind AS"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws and regulations.</p> <p>a. In respect of the variation in inventory, Final Report given by Cost Management Accountant (CMA) was placed in its 237<sup>th</sup> meeting of Board of Directors held on 13.02.2026. The same has been discussed and decided to constitute an Inventory Scrap Committee comprising members/representatives from different Government agencies to identify, verify and confirm the non-useable inventory to be treated as scrap and also advised that the Company may approach MSTC Limited, a Government agency, to understand the procedure and requirements for conducting e-auction for disposal of such scrap inventory through the MSTC platform. The Company is taking necessary corrective actions for the same.</p> <p>b. In respect of the policy of Expected Credit Loss, as mentioned at the Note # 40 of the Financial Statements, the Company's risk management policies are established to identify and analysis the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The company has also appointed External Consulting Agency to proper review and examine/ analysis of the long outstanding debtors.</p> <p>The management believes the Company is continuously monitoring the developments relating to the matter and taking corrective actions wherever required. Necessary corrective measures shall continue to be implemented to address the observations made by the Statutory Auditor.</p>

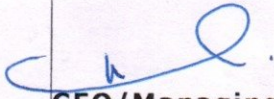
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**Auditor's Comments on (i) and (ii) above:**

- a. The Report of the CMA was shared with us & the same was discussed in the previous Board Meeting. Since the necessary corrective actions are underway, Once the process as enumerated in the Board meeting is completed and adopted, only then we would be able to take the cognizance of the same and will do the necessary consideration.
- b. Company must ensure to formulate the accounting policy for Expected Credit Loss (ECL) for measuring impairment of its trade receivables and other financial assets. As stated, once the report of the External Consulting Agency on receivables and payables is adopted by the board & necessary accounting treatment is undertaken, only then we would be able to express our opinion on the same.

**III.**

**Signatories:**



**CEO/Managing Director**


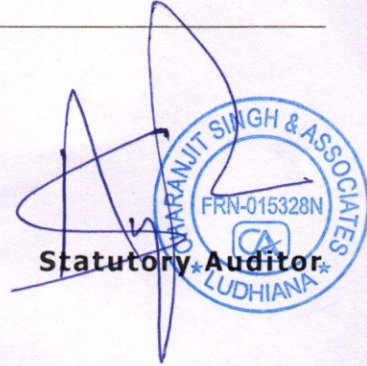
**Date: 20.05.2026**



**CFO**



**Audit Committee  
Chairman**



**Statutory Auditor**



# Charanjit Singh & Associates

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

Off : Space-C, 3rd Floor, Surya Kiran Building  
Adjoining Red Cross Bhawan, Mall Road  
Ludhiana-141001. Ph.: 0161-2442080  
(M) 094644-23041, 095016-66550  
E-mail : cacharanjit2@gmail.com

TO THE MEMBERS OF

PUNJAB COMMUNICATIONS LIMITED

Report on the Audit of the Financial Statements

## Qualified Opinion

We have audited the accompanying financial statements of **Punjab Communications Limited (CIN:L32202PB1981SGC004616)**, which comprise the Balance Sheet as at 31 March, 2026, the Statement of Profit and Loss for the year ended on that date, Statement of Cash Flows for the year ended on that date, Statement of Changes in Equity and Notes to financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying Financial Statements 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 31<sup>st</sup> March, 2026 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

