

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tejas Networks Limited

Report on the Audit of Standalone Financial Results

Opinion

1. We have audited the accompanying standalone annual financial results of Tejas Networks Limited (the "Company") for the year ended March 31, 2026 and the standalone statement of assets and liabilities as on that date and the standalone statement of cash flows for the year ended on that date, attached herewith, which are included in the accompanying 'Statement of Standalone Financial Results for the quarter and year ended March 31, 2026' (together referred to as the "standalone financial results") being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") which has been initialled by us only for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2026 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



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

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Board of Directors' Responsibilities for the Standalone Financial Results

4. These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
5. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

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

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Tejas Networks Limited

Report on the Audit of Standalone Financial Results

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- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company 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.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The standalone financial results include the results for the quarter ended March 31, 2026 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us.

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

Prasanna Padar Mahabala
Partner

Membership Number: 206477
UDIN: 26206477EUJAFX7398

Place: Bengaluru
Date: April 15, 2026



Tejas Networks Limited

Registered Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,
Konnappa Agrahara Village, Begur Hoßli, 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 Standalone Financial Results for the quarter and year ended March 31, 2026

Particulars	(Rs in crore except per share data)				
	Quarter ended March 31, 2026	Quarter ended December 31, 2025	Quarter ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
	Unaudited (Refer note- 6)	Unaudited	Unaudited (Refer note- 6)	Audited	Audited
I Revenue from operations					
(a) Revenue from sale of goods and rendering of services	331.46	305.36	1,801.00	1,094.97	8,447.48
(b) Other operating revenue	0.30	0.36	100.51	5.81	468.25
Total Revenue from operations	331.76	305.72	1,901.51	1,100.78	8,915.73
II Other income	10.32	7.58	8.04	33.46	45.43
III Total income (I + II)	342.08	313.30	1,909.55	1,134.24	8,961.16
IV EXPENSES					
(a) Cost of materials consumed (Refer note- 3)	297.07	153.84	1,311.28	820.23	6,425.47
(b) Purchases of stock-in-trade	51.53	3.66	12.94	78.06	94.15
(c) Changes in inventories of stock-in-trade, work-in-progress and finished goods	(139.56)	14.23	142.54	(131.59)	(2.96)
(d) Employee benefit expense (Refer note- 4)	95.62	111.14	106.98	390.60	436.49
(e) Finance costs	72.01	71.65	71.41	302.61	247.46
(f) Depreciation and amortization expense	100.84	104.45	103.17	402.73	353.19
(g) Allowance for expected credit losses	21.79	5.51	22.49	61.06	35.90
(h) Other expenses (Refer note- 5)	130.70	152.02	174.04	572.07	660.03
Total expenses (IV)	630.00	616.50	1,944.85	2,495.77	8,249.73
V Profit/(Loss) before tax (III - IV)	(287.92)	(303.20)	(35.30)	(1,361.53)	711.43
VI Income tax expense/(benefit)					
(1) Current tax expense/(benefit)	-	-	8.31	-	147.07
(2) Deferred tax expense/(benefit)	(69.46)	(106.31)	18.40	(445.10)	113.70
Total tax expense/(benefit)	(69.46)	(106.31)	26.71	(445.10)	260.77
VII Profit/(Loss) after tax (V - VI)	(218.46)	(196.89)	(62.01)	(916.43)	450.66
VIII Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of the post-employment benefit obligation (expense)/benefit	(2.38)	1.18	(2.98)	1.59	(9.93)
Income tax relating to above	-	-	0.52	-	1.58
Items that may be reclassified to profit or loss					
Gains/(losses) in cash flow hedges	6.78	(2.18)	(13.58)	11.81	(5.40)
Income tax relating to above	-	-	2.37	-	0.94
IX Total comprehensive income for the year (VII + VIII)	(214.06)	(197.89)	(75.68)	(903.03)	437.85
X Equity share capital (Face value of Rs. 10/- each)	181.01	180.81	179.59	181.01	179.59
XI Reserves (excluding Revaluation reserve) as shown in the Audited Balance Sheet	-	-	-	2,750.70	3,675.75
XII Earnings/(Loss) per equity share					
Equity shares of par value Rs. 10 each					
(1) Basic	(12.30)	(11.11)	(3.53)	(51.78)	25.99
(2) Diluted	(12.30)	(11.11)	(3.53)	(51.78)	25.62



