

Tejas Networks Limited

(All amounts in Rupees Crore except for share data or as otherwise stated)

Consolidated Balance Sheet	Notes	June 30, 2018	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	30.80	35.98
Intangible assets	4(b)	46.82	38.75
Intangible assets under development	4(b)	46.88	46.85
Financial assets			
Investments	5(a)	0.00	0.00
Trade receivables	6	51.30	34.84
Loans	8	5.89	5.44
Other financial assets	9	0.04	0.04
Income Tax Asset (net)	10(a)	32.53	32.01
Deferred Tax Asset	10(b)	126.16	121.16
Other non-current assets	11	0.36	0.34
Total non - current assets		340.78	315.41
Current assets			
Inventories	12	166.48	190.89
Financial assets			
Investments	5(b)	41.28	76.52
Trade receivables	6	361.06	275.71
Cash and cash equivalents	7(i)	37.05	214.19
Bank balances other than above	7(ii)	121.99	21.76
Loans	8	1.15	0.62
Other financial assets	9	317.27	213.40
Other current assets	11	15.08	21.27
Total current assets		1,061.36	1,014.36
Total assets		1,402.14	1,329.77
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	94.30	94.09
Other equity	14	1,110.54	1,057.99
Total equity		1,204.84	1,152.08
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	1.00	1.00
Provisions	16	1.29	1.14
Total non - current liabilities		2.29	2.14
Current liabilities			
Financial liabilities			
Trade payables	17	105.44	105.03
Other financial liabilities	18	57.17	53.30
Provisions	16	7.61	6.89
Current tax liabilities (net)	19	4.86	-
Other current liabilities	20	19.93	10.33
Total current liabilities		195.01	175.55
Total liabilities		197.30	177.69
Total equity and liabilities		1,402.14	1,329.77

Tejas Networks Limited

(All amounts in Rupees Crore except for share data or as otherwise stated)

Consolidated Statement of Profit and Loss	Notes	Quarter ended			Year ended
		June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
I Revenue from operations	21	235.83	102.13	219.31	767.44
II Other Income	22	9.65	10.06	4.50	27.83
III Total income (I + II)		245.48	112.19	223.81	795.27
IV EXPENSES					
Cost of materials consumed	23	111.64	43.00	108.30	382.42
Excise duty		-	-	17.64	17.64
Employee benefit expense	24	32.56	20.48	22.78	92.26
Finance costs	25	3.32	1.55	6.82	13.40
Depreciation and amortization expense	4(c)	17.20	11.83	16.86	61.27
Other expenses	26	29.12	27.91	25.60	122.24
Total expenses (IV)		193.84	104.77	198.00	689.23
V Profit before tax (III - IV)		51.64	7.42	25.81	106.04
VI Income tax expense					
Current tax	27	11.61	2.61	5.37	23.78
Deferred tax (benefit)	27	(5.00)	(24.26)	-	(24.26)
Total tax expense (VI)		6.61	(21.65)	5.37	(0.48)
VII Profit after tax (V - VI)		45.03	29.07	20.44	106.52
VIII Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit obligation		(0.07)	(0.05)	(0.38)	(2.05)
Income tax relating to above		0.02	0.44	-	0.44
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations		(0.77)	(0.30)	0.03	(0.15)
Other comprehensive income for the year, net of tax (VIII)		(0.82)	0.09	(0.35)	(1.76)
IX Total comprehensive income for the period (VII + VIII)		44.21	29.16	20.09	104.76
X Earnings per equity share					
Equity shares of par value Rs. 10 each					
Basic		4.95	3.21	2.78	12.41
Diluted		4.70	3.04	2.65	11.73
Weighted average equity shares used in computing earning per equity share					
Basic		9,09,03,642	9,04,73,874	7,33,69,609	8,58,58,425
Diluted		9,58,14,581	9,54,43,272	7,69,65,392	9,08,27,823