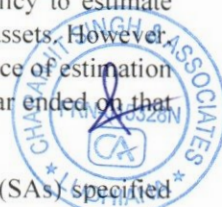
## Basis for Qualified Opinion

- As per the company's stated accounting policy, inventory is to be valued using the FIFO Method. However, the inventory of raw materials is valued on the basis of "last purchase rate". The Company has not provided us the valuation of the inventory as per the FIFO Method. The calculation of inventory of raw material as per the last purchase cost is also not in compliance with the provisions of Ind AS 2 on Inventories.
- As per the Company's accounting policy, cost of work in process includes cost of material plus direct labour which cannot be correct as the Cost of Work in Process should be valued only at material cost. However, the inventory of work in process carried in the Balance Sheet has been valued only at material cost. Further, the material cost is calculated on the basis of last purchase rate method.
- As per the Company's accounting policy, cost of finished sub-assemblies includes cost of material plus overheads apportioned on the same. However, the inventory of finished sub-assemblies carried in the Balance Sheet have been valued only at material cost. Further, the material cost is calculated on the basis of last purchase rate method.
- As per IND AS- 2, INVENTORIES; "Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realisable value." Therefore, the Non-Moving Inventory of Raw Materials should be valued at the Replacement Cost.

However, the Non-Moving Inventory of Raw Materials is valued at Cost. Further, the material cost is calculated on the basis of last purchase rate method.

- As required by Ind AS 109 Financial Instruments, the company should have an accounting policy to estimate Expected Credit Loss (ECL) for measuring impairment of its trade receivables and other financial assets. However, we observed that the company is not following any accounting policy to estimate ECL. In the absence of estimation of ECL as at 31.03.2026, we are unable to comment on the possible impact on the loss for the year ended on that date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further



described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the Independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

### Emphasis of Matter

- a) We draw attention to the Note 13 of the Financial Statements regarding Other Current Financial Assets – "Others": *In Escrow account (Money held on behalf of VMC & its Associated Companies)*. Relevant records stating the reason for the balance are still underway.
- b) We draw attention to the Note 9 and Note 21 of the Financial Statements regarding Trade Receivables and Trade Payables respectively. As regards net trade receivables / trade payables as at 31.03.2026, most of the trade receivables / trade payables are outstanding for more than three years. The Company has hired an external agency for the same and the report is yet to be received.

Our Opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.

For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p><b>Internal Controls and Procedures:</b></p> <p>There are number of instances where it is noticed that the company is not having proper Internal Controls.</p> <p>Bank Reconciliations are not being done on daily basis. There is no proper communication system between the various departments of the Company because of which the accounting entries are not being posted on timely basis.</p> <p>We identified this as a key audit matter because the lack of effective Internal Controls can impact the financial statements.</p>	<p>We have obtained an understanding of the company's internal controls with respect to the accounting of various transactions and posting the regular accounting entries. We adopted the following audit procedures: -</p> <ul style="list-style-type: none"> <li>• understood and tested the design and operating effectiveness of Internal controls as established by the management;</li> <li>• Verified the accounting entries posted in the system;</li> <li>• examined management's stance on the same;</li> <li>• examined management's intention to comply with the established Internal Controls</li> </ul> <p>Based on the above procedures performed, the management is cooperative of implementing established Internal Controls effectively.</p>
2	<p><b>Deferred Tax Asset</b></p> <p>The Company has booked Deferred Tax Asset for the year ended 31.03.2026</p> <p>We identified this as a key audit matter because in the previous years, the Company</p>	<p>We have analyzed the current situation of the Company and discussed about the requirements of creating Deferred Tax Asset. We adopted the following audit procedures:</p> <ul style="list-style-type: none"> <li>• verified the Deferred Tax Asset made by the</li> </ul>



