

# Price Waterhouse Chartered Accountants LLP

## Independent Auditors' Review Report on the Statement of Unaudited Consolidated 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 Consolidated Financial Results of Tejas Networks Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries hereinafter referred to as the "Group"), (refer Note 1 of the Consolidated Statement) for the quarter and nine months period ended December 31, 2024 which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results' for the quarter and nine months period ended December 31, 2024 (the "Consolidated Statement"). The Consolidated Statement is being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Consolidated Statement, which is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", 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 Consolidated Statement based on our review.
3. We conducted our review of the Consolidated 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 Consolidated 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor Bengaluru - 560 008

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Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, New Delhi - 110002

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/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

4. The Consolidated Statement includes the results of the following entities:

## **Holding Company**

Tejas Networks Limited, India

## **Subsidiaries**

- a) Tejas Communications Pte. Limited, Singapore
- b) Tejas Communications (Nigeria) Limited, Nigeria
- c) Saankhya Labs Inc, USA

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Consolidated 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.
6. The consolidated unaudited financial results include the financial results of 3 subsidiaries which have not been reviewed by their auditors, whose financial results reflect total revenue of Rs. 2.08 crores and Rs. 10.51 crores, total net profit after tax of Rs. 0.24 crores and Rs. 0.71 crores and total comprehensive income/(loss) of Rs. (0.57) crores and Rs. (0.26) crores for the quarter and nine months period ended December 2024 respectively as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Consolidated Statement is not modified in respect of the above matter.

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

*Prasanna*

Prasanna Padar Mahabala  
Partner  
Membership Number : 206477  
UDIN : 25206477BMLJPA3809

Place: Bengaluru  
Date: January 23, 2025

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**Tejas Networks Limited**

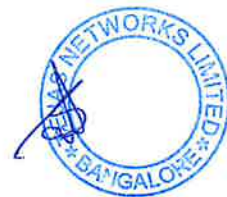
Registered Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,  
Konnappa Agrahara Village, Begur Hobli, Bengaluru 560 100, Karnataka, India.  
Corporate Identity Number: L72900KA2000PLC026980  
Tel: +91 80 4179 4600; Fax: +91 80 2852 0201  
E-mail: corporate@tejasnetworks.com; Website: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

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

Particulars	(Rs. in crore except per share data)					
	Quarter ended December 31, 2024	Quarter ended September 30, 2024	Quarter ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Year ended 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	2,497.30	2,655.16	559.96	6,648.53	1,143.80	2,314.32
(b) Other operating revenue (Refer note - 6)	144.94	156.10	-	367.74	0.24	156.60
<b>Total Revenue from operations</b>	<b>2,642.24</b>	<b>2,811.26</b>	<b>559.96</b>	<b>7,016.27</b>	<b>1,144.04</b>	<b>2,470.92</b>
II Other Income	13.74	10.61	15.16	37.38	52.37	64.66
III <b>Total income (I + II)</b>	<b>2,655.98</b>	<b>2,821.87</b>	<b>575.12</b>	<b>7,053.65</b>	<b>1,196.41</b>	<b>2,535.58</b>
<b>IV EXPENSES</b>						
(a) Cost of materials consumed	2,015.28	2,001.65	406.38	5,114.56	785.50	1,564.06
(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	119.99	122.58	83.90	337.54	240.30	351.49
(e) Finance costs	62.76	61.01	8.25	180.33	19.92	50.75
(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	15.21
(h) Other expenses	177.51	187.88	56.64	478.75	142.17	250.36
<b>Total Expenses (IV)</b>	<b>2,444.71</b>	<b>2,411.36</b>	<b>623.89</b>	<b>6,310.32</b>	<b>1,328.80</b>	<b>2,435.36</b>
V <b>Profit/(Loss) before tax (III - IV)</b>	<b>211.27</b>	<b>410.51</b>	<b>(48.77)</b>	<b>743.33</b>	<b>(132.39)</b>	<b>100.22</b>
VI <b>Income tax expense/(benefit)</b>						
(1) Current tax expense/(benefit)	38.70	74.73	(31.46)	136.90	(43.24)	21.79
(2) Deferred tax expense/(benefit)	6.90	60.60	27.56	88.10	(5.35)	15.45
<b>Total tax expense/(benefit)</b>	<b>45.60</b>	<b>135.33</b>	<b>(3.90)</b>	<b>225.00</b>	<b>(48.59)</b>	<b>37.24</b>
VII <b>Profit/(Loss) after tax (V - VI)</b>	<b>165.67</b>	<b>275.18</b>	<b>(44.87)</b>	<b>518.33</b>	<b>(83.80)</b>	<b>62.98</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
Exchange differences on translation of foreign operations	(0.24)	(0.03)	(0.03)	(0.18)	0.12	0.06
Income tax relating to gains/(losses) in cash flow hedges	(1.50)	(0.05)	-	(1.43)	-	-
IX <b>Total comprehensive income/(loss) for the period (VII + VIII)</b>	<b>168.16</b>	<b>274.53</b>	<b>(49.17)</b>	<b>519.01</b>	<b>(86.74)</b>	<b>58.80</b>
X <b>Equity Share Capital (Face value of Rs. 10/- each)</b>	178.98	174.53	173.35	178.98	173.35	173.98
XI <b>Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet</b>	-	-	-	-	-	2,975.51
XII <b>Earnings/(Loss) per equity share</b>						
<b>Equity shares of par value Rs. 10 each</b>						
(1) Basic	9.44	16.06	(2.64)	30.04	(4.95)	3.71
(2) Diluted	9.22	15.75	(2.64)	29.34	(4.95)	3.65