Consolidated Statement of Cash Flows	Quarter ended	Year ended
	June 30, 2018	March 31, 2018
Cash flows from operating activities		
Profit before tax for the year	51.64	106.04
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortization expense	17.20	61.27
Provision for doubtful debts	3.03	3.39
Provision for doubtful advances	3.17	-
Interest Income	(8.26)	(18.68)
Dividend Income	-	(0.09)
(Gain)/Loss on current investment carried at fair value through profit or loss	0.08	(0.85)
(Gain)/Loss on sale of current investment carried at fair value through profit or loss	(1.16)	(2.58)
Finance costs recognized in profit or loss	3.32	13.40
Unrealized Exchange Difference on transactions in foreign currency cash held in foreign currencies	-	0.15
Unrealised Exchange Difference (Net)	(4.42)	1.41
Liabilities no longer required written back	-	(1.19)
Profit on sale of fixed asset	-	(0.01)
Expense recognized in respect of equity-settled share-based payments	5.31	5.69
	<u>69.91</u>	<u>167.95</u>
Movements in working capital:		
(Increase)/decrease in inventories	24.41	(9.18)
(Increase)/decrease in trade receivables	(101.39)	81.62
(Increase)/decrease in loans	(0.98)	14.96
(Increase)/decrease in other financial assets	2.22	1.40
(Increase)/decrease in other assets	5.93	5.19
Increase/(decrease) in trade and other payables	1.58	(2.27)
Increase/(decrease) in provisions	0.80	(0.76)
Increase/(decrease) in other financial liabilities	0.05	15.56
Increase/(decrease) in other liabilities	9.63	(2.23)
Cash generated from operations	<u>12.15</u>	<u>272.24</u>
Income taxes paid	<u>(7.25)</u>	<u>(32.75)</u>
a) Net cash generated by operating activities	<u>4.90</u>	<u>239.49</u>
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangible assets/including under developments	(16.24)	(68.10)
Sale of property, plant and equipment	-	0.01
Investment in Deposits with banks and financial institutions not considered as cash and cash equivalents (Net)	(203.73)	(87.64)
Purchase of financial assets - liquid mutual funds and fixed maturity plan securities	36.32	(73.09)
Interest received	2.50	15.96
Dividend received	-	0.09
b) Net cash (used in) investing activities	<u>(181.15)</u>	<u>(212.77)</u>
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company net of issue expenses	1.70	467.69
Issue related expenses- IPO/Private Placement	-	(19.32)
Proceeds from movement in other equity	0.68	0.03
Repayment of borrowings	0.05	(279.21)
Exchange Differences on repayment of borrowing	-	1.27
Interest paid	(3.32)	(13.90)
c) Net cash generated by/ (used in) financing activities	<u>(0.89)</u>	<u>156.56</u>
d) Net increase/(decrease) in cash and cash equivalents	<u>(177.14)</u>	<u>183.28</u>
Cash and cash equivalents at the beginning of the year	214.19	31.06
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	(0.15)
Cash & cash equivalents at the end of the period [Refer Note 7(i)]	<u>37.05</u>	<u>214.19</u>

Tejas Networks Limited
Consolidated Statement of Changes in Equity

(All amounts in Rupees Crore except for share data or as otherwise stated)

A. Equity Share Capital

Particulars	Note	Amount
As at April 1, 2017*		74.01
Increase in equity share capital on account of exercise of ESOP	13	2.57
Increase in equity share capital on account of IPO	13	17.51
As at March 31, 2018*		94.09
Increase in equity share capital on account of exercise of ESOP	13	0.21
As at June 30, 2018*		94.30