	<p>was incurring the losses and was not booking Deferred Tax Asset as the management was not certain of making profits. Now, in the year ended 31.03.2026, the Company has earned profit and is booking Deferred Tax Asset.</p>	<p>Company</p> <ul style="list-style-type: none"> <li>considered the appropriateness of recognizing Deferred Tax Asset.</li> </ul> <p>Based on the above procedures performed, the company has created a Provision for Tax and charged Current Tax of the amount equivalent to the tax impact on the current year's profit.</p> <p>And, the Deferred Tax Asset has been recognized of the amount equivalent to the tax impact on the current year's profit.</p> <p>Deferred Tax Asset has been created only for the amount equivalent to the tax impact on the current year's profit to follow the concept of prudence and avoiding the booking of any notional profit.</p>
3	<p><b>Litigation Matters</b></p> <p>There are number of litigations pending before various forums against the company and the management's judgement is required for estimating the amount to be disclosed as contingent liability and for creating the adequate amount of provision, wherever required.</p> <p>We identified this as a key audit matter because it is significant to create provision for these amounts in the financial statements. The Company has disclosed some cases in Contingent Liability. As per our judgement and also after the discussions with the legal department of the company, it is suggested to create provision after assessing all the pending litigations.</p>	<p>We considered the number of litigations and discussed with the management its provisioning to be made. We adopted the following audit procedures:</p> <ul style="list-style-type: none"> <li>obtained the list of contingent liabilities and list of cases pending against the company.</li> <li>analyzed the Litigations on the basis of materiality and discussed with the management.</li> <li>Discussed with the management about the provision not made with respect to the litigations.</li> </ul> <p>Based on the above procedures performed, The Company has disclosed some cases in Contingent Liability. As per our judgement and also after the discussions with the legal department of the company, it is suggested to create provision (if required) after assessing all the pending litigations.</p>

#### Other Matter

- a) The Statement includes the results for the quarter ended 31st March, 2026 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us and the previous auditor, as required under the LODR Regulations.
- b) The Financial Statements of the Company for the year ended 31st March, 2025, prepared in accordance with Ind AS had been audited by the predecessor auditors and the report of the predecessor auditors dated 03rd June, 2025, expressed an adverse opinion. The Reasons for the adverse opinion are attached in Annexure "C".

Our Opinion is not modified in respect of these matters.

#### Information Other than Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as we have not received any other information namely Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, etc. (Information Other than Financial Statements) from the Company.

When we read the Other Information as stated in above para, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

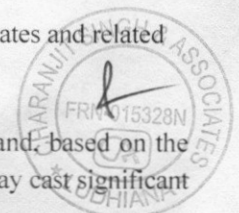
The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- I. 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.
- II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- IV. 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 ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

- V. 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.

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

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 in terms of Section 143(11) of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Companies Act, 2013, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations, except for the matter described in the *Basis for Qualified Opinion* section of our report, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the matters specified in the *Basis for Qualified Opinion* section and mentioned elsewhere in our report, 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the Books of Account.
  - d) Except for the matters described in the *Basis for Qualified Opinion* section of our report, in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The company being a Government Company, provisions of Section 164(2) of the Act, in respect of disqualification of Directors are not applicable.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a *Qualified opinion* on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, reporting in accordance with requirements of provisions of section 197(16) of the act is not applicable on the company.
- h) 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 has disclosed the impact of all pending litigations on its financial position in its Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, if any, 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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person 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 not declared or paid any dividend during the year under section 123 of the Act.



- vi. According to the information and explanations given to us and based on our examination of the books of account and relevant records of the Company, the Company has used accounting software for maintaining its books of account during the financial year ended March 31, 2026. However, such software does not have the feature of recording an audit trail (edit log), and accordingly, the said feature was not operated throughout the year for all transactions recorded in the software. Further, as the audit trail feature was not available or maintained, we are unable to comment on whether the audit trail has been preserved by the Company as per the statutory requirements.

**For Charanjit Singh & Associates**  
**Chartered Accountants**  
**FRN 015328N**

**CA. Avneet Singh**  
**Partner**  
**Membership No.: 526217**  
**UDIN: 26526217GCSUVT1578**

**Place: Chandigarh**  
**Date: 20.05.2026**

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of "**Punjab Communications Limited**" for the year ended March 31, 2026)

To the best of our information and according to the information and explanations given to us by the company and the Books of Account and records examined by us during the course of our audit, we state that:

### i. In respect of Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Investment Property.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) As explained to us and based on our examination of records, the company has a program of verification of Property, Plant and Equipment. In the year under review, according to the information and explanations given to us, the company has undertaken physical verification of property, plant and equipment. However, we were not being provided with the detailed report; so we are unable to comment on the same.