Initialed for identification purpose only





**Tejas Networks Limited**

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E-mail: corporate@tejasnetworks.com; Website: www.tejasnetworks.com

**Notes**

- The Statement of Unaudited Consolidated Financial Results for the quarter and nine months period ended December 31, 2024 includes the results of Tejas Networks Limited ('the Company' or 'the Holding Company' or 'the Parent') and the following subsidiaries (Parent and Subsidiaries collectively referred as 'the Group' hereunder):  
Subsidiaries:  
- Tejas Communication Pte. Limited, Singapore  
- Tejas Communications (Nigeria) Limited, Nigeria  
- Saankhya Labs Inc, USA
- This Statement of Unaudited Consolidated Financial Results for the quarter and nine months period 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").
- The Group 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.
- Summary of key Unaudited Standalone Financial Results of the Company is as follows:

Particulars	(Rs. in crore)					
	Quarter ended December 31, 2024	Quarter ended September 30, 2024	Quarter ended December 31, 2023	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Year ended March 31, 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	2,642.05	2,810.14	564.77	7,014.22	1,147.33	2,473.66
Profit/(Loss) before tax	211.06	411.28	(45.26)	746.73	(122.51)	113.65
Profit/(Loss) after tax	165.42	266.18	(41.47)	512.67	(64.77)	85.43

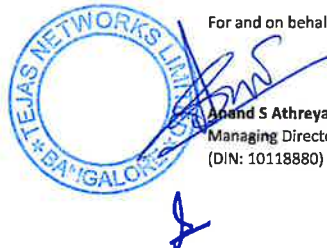
Note: The Unaudited Standalone Financials Results of the Company for the above mentioned periods are available in the investors section in www.tejasnetworks.com and also with the stock exchanges where it is listed. The above information has been extracted from the Unaudited Standalone Financial Results of the Company.

- 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) 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.  
For the quarter ended September 30, 2024, in giving effect to the amalgamation in these Unaudited Consolidated Financial Results, the Company has:  
A) Recognised deferred tax benefit of Rs. 9.48 crore relating to brought forward losses, Minimum Alternate Tax (MAT) credit and deductible temporary differences of Saankhya Labs as they become available for offset against the profits of the Company.  
B) The Financial Liability recognised initially to acquire Non controlling Interest amounting to Rs. 169.23 crore has been reversed to other equity.
- 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.
- The above Statement of Unaudited Consolidated Financial Results were reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on January 23, 2025.

Place: Bengaluru  
Date: January 23, 2025



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For and on behalf of the Board of Directors

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