* Includes forfeited shares of Rs. 3.27

B. Other Equity

Particulars	Note	Reserves and Surplus			Other Reserves		Share application money pending allotment	Total
		Securities premium reserve	Retained earnings	Employee stock compensation reserve	Foreign Currency Translation Reserve	Trust		
Balance as at April 1, 2017		487.48	15.86	15.77	(0.35)	0.17	-	518.93
Profit for the year	14	-	106.52	-	-	-	-	106.52
Other comprehensive income	14	-	(1.61)	-	0.15	-	-	(1.46)
Total comprehensive income for the year		-	104.91	-	0.15	-	-	105.06
Transaction with owners in their capacity as owners:								
Premium on issue on account of private placement	14	432.49	-	-	-	-	-	432.49
Premium on issue on account of exercise of ESOP	14	15.12	-	-	-	-	-	15.12
Share issue expenses	14	(19.33)	-	-	-	-	-	(19.33)
Share based payment expenses	24	-	-	5.69	-	-	-	5.69
Issue of equity shares, on exercise of options	14	6.32	-	(6.32)	-	-	-	-
Others	14	-	0.20	-	-	(0.17)	-	0.03
Balance as at March 31, 2018		922.08	120.97	15.14	(0.20)	-	-	1,057.99
Balance as at April 1, 2018		922.08	120.97	15.14	(0.20)	-	-	1,057.99
Profit for the year	14	-	45.03	-	-	-	-	45.03
Other comprehensive income	14	-	(0.05)	-	0.77	-	-	0.72
Total comprehensive income for the year		-	44.98	-	0.77	-	-	45.75
Transaction with owners in their capacity as owners:								
Premium on issue on account of exercise of ESOP	14	1.32	-	-	-	-	-	1.32
Share based payment expenses	24	-	-	5.31	-	-	-	5.31
Issue of equity shares, on exercise of options	14	0.88	-	(0.88)	-	-	-	-
Share application money pending allotment	14	-	-	-	-	-	0.17	0.17
Balance as at June 30, 2018		924.28	165.95	19.57	0.57	-	0.17	1,110.54

Note No. 4(a): Property, Plant and Equipment

Particulars	Laboratory Equipment	Networking Equipment	Electrical Installation	Furniture and Fixtures	Office Equipment	Computing Equipment	Vehicles	R&D Cards	Servers	Total
Gross carrying value as of April 1, 2017	11.14	0.39	5.83	4.73	0.42	2.06	0.04	11.95	0.65	37.21
Additions ¹	5.67	0.13	0.46	0.89	0.31	2.54	0.19	7.53	0.55	18.27
Deletions	-	-	-	0.08	-	-	-	-	-	0.08
Gross carrying value as of March 31, 2018	16.81	0.52	6.29	5.54	0.73	4.60	0.23	19.48	1.20	55.40
Accumulated depreciation as of April 1, 2017	(1.14)	(0.12)	(0.79)	(1.41)	(0.14)	(0.63)	(0.01)	(4.87)	(0.11)	(9.22)
Depreciation for the year	(1.42)	(0.14)	(0.82)	(0.84)	(0.20)	(1.23)	(0.02)	(5.42)	(0.18)	(10.27)
Accumulated depreciation on deletions	-	-	-	(0.07)	-	-	-	-	-	(0.07)
Accumulated depreciation as of March 31, 2018	(2.56)	(0.26)	(1.61)	(2.18)	(0.34)	(1.86)	(0.03)	(10.29)	(0.29)	(19.42)
Carrying value as of March 31, 2018	14.25	0.26	4.68	3.36	0.39	2.74	0.20	9.19	0.91	35.98
Gross carrying value as of April 1, 2018	16.81	0.52	6.29	5.54	0.73	4.60	0.23	19.48	1.20	55.40
Additions	0.97	0.07	0.07	0.13	0.05	0.74	-	-	0.61	2.64
Deletions	-	-	-	-	-	-	-	-	-	-
Gross carrying value as of June 30, 2018	17.78	0.59	6.36	5.67	0.78	5.34	0.23	19.48	1.81	58.04
Accumulated depreciation as of April 1, 2018	(2.56)	(0.26)	(1.61)	(2.18)	(0.34)	(1.86)	(0.03)	(10.29)	(0.29)	(19.42)
Depreciation for the year	(2.02)	(0.08)	(2.30)	(2.03)	(0.04)	(0.41)	(0.04)	(0.79)	(0.11)	(7.82)
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of June 30, 2018	(4.58)	(0.34)	(3.91)	(4.21)	(0.38)	(2.27)	(0.07)	(11.08)	(0.40)	(27.24)
Carrying value as of June 30, 2018	13.20	0.25	2.45	1.46	0.40	3.07	0.16	8.40	1.41	30.80

Note: The Group had received approval under Modified Special Incentive Package Scheme (MSIPS) from the Ministry of Communication and Information Technology, Department of Information Technology, vide sanction letter no. 27(18)/2013-IPHW dated December 05, 2014. Under the said scheme, the Group as on June 30, 2018, has submitted claims aggregating to Rs. 3.19 (March 31, 2018 - Rs. 3.19) which has not been adjusted to the cost of respective assets, as the same is contingent upon receipt of approval as to the final amount of eligible claim.