c) As per the information and explanation given to us and based on our examination of records, title deed of immovable properties of land and buildings, Investment Property which are freehold, are held in the name of the company.

d) As explained to us and based on our examination of records, the company has not revalued its Property, Plant and Equipment (Including Right of Use Assets) or intangible assets or both during the year.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

### ii. (a) The physical verification of Inventory was carried out by the Internal Auditor of the company. **As per the Internal Auditor's Report dated 08<sup>th</sup> May 2026, the following observations are reported:**

*"During the course of Physical Verification it was observed that a significant portion of inventory is obsolete or slow moving. Despite the lack of demand and the technical obsolescence of these items, the company continue to carry them in the Balance Sheet at their original purchase cost.*

**Non-compliance:** *This practice directly violates Ind AS 2 (Inventories), which requires inventory to be written down to its NRV if it falls below cost.*

**IMPACT:** *Assets and profits are currently overstated, as the actual realizable value of this inventory is estimated to be way less than its actual cost value.*

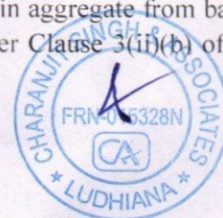
#### **RECOMMENDATION:**

► **Immediate Provisioning:** *The company should immediately identify all obsolete or non moving inventory and write them down to their Net Realisable Value as per IND AS 2.*

► **Aging Analysis:** *Implement a robust Inventory Aging report to monitor slow-moving at every quarter-end.*

► **Disposal Policy:** *Establish a formal policy for the timely disposal of scrap and obsolete inventory to free up warehouse space and reflect accurate asset values."*

(b) The Company does not have working capital facilities in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Hence, reporting under Clause 3(ii)(b) of the Order is not applicable.



- iii. According to the Information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence reporting under clause 3(iii) of the order is not applicable.
- iv. The company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any party covered under section 185 and 186 of the company Act 2013 during the year. Therefore, provision of Clause 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Hence, reporting under Clause 3(v) of the order is not applicable.
- vi. The Company was not required to maintain cost records as per the provision of section of 148(1) of Companies Act 2013, so accordingly this clause is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and other applicable statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of the above statutory dues which were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

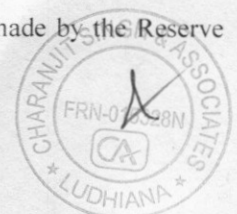
(b) There are no outstanding statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31<sup>st</sup> 2026, on account of disputes, except the following:

Nature of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Total amount demanded (Amt. in ₹ Lakhs)	Amount deposited (Amt. in ₹ Lakhs)
Goods & Services Tax 2017	GST	Commissioner Appeals GST	FY 2019-20	142.67	11.55
Goods & Services Tax 2017	GST	Commissioner Appeals GST	FY 2021-22	27.72	2.39

- viii. According to the information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanations given to us:
- a) The Company has not taken any loans or borrowings from any lender during the year. Hence, reporting under Clause 3(ix)(a) of the Order is not applicable to the company.
- b) According to the information and explanations given to us, the company is not declared as Willful defaulter by any bank or financial institution or other lender.



- c) According to the information and explanations given to us, company has not obtained any term loan during the year. Hence, reporting under Clause 3(ix)(c) of the Order is not applicable to the company.
- d) During the year, the company has not raised any funds on short term which have been utilized for long term purposes. Hence, reporting under Clause 3(ix)(d) of the Order is not applicable to the company.
- e) During the year, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, reporting under Clause 3(ix)(e) of the Order is not applicable to the company.
- f) The company has not raised loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under clause 3(ix)(f) of the Order is not applicable to the company.
- X. (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under clause 3(x)(a) of the Order is not applicable to the company.
- (b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- Xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (C) No whistle-blower complaints were received during the year by the Company.
- Xii. The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- Xiii. In our opinion and according to the information and explanations given to us, transactions with related parties is in compliance with provisions of section 177 and 188 of Companies Act, 2013 wherever applicable all and the details have been disclosed in the financial statements as required by applicable Indian accounting standards.
- Xiv. (a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date.
- Xv. In our opinion, during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the reporting under Clause 3(xv) of the Order is not applicable to the company.
- Xvi. (a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under Clause 3(xvi)(c) of the Order is not applicable.



