

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Review Report on the Statement of Unaudited Standalone Financial Results

To  
The Board of Directors  
Tejas Networks Limited  
5th Floor, J P Software Park  
Plot No. 25, Sy, No 13, 14, 17 and 18  
Konnapana Agrahara Village  
Begur Hobli, Bengaluru - 560 100

1. We have reviewed the Unaudited Standalone Financial Results of Tejas Networks Limited (the "Company") for the quarter and nine months ended December 31, 2024 which are included in the accompanying 'Statement of Unaudited Standalone Financial Results' for the quarter and nine months period ended December 31, 2024 (the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Standalone Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Standalone Statement based on our review.
3. We conducted our review of the Standalone Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the Standalone Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 (ICAI registration number before conversion was 012754N)

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5. We draw attention to Note 3 to the Standalone Statement regarding the scheme for amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited with the Company (the 'Scheme'), approved by the Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench on August 20, 2024 with appointed date of July 1, 2022. The Company has accounted for the amalgamation as per the accounting treatment specified in the Scheme in accordance with Appendix C to Ind AS 103, Business Combination with effect from April 1, 2023, and accordingly, the comparative financial information for all the relevant prior periods presented in the Standalone Statement have been restated. Our conclusion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

*Prasanna*

Prasanna Padar Mahabala  
Partner  
Membership Number : 206477  
UDIN : 25206477BMLJOZ5773

Place: Bengaluru  
Date: January 23, 2025



**Tejas Networks Limited**

Registered Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,  
Konnappa Agrahara Village, Begur Hobli, Bengaluru 560 100, Karnataka, India.  
Corporate Identity Number: L72900KA2000PLC026980  
Tel: +91 80 4179 4600; Fax: +91 80 2852 0201  
E-mail: corporate@tejasnetworks.com; Website: www.tejasnetworks.com

**Statement of Unaudited Standalone Financial Results for the quarter and nine months period ended December 31, 2024**

(Rs in crore except per share data)

Particulars	Quarter ended	Quarter ended	Quarter ended	Nine months ended	Nine months ended	Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>I Revenue from operations</b>						
(a) Revenue from sale of goods and rendering of services	2,497.11	2,654.04	564.77	6,646.48	1,147.09	2,317.06
(b) Other operating revenue (Refer note- 4)	144.94	156.10	-	367.74	0.24	156.60
<b>Total Revenue from operations</b>	<b>2,642.05</b>	<b>2,810.14</b>	<b>564.77</b>	<b>7,014.22</b>	<b>1,147.33</b>	<b>2,473.66</b>
II Other Income	13.76	10.60	15.16	37.39	52.39	64.66
III <b>Total income (I + II)</b>	<b>2,655.81</b>	<b>2,820.74</b>	<b>579.93</b>	<b>7,051.61</b>	<b>1,199.72</b>	<b>2,538.32</b>
<b>IV EXPENSES</b>						
(a) Cost of materials consumed	2,015.28	2,001.65	411.00	5,114.30	790.12	1,568.64
(b) Purchases of stock in trade	9.44	40.09	31.27	81.21	38.27	41.86
(c) Changes in inventories of stock in trade, work in progress and finished goods	(68.65)	(71.06)	(22.57)	(145.50)	(39.67)	(20.82)
(d) Employee benefit expense	116.13	118.42	82.22	329.51	237.55	341.65
(e) Finance costs	62.71	59.92	5.12	176.05	10.48	38.18
(f) Depreciation and amortization expense	111.27	73.80	48.17	250.02	124.27	182.45
(g) Allowance for expected credit loss	17.11	(4.59)	11.85	13.41	18.04	17.76
(h) Other expenses	181.46	191.23	58.13	485.88	143.17	254.95
<b>Total expenses (IV)</b>	<b>2,444.75</b>	<b>2,409.66</b>	<b>625.19</b>	<b>6,304.88</b>	<b>1,322.23</b>	<b>2,424.67</b>
V <b>Profit/(Loss) before tax (III - IV)</b>	<b>211.06</b>	<b>411.28</b>	<b>(45.26)</b>	<b>746.73</b>	<b>(122.51)</b>	<b>113.65</b>
VI <b>Income tax expense/(benefit)</b>						
(1) Current tax expense/(benefit)	38.74	76.55	(31.91)	138.76	(44.61)	19.96
(2) Deferred tax expense/(benefit)	6.90	68.55	28.12	95.30	(13.13)	8.26
<b>Total tax expense/(benefit)</b>	<b>45.64</b>	<b>145.10</b>	<b>(3.79)</b>	<b>234.06</b>	<b>(57.74)</b>	<b>28.22</b>
VII <b>Profit/(Loss) after tax (V - VI)</b>	<b>165.42</b>	<b>266.18</b>	<b>(41.47)</b>	<b>512.67</b>	<b>(64.77)</b>	<b>85.43</b>
VIII <b>Other comprehensive income/(loss)</b>						
Items that will not be reclassified to profit or loss						
Remeasurements of the post-employment benefit obligation (expense)/benefit	(5.29)	(0.99)	(4.06)	(6.95)	(2.80)	(5.30)
Income tax relating to above	0.92	0.18	-	1.06	(0.05)	0.97
Items that will be reclassified to profit or loss						
Gains/(losses) in cash flow hedges	8.60	0.24	(0.21)	8.18	(0.21)	0.09
Income tax relating to above	(1.50)	(0.05)	-	(1.43)	-	-
IX <b>Total comprehensive income/(loss) for the period (VII + VIII)</b>	<b>168.15</b>	<b>265.56</b>	<b>(45.74)</b>	<b>513.53</b>	<b>(67.83)</b>	<b>81.19</b>
X <b>Equity Share Capital (Face value of Rs. 10/- each)</b>	<b>178.98</b>	<b>174.53</b>	<b>173.35</b>	<b>178.98</b>	<b>173.35</b>	<b>173.98</b>
XI <b>Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet</b>	-	-	-	-	-	<b>3,156.14</b>
XII <b>Earnings/(Loss) per equity share</b>						
<b>Equity shares of par value Rs. 10 each</b>						
(1) Basic	9.42	15.53	(2.44)	29.71	(3.82)	5.03
(2) Diluted	9.21	15.23	(2.44)	29.02	(3.82)	4.95