¹ Additions to R&D cards represent inventories capitalized (Refer Note 23).

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Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 4(b): Intangible Assets

Particulars	Computer Software	Product Development	Total	Intangible under development ¹
Gross carrying value as of April 1, 2017	3.80	107.49	111.29	18.62
Additions	4.01	21.65	25.66	49.21
Deletions	-	-	-	20.98
Write off	-	-	-	-
Gross carrying value as of March 31, 2018	7.81	129.14	136.95	46.85
Accumulated amortization as of April 1, 2017	(2.06)	(45.14)	(47.20)	-
Amortization expenses for the year	(3.13)	(47.87)	(51.00)	-
Accumulated amortization on deletions	-	-	-	-
Accumulated amortization as of March 31, 2018	(5.19)	(93.01)	(98.20)	-
Carrying value as of March 31, 2018	2.62	36.13	38.75	46.85
Gross carrying value as of April 1, 2018	7.81	129.14	136.95	46.85
Additions	2.53	14.92	17.45	14.95
Deletions	-	-	-	14.92
Gross carrying value as of June 30, 2018	10.34	144.06	154.40	46.88
Accumulated amortization as of April 1, 2018	(5.19)	(93.01)	(98.20)	-
Amortization expenses for the year	(1.34)	(8.04)	(9.38)	-
Accumulated amortization on deletions	-	-	-	-
Accumulated amortization as of June 30, 2018	(6.53)	(101.05)	(107.58)	-
Carrying value as of June 30, 2018	3.81	43.01	46.82	46.88

¹ Additions pertain to capitalization of employee benefit expense and other expenses (Refer note 24 and Note 26).

Note No. 4(c): Depreciation and amortization expenses

Particulars	Period ended	Year ended
	June 30, 2018	March 31, 2018
Depreciation on property, plant and equipment	7.82	10.27
Amortization of intangible assets	9.38	51.00
Total depreciation and amortization expenses	17.20	61.27

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Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 5: Investments

Particulars	As at			
	June 30, 2018	March 31, 2018		
5(a) Other Investments (Unquoted) {FVTPL}				
Equity instruments of others				
Investment in ELCIA ESDM Cluster (No. of shares 1100)	0.00	0.00		
Total non-current investments	0.00	0.00		
5(b) Current investments (Quoted) {FVTPL}				
Investment in Mutual funds	Number of units	Amount	Number of units	Amount
Aditya Birla Sun Life floating rate direct plan growth		-	2,56,649	5.95
Reliance liquid fund direct plan growth	36,760	10.51	76,153	21.38
IDFC money manager fund direct plan growth		-	28,94,490	8.08
Reliance quarterly interval fund direct plan growth	1,05,27,025	25.72	1,05,27,025	25.27
Reliance monthly interval fund direct plan growth		-	21,72,270	5.03
Axis liquid fund direct plan growth		-	56,066	10.81
ICICI Prudential Fixed maturity plan	50,00,000	5.05		-
Total current investments		41.28		76.52

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Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 6: Trade Receivables

Particulars	As at	
	June 30, 2018	March 31, 2018
Non-Current		
<i>Unsecured, considered good</i>		
Trade receivables	51.30	34.84
Total non current	51.30	34.84
Current		
<i>Unsecured, considered good</i>		
Trade receivables	361.06	275.71
Receivables from related parties	-	-
<i>Unsecured, considered doubtful</i>		
Trade receivables	14.32	7.64
Less: Allowance for doubtful debts	(14.32)	(7.64)
Total current	361.06	275.71

Note No. 7: Cash and Bank Balances

Particulars	As at	
	June 30, 2018	March 31, 2018
(i) Cash and Cash Equivalents		
<i>(a) Balances with banks</i>		
(i) In current accounts*	10.65	12.87
(ii) In EEFC accounts	0.87	3.47
<i>(b) Deposits with original maturity of less than three months</i>	25.53	197.85
Total cash and cash equivalents	37.05	214.19
(ii) Other Bank Balances		
Deposits with original maturity of more than three months but less than twelve months	121.95	16.95
Balances held as margin money or security against borrowings or guarantees	0.04	4.81
Total other bank balances	121.99	21.76

* includes Rs. 0.31 (March 31, 2018 - Rs. 0.29) which is subject to repatriation restriction.