(d) According to the information and explanations provided to us during the course of audit, there is no core investment company within the Group and accordingly reporting under Clause 3(xvi)(d) of the Order is not applicable.

Xvii. According to the information and explanations given to us, company has not incurred any cash losses during the current financial year 2025-26.

Xviii. We do not received any information regarding resignation of statutory auditors.

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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from balance sheet date, will get discharged by the Company as and when they fall due.

XX. As per our opinion & according to the information and explanations given to us, the company does not meet the criteria for the applicability of Section 135 of the Companies Act, 2013. Accordingly, reporting under this clause is not applicable.

XXi. In our opinion and according to the information and explanations given to us, the company has a wholly owned subsidiary company Punjab Digital Industrial Systems Ltd. (PDISL) which is under liquidation, by the order of Hon'ble Punjab & Haryana High Court vide order dated 20/02/2009, due to which financial statements of PDISL are not being prepared, so we are unable to give our opinion on the same.

**For Charanjit Singh & Associates**  
**Chartered Accountants**  
**FRN 015328N**

**CA. Anneet Singh**  
**Partner**  
**Membership No.: 526217**  
**UDIN: 26526217GCSUVT1578**

**Place: Chandigarh**  
**Date: 20.05.2026**

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Reporting on Other Legal and Regulatory Requirements' section of our report to the Members of Punjab Communications Limited of even date)

Report on the Internal Financial Controls with reference to the Financial Statements 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 with reference to financial statements of **Punjab Communications Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements was 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

According to the information and explanations given to us, and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31<sup>st</sup> 2026:

- (a) The company did not have an appropriate internal control system for correct valuation of inventory. Further, the internal control system for identification & allocation of overheads to inventory is also not followed. These could potentially result in material misstatements in the company's Inventory, and Consumption. (Refer to para "Basis for Qualified opinion" in the independent Auditor's report)

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, the company has in all material respects, maintained adequate internal financial controls over financial reporting as of March 31<sup>st</sup>, 2026, 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, and except for the effects/possible effects of the material weakness/es described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31<sup>st</sup>, 2026.

We have considered the material weakness/es identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31<sup>st</sup> 2026 financial statements of the company, and the material weakness does not affect our opinion on the financial statements of the company as we have issued a qualified opinion on the financial statements.

**For Charanjit Singh & Associates**  
**Chartered Accountants**  
**FRN 015328N**

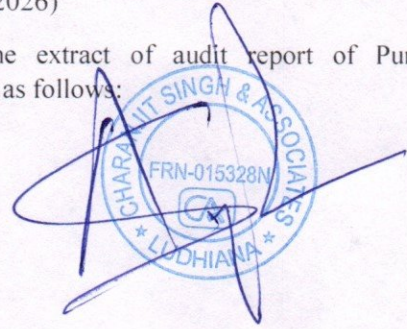
**CA. Avneet Singh**  
**Partner**  
**Membership No.: 526217**  
**UDIN: 26526217GCSUVT1578**

**Place: Chandigarh**  
**Date: 20.05.2026**

**ANNEXURE 'C' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph I under 'Other Matter' section of our report of even date to the Members of **"Punjab Communications Limited"** for the year ended March 31, 2026)

For Reasons for the adverse opinion by predecessor auditor, the extract of audit report of Punjab Communications Limited for the year ended March 31, 2025 is attached as follows:



**ashwani & associates**  
chartered accountants

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**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF**