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### Tejas Networks Limited

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#### Notes

- 1 This Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024 has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India, read with the relevant rules issued thereunder and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations, 2015").
- 2 The Company has identified "telecom and data networking related products and related services" as its only reportable segment in accordance with the requirements of Ind AS 108 "Operating Segments" and hence no segment information has been provided.
- 3 The Board of Directors of Saankhya Labs Private Limited (Saankhya Labs), Saankhya Strategic Electronics Private Limited (SSE) and the Company, at their respective meetings held on September 29, 2022, approved the draft Scheme of Amalgamation (the "Scheme") in relation to the amalgamation of Saankhya Labs and SSE with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules thereunder. The Scheme was approved by the National Company Law Tribunal (NCLT), Bengaluru bench on August 20, 2024. The Company received the certified copy of the NCLT order on September 5, 2024 and has filed the orders with the Registrar of Companies (RoC), Bengaluru on September 25, 2024. The Scheme provides for an appointed date of July 1, 2022. The Company has accounted for the amalgamation as per the accounting treatment specified in the Scheme in accordance with the Appendix C to Ind AS 103 Business Combination of entities under common control with effect from April 01, 2023. Pursuant to filing of the orders with the RoC, Saankhya Labs and SSE stand dissolved without being wound up.  
In accordance with the terms of the approved Scheme, the shareholders of Saankhya Labs were to receive 112 shares of the Company for every 100 shares held in Saankhya Labs. During the quarter ended December 31, 2024, the Company has allotted 38,71,084 shares to the aforesaid shareholders of Saankhya Labs.  
The amalgamation has been recorded in the Unaudited Standalone Financial Results using the pooling of interest method as specified in Appendix C to Ind AS 103, Business Combination of entities under common control. The accounting treatment followed by the Company is in accordance with the accounting treatment specified in the approved Scheme. In accordance with the said Ind AS principles, amalgamation has been given effect with effect from April 1, 2023 and the comparative balances for all the prior periods presented in the Unaudited Standalone Financial Results have been restated.  
In giving effect to the amalgamation:  
A) All the assets, liabilities, reserves and surplus of the transferor companies have been transferred to and vested in the Company.  
B) The Company has recognised deferred tax benefit of Rs. 9.48 crore on April 1, 2023 relating to brought forward losses, Minimum Alternative Tax (MAT) credit and deductible temporary differences of Saankhya Labs as they become available for offset against the profits of the Company.  
C) The difference between the net identifiable assets acquired, existing investment in Saankhya Labs and shares to be issued on account of merger has been accounted for as Capital reserve amounting to Rs. 143.57 crore on April 01, 2023.
- 4 Pursuant to the approval received from the Department of Telecommunication under the Production Linked Incentive (PLI) Scheme, the Company has recognised PLI incentive of Rs. 32.66 crore and Rs. 123.70 crore pertaining to the financial year ended March 31, 2023 and March 31, 2024 respectively under "Other operating revenue" in the financial results for the year ended March 31, 2024. Based on the aforesaid approval the Company has recognised PLI incentive of Rs. 144.94 crore for the quarter ended December 31, 2024 and Rs. 367.74 crore for the nine months period ended December 31, 2024 considering there is reasonable assurance that the Company will comply with the conditions attached to the PLI scheme and that the grant will be received.
- 5 The above Statement of Unaudited Standalone Financial Results were reviewed and recommended by the Audit Committee of the Board and and subsequently approved by the Board of Directors at their respective meetings held on January 23, 2025.

For and on behalf of the Board of Directors



Ahmad S Athreya  
Managing Director and CEO  
(DIN: 10118880)

Place: Bengaluru  
Date: January 23, 2025

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