Tejas Networks Limited**Notes to the unaudited consolidated financial statements for the period ended June 30, 2018**

(All amounts in Rupees Crore except for share data or as otherwise stated)

The details of balances with banks as on Balance Sheet dates are as follows:

Particulars	As at	
	June 30, 2018	March 31, 2018
a) Current Accounts		
Axis Bank	0.04	0.46
Citibank, India	0.19	0.25
Citibank, Dubai	0.64	0.68
Citibank, Singapore	-	0.01
Fleet Bank, USA	0.67	1.16
HSBC Bank, India	0.01	0.01
HSBC Bank, Bangladesh	0.31	0.29
HSBC Bank, Singapore	0.05	0.32
HSBC Bank, Israel	0.04	0.04
ICICI Bank	0.07	-
Indian Bank	0.01	0.01
IndusInd Bank	0.02	-
Kotak Mahindra Bank	0.07	0.98
RBL Bank	0.55	0.07
Standard Chartered Bank, India	4.50	6.23
Standard Chartered Bank, Nairobi	0.22	0.10
Standard Chartered Bank, Singapore	2.63	0.34
Standard Chartered Bank, Kuala Lumpur	0.07	-
State Bank of India	0.52	1.90
Vijaya Bank	0.04	0.02
	10.65	12.87
b) EEFC Accounts		
Citibank, India	0.42	3.41
Standard Chartered Bank, India	0.45	0.06
	0.87	3.47
c) Deposits with original maturity of less than three months		
Axis Bank	-	23.12
Kotak Mahindra Bank	-	17.80
RBL Bank	25.53	25.53
Standard Chartered Bank, India	-	26.38
State Bank of India	-	105.00
Vijaya Bank	-	0.02
	25.53	197.85
d) Deposits with original maturity of more than three months but less than twelve months		
Axis Bank	-	-
HDFC Bank	105.00	-
IndusInd Bank	15.13	15.13
Kotak Mahindra Bank	1.82	1.82
	121.95	16.95

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Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 8: Loans

Particulars	As at	
	June 30, 2018	March 31, 2018
Non-current		
<i>Unsecured, considered good (at amortised cost)</i>		
Security deposits	5.89	5.44
Total non-current	5.89	5.44
Current		
<i>Unsecured, considered good (at amortised cost)</i>		
Security deposits	-	0.10
Loans to employees	1.15	0.52
Total current	1.15	0.62

Note No. 9: Other Financial Assets

Particulars	As at	
	June 30, 2018	March 31, 2018
Non-current financial assets		
Deposits with original maturity of more than twelve months		
In deposit accounts	0.04	0.04
(ii) Balances held as margin money or security against borrowings or guarantees	-	-
Interest accrued but not due	-	-
Total non-current financial assets	0.04	0.04
Current financial assets		
Deposits with financial institutions	308.50	205.00
Unbilled Revenue	-	1.81
Interest accrued but not due	8.77	3.01
Focus Product Scheme receivable - Gross	4.45	4.86
Less: Provision	4.45	1.28
Focus Product Scheme receivable - Net	-	3.58
Total current financial assets	317.27	213.40

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Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 10: Current tax assets (net)

Particulars	As at	
	June 30, 2018	March 31, 2018
10(a) Income Tax Asset		
Advance Income Tax (net)	32.53	32.01
	32.53	32.01
10(b) Deferred Tax Asset		
The balance comprises temporary differences attributable to:		
Provisions allowable on payment basis	2.48	2.48
Difference between carrying amount of property, plant and equipment in financials and the income tax return	4.11	4.11
Unabsorbed depreciation	16.95	16.95
Tax Credits	102.62	97.62
Total	126.16	121.16

Significant estimates:

The Group has recognised deferred tax assets on carried forward tax losses effective the Ind AS transition date. The Group has estimated that the deferred tax assets will be recoverable using the estimated future taxable income. The unabsorbed depreciation and tax credits can be carried forward indefinitely as per local tax regulations and the Group expects to recover these through future taxable profits.