Initialed for identification purpose only



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Standalone Statement of Assets and Liabilities

Particulars	(Rs. in crore)	
	As at March 31, 2026	As at March 31, 2025
	Audited	Audited
Assets		
Non-current assets		
Property, plant and equipment	418.57	397.83
Capital work-in-progress	-	0.80
Right-of-use assets	114.07	116.59
Goodwill	211.81	211.81
Other intangible assets	386.05	420.32
Intangible assets under development	950.43	403.69
Financial assets		
(i) Investments	10.87	17.81
(ii) Trade receivables	1.33	440.14
(iii) Other financial assets	14.01	17.05
Current tax assets (net)	21.66	13.21
Deferred tax assets (net)	365.24	-
Other non-current assets	421.15	26.60
Total non-current assets	2,515.19	2,065.85
Current assets		
Inventories	2,437.95	2,366.08
Financial assets		
(i) Investments	364.89	482.32
(ii) Trade receivables	3,256.23	4,443.58
(iii) Cash and cash equivalents	94.88	325.48
(iv) Bank balances other than (iii) above	37.23	7.76
(v) Other financial assets	103.21	327.39
Other current assets	594.16	452.45
Total current assets	6,888.55	8,405.06
Total assets	9,403.74	10,470.91
Equity and Liabilities		
Equity		
Equity share capital	181.01	179.59
Other equity	2,750.70	3,675.75
Total equity	2,931.71	3,855.34
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	551.83	118.15
(ii) Lease liabilities	126.52	127.18
Provisions	39.91	61.30
Deferred tax liabilities (net)	-	79.86
Total non-current liabilities	718.26	386.49
Current liabilities		
Financial liabilities		
(i) Borrowings	3,483.64	3,150.90
(ii) Lease liabilities	15.09	10.64
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	41.51	66.41
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	445.21	1,124.68
(iv) Other financial liabilities	189.16	210.07
Provisions	158.44	105.77
Current tax liabilities (net)	-	15.28
Other current liabilities	1,420.72	1,545.33
Total current liabilities	5,753.77	6,229.08
Total liabilities	6,472.03	6,615.57
Total equity and liabilities	9,403.74	10,470.91



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Standalone Statement of Cash Flows