**PUNJAB COMMUNICATIONS LIMITED**

**Report on the Audit of the Financial Statements**

**Adverse Opinion**

We have audited the accompanying financial statements of **Punjab Communications Limited (CIN:L32202PB1981SGC004616)**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2025, the Statement of Profit and Loss for the year ended on that date, Statement of Cash Flows for the year ended on that date, Statement of Changes in Equity and Notes to financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in the *Basis for Adverse Opinion* section of our report, the accompanying Financial Statements do not 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 31<sup>st</sup> March, 2025 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Adverse Opinion**

- I. As per the company's stated accounting policy, as per Note 2(vii)(a) to the Financial Statements, inventory is to be valued using the FIFO Method. However, the inventory of raw materials is valued on the basis of "last purchase rate" and is carried in the Balance Sheet at ₹1156.59 lacs (gross) as at 31.03.2025 (Note No. 8). The Management has not provided us the valuation of the inventory as per the FIFO Method. The calculation of raw material of inventory as per the last purchase cost is also not in compliance with the provisions of Ind AS 2 on Inventories. Further, the gross value of inventories of raw material as at 31.03.2025 is being carried out in the Balance Sheet at ₹1156.59 lacs. Whereas, as per the ERP data gross value of inventories of raw material as at 31.03.2025 comes to ₹1663.58 lacs. The resulting difference of ₹506.99 lacs is pending to be reconciled as at 31.03.2025.
- II. As per the Company's accounting policy disclosed at Note No. 2(vii)(b), cost of work in process includes cost of material plus direct labour. However, the inventory of work in process carried in the Balance Sheet at ₹73.26 lacs (Note No. 8 of the Financial Statements) has been valued only at material cost. Further, the material cost is calculated on the basis of last purchase rate method.
- III. As per the Company's accounting policy disclosed at Note No. 2(vii)(c), cost of finished sub-assemblies includes cost of material plus overheads apportioned on the same. However, the inventory of finished sub-assemblies carried in the Balance Sheet at ₹482.75 lacs (Note No. 8 of the Financial Statements) have been valued only at material cost. Further, the material cost is calculated on the basis of last purchase rate method.



- IV. As regards net trade receivables amounting to ₹974.76 lacs as at 31.03.2025, management is of the view that the same are good and recoverable in due course and hence, no further provision is required. Out of the above trade receivables balances to the extent of ₹306.67 lacs are outstanding for more than three years. In the absence of appropriate audit evidences including balance confirmations, correspondence from parties and data in respect of future progressive payments, we are unable to comment on the receivability of balance outstanding trade receivables outstanding for more than three years amounting to Rs. ₹306.67 lacs and the possible impact on the loss for the year ended on that date and on the balance of trade receivables as at 31.03.2025.
- V. As regards net trade payables amounting to ₹1449.10 lacs as at 31.03.2025, management is of the view that the same are undisputed and payable in due course. Out of the above trade payables balances to the extent of ₹1253.76 lacs are outstanding for more than three years. In the absence of appropriate audit evidences including balance confirmations and correspondence from parties, we are unable to comment on the correctness of balance outstanding of trade payables as at 31.03.2025.
- VI. As required by Ind AS 109 Financial Instruments, the company should have an accounting policy to estimate Expected Credit Loss (ECL) for measuring impairment of its trade receivables and other financial assets. However, we observed that the company is not following any accounting policy to estimate ECL. In the absence of estimation of ECL as at 31.03.2025, we are unable to comment on the possible impact on the loss for the year ended on that date.

As a consequence, the above-mentioned material misstatements are deemed to be pervasive to the financial statements. The effect of the misstatements on the financial statements have not been determined because it was not practical to do so.

Accordingly, due to the significance of the matters described above, the financial statements do not present fairly, in all material respects, the financial position of the Company as at March 31, 2025, and its financial performance and cash flows for the year then ended, in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.

#### **Key Audit Matters**

Except for the matters described in the *Basis for Adverse Opinion* section, we have determined that there is no other key audit matter to communicate in our report.

#### **Information Other than Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our Auditor's Report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as we have not