Note No. 11: Other assets

Particulars	As at	
	June 30, 2018	March 31, 2018
Other non-current assets		
Prepaid expenses	0.36	0.34
Total other non-current assets	0.36	0.34
Other current assets		
(a) Advances to suppliers	4.37	5.03
(b) Advances others	0.64	0.55
(c) Balances with government authorities (other than income taxes)	3.00	9.25
(d) Prepaid expenses	7.07	6.44
Total other current assets (a)+(b)+(c)+(d)	15.08	21.27

Note No. 12: Inventories

Particulars	As at	
	June 30, 2018	March 31, 2018
(a) Raw material - components including assemblies and sub-assemblies (including goods in transit Rs. 3.46 (March 2018: Rs. 16.83))	166.48	190.89
Total Inventories	166.48	190.89

Tejas Networks Limited

Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 13: Equity Share Capital

Particulars	Number of Shares	Equity share capital
Authorised Capital		
As at April 01, 2017	17,64,52,000	176.45
Equity shares of face value of Rs. 10/- each	17,64,52,000	176.45
Increase during the year	-	-
As at March 31, 2018	17,64,52,000	176.45
Equity shares of face value of Rs. 10/- each	17,64,52,000	176.45
Increase during the year	-	-
As at June 30, 2018	17,64,52,000	176.45
Issued, Subscribed and Paid up Capital		
Equity Share Capital of Rs. 10/- each		
As at April 1, 2017	7,07,33,411	70.74
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	25,75,622	2.57
Issue of equity shares from IPO	1,75,09,727	17.51
As at March 31, 2018	9,08,18,760	90.82
Issue of equity shares under employee share option plan	2,08,756	0.21
As at June 30, 2018	9,10,27,516	91.03
Forfeited shares (to the extent of amount paid up)		
As at April 1, 2017	3,27,27,930	3.27
Transaction during the year		
	-	-
As at March 31, 2018	3,27,27,930	3.27
Transaction during the period		
	-	-
As at June 30, 2018	3,27,27,930	3.27
As at		
	June 30, 2018	March 31, 2018
Total Equity Share Capital	94.30	94.09

Tejas Networks Limited

Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 14: Other Equity

Particulars	As at	
	June 30, 2018	March 31, 2018
Securities premium reserve	924.28	922.08
Retained earnings	165.95	120.97
Employee stock compensation reserve	19.57	15.14
Foreign Currency Translation Reserve	0.57	(0.20)
Share application money pending allotment	0.17	-
Total Other Equity	1,110.54	1,057.99

(i) Securities premium reserve

Particulars	As at	
	June 30, 2018	March 31, 2018
Opening Balance	922.08	487.48
Premium on issue on account of IPO	-	432.49
Premium on issue on account of exercise of ESOP	1.32	15.12
Share issue costs	-	(19.33)
Issue of equity shares, on exercise of options	0.88	6.32
Closing Balance	924.28	922.08

(ii) Retained earnings

Particulars	As at	
	June 30, 2018	March 31, 2018
Opening Balance	120.97	15.86
Profit for the year	45.03	106.52
Others	-	0.20
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
Remeasurements of the post employment benefit obligation	(0.05)	(1.61)
Closing Balance	165.95	120.97

(iii) Employee stock compensation reserve

Particulars	As at	
	June 30, 2018	March 31, 2018
Opening Balance	15.14	15.77
Share based payment expenses	5.31	5.69
Issue of equity shares, on exercise of options	(0.88)	(6.32)
Closing Balance	19.57	15.14

(iv) Foreign Currency Translation Reserve

Particulars	As at	
	June 30, 2018	March 31, 2018
Opening Balance	(0.20)	(0.35)
Transaction during the period	0.77	0.15
Closing Balance	0.57	(0.20)

(v) Share application money pending allotment

Particulars	As at	
	June 30, 2018	March 31, 2018
Opening Balance	-	-
Transaction during the period	0.17	-
Closing Balance	0.17	-

Tejas Networks Limited

Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 15: Non Current Borrowings

Particulars	As at	
	June 30, 2018	March 31, 2018
Unsecured financial support under Technology Development & Demonstration Programme (TDDP) of DSIR	2.32	2.27
Less: Current maturities of long term debt (Refer Note 18) Repayable in the form of annual Royalties @ 26% of total grant received for a period of 5 years from the date of commercialization.	1.32	1.27
Total borrowings	1.00	1.00