Particulars	(Rs. in crore)	
	Year ended	Year ended
	March 31, 2026	March 31, 2025
	Audited	Audited
Cash flows from operating activities		
Profit/(Loss) before tax	(1,361.53)	711.43
Adjustments to reconcile net profit to net cash generated from operating activities:		
Depreciation and amortization expense	402.73	353.19
Allowance for expected credit loss	61.06	35.90
Bad debts written off	12.82	-
Interest income	(1.97)	(3.54)
Unwinding of discount on fair valuation of financial assets	(0.79)	(0.69)
Gain/(loss) on current investments carried at FVTPL	3.11	(1.22)
Gain on sale of current investments carried at FVTPL	(28.55)	(38.50)
Finance costs	302.61	247.46
Development expenses charged off	-	21.51
Impairment of investment in subsidiary	6.94	-
Unrealized exchange difference on cash held in foreign currencies	(2.34)	0.22
Unrealised exchange difference (net)	9.23	(6.69)
Loss on disposal of property, plant and equipment	0.05	0.37
Expense recognized in respect of equity-settled share-based payments	10.90	59.58
	(585.73)	1,379.02
Movements in working capital:		
(Increase)/decrease in inventories	(71.87)	1,367.02
(Increase)/decrease in trade receivables	1,556.50	(3,463.40)
(Increase)/decrease in other financial assets	249.25	(131.97)
(Increase)/decrease in other assets	(137.03)	408.37
Increase/(decrease) in trade and other payables	(708.12)	(654.72)
Increase/(decrease) in provisions	22.03	120.73
Increase/(decrease) in other financial liabilities	(43.14)	46.62
Increase/(decrease) in other liabilities	(124.61)	541.45
Cash used in operations	157.28	(386.88)
Income taxes paid	(23.73)	(106.44)
Net cash used in operating activities (A)	133.55	(493.32)
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(174.59)	(323.51)
Payment for intangible assets (including under development)	(709.28)	(327.76)
Proceeds from disposal of property, plant and equipment	0.04	0.06
Investments in deposits with banks	(24.26)	(212.99)
Withdrawals of deposits from banks	-	314.17
Payments for purchase of investments in liquid mutual funds	(3,083.00)	(4,304.00)
Proceeds from redemption of investments in liquid mutual funds	3,225.87	4,195.12
Interest received	1.53	3.92
Net cash used in investing activities (B)	(763.69)	(654.99)
Cash flows from financing activities		
Proceeds from exercise of restricted stock units/employee stock options	2.80	4.36
Dividend paid	(44.15)	-
Proceeds from borrowings - non-current	864.36	118.15
Repayment of borrowings - non-current	(100.00)	-
Proceeds from borrowings - current (excluding supplier finance arrangement)	8,282.75	3,919.30
Repayment of borrowings - current (excluding supplier finance arrangement)	(7,066.58)	(2,759.28)
Proceeds received under supplier finance arrangement	747.36	3,183.34
Repayments under supplier finance arrangement	(1,952.41)	(2,944.46)
Principal payment on lease liabilities	(10.98)	(7.48)
Interest payment on lease liabilities	(13.70)	(13.94)
Interest on non-current borrowings	(33.20)	(1.69)
Interest on current borrowings (excluding supplier finance arrangement)	(174.28)	(105.00)
Interest under supplier finance arrangement	(103.57)	(103.65)
Other finance cost	(1.20)	(3.36)
Net cash generated from financing activities (C)	397.20	1,286.29
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(232.94)	137.98
Cash and cash equivalents at the beginning of the year	325.48	187.72
Effects of exchange rate changes on the balance of cash held in foreign currencies	2.34	(0.22)
Cash and cash equivalents at the end of the year	94.88	325.48
Non-cash investing and financing activities		
Acquisition of right-of-use assets	15.57	5.23



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Notes

- 1 This Statement of Standalone Financial Results for the quarter and year ended March 31, 2026, Standalone Statement of Assets and Liabilities as at March 31, 2026 and Standalone Statement of Cash Flows for the year then ended have been prepared in accordance with the recognition and measurement principles laid down in applicable accounting standard prescribed 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 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 Cost of materials consumed include provision for inventory obsolescence/write down amounting to Rs. 18.04 crore for the quarter ended March 31, 2026 (reversal of provision for inventory obsolescence/write down amounting to Rs 4.73 crore for quarter ended December 31, 2025 and charge of provision for inventory obsolescence/write down amounting to Rs. 117.27 crore for the quarter ended March 31, 2025) and Rs. 170.39 crore for the year ended March 31, 2026 (Rs. 180.59 crore for the year ended March 31, 2025) primarily on account of contract manufacturing process losses, design changes and other related matters.
- 4 Pursuant to the notification by the Ministry of Labour & Employment on November 21, 2025 of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "the Labour Codes"), the Company has recognized a provision towards past service cost on gratuity and compensated absences payable to employees amounting to Rs. 9.85 crore during the quarter ended December 31, 2025 which is included under "Employee benefit expense".
- 5 Other expenses for the quarter ended March 31, 2026 include provision for warranty expenses amounting to Rs. 39.30 crore (Rs. 24.35 crore for the quarter ended December 31, 2025) and Rs. 108.09 crore for the year ended March 31, 2026 (March 31, 2025: Nil) determined based on potential fault rates, repair requirements and anticipated warranty claims.
- 6 The figures for the quarter ended March 31, 2026 and March 31, 2025 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of that financial years which were subjected to limited review by the statutory auditors.
- 7 The above Statement of Standalone Financial Results, Standalone Statement of Assets and Liabilities and Standalone Statement of Cash Flows 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 April 15, 2026.

Place: Bengaluru
Date: April 15, 2026

For and on behalf of the Board of Directors

Arnob Roy
Executive Director and CEO
(DIN: 03176672)



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