Note No. 16: Provisions

Particulars	As at	
	June 30, 2018	March 31, 2018
Non current provisions		
Other provisions		
Warranty	1.29	1.14
Total non current provisions	1.29	1.14
Current provisions		
Provision for employee benefits		
Compensated absences*	2.03	1.89
Gratuity	1.55	0.73
Other provisions		
Warranty	4.03	4.27
Total current provisions	7.61	6.89

* The amount of provision of Rs. 2.03 (March 31, 2018 Rs. 1.89) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

Details of Provision for warranty

Provision for warranty has been estimated based on historical quantum of replacements absorbed in cost of sales

Particulars	As at	
	June 30, 2018	June 30, 2018
Opening balance	5.41	5.37
Unwinding of interest on provisions	0.11	0.48
Additions	0.17	1.03
Discounting of provision	(0.13)	(0.36)
Utilisation	(0.24)	(1.11)
Closing balance	5.32	5.41
Disclosed as:		
Non-current	1.29	1.14
Current	4.03	4.27
	5.32	5.41

Tejas Networks Limited**Notes to the unaudited consolidated financial statements for the period ended June 30, 2018**

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 17: Trade Payables

Particulars	As at	
	June 30, 2018	March 31, 2018
Trade payables for goods & services	102.90	96.36
Acceptances	2.54	8.67
Total trade payables	105.44	105.03

Note No. 18: Other Financial Liabilities

Particulars	As at	
	June 30, 2018	March 31, 2018
Current		
Current maturities of long-term debt	1.32	1.27
Due to employees	17.00	18.60
Capital Creditors	3.88	4.04
Accrual for expenses	34.82	29.18
Other liabilities	0.15	0.21
Total other financial liabilities	57.17	53.30

Note No. 19: Current Tax Liabilities (Net)

Particulars	As at	
	June 30, 2018	March 31, 2018
Current income tax liabilities	4.86	-
Total Current Tax Liabilities (Net)	4.86	-

Note No. 20: Other Current Liabilities

Particulars	As at	
	June 30, 2018	March 31, 2018
Advances received from customers	0.39	0.88
Deferred revenue	2.87	4.36
Statutory dues	16.67	5.09
Total other current liabilities	19.93	10.33

Tejas Networks Limited
Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 21: Revenue from Operations

Particulars	Quarter ended		Year ended	
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
Revenue from sale of goods (including excise duty)				
Manufactured goods - Optical and Data Networking products including multiplexers	223.36	73.17	207.53	679.83
Component sales	3.79	3.42	1.56	9.93
	227.15	76.59	209.09	689.76
Revenue from rendering of services				
Installation and commissioning revenue	1.40	7.69	2.97	31.12
Annual maintenance revenue	6.26	9.93	5.80	32.84
Other service revenue	0.55	7.92	1.16	13.43
	8.21	25.54	9.93	77.39
Other operating income				
Export Incentive	0.47	-	0.29	0.29
	0.47	-	0.29	0.29
Total revenue from operations	235.83	102.13	219.31	767.44

Note No. 22: Other Income

Particulars	Quarter ended		Year ended	
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
Interest income from bank on deposits	7.30	5.48	1.75	14.50
Dividend Income	-	-	-	0.09
Gain/(Loss) on current investment carried at fair value through profit or loss	(0.08)	(0.07)	-	0.85
Gain/(Loss) on sale of current investment carried at fair value through profit or loss	1.16	1.99	-	2.58
Unwinding of discount on fair valuation of financials assets	0.96	0.94	1.15	4.18
Net gain on foreign currency transactions and translation (other than considered as finance cost)	-	0.77	1.48	4.39
Other non-operating income				
Liabilities no longer required written back	-	(0.04)	-	-
Profit on sale of fixed asset	-	0.01	-	0.01
Miscellaneous income	0.31	0.98	0.12	1.23
Total other income	9.65	10.06	4.50	27.83

Note No. 23: Cost of Materials Consumed

Particulars	Quarter ended		Year ended	
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
Opening stock	190.89	148.00	181.72	181.72
Add: Purchases	87.23	85.89	111.57	399.12
Less: Capitalized during the year [Refer Note 4(a)]	-	-	-	7.53
	278.12	233.89	293.29	573.31
Less: Closing stock	166.48	190.89	184.99	190.89
Cost of materials consumed	111.64	43.00	108.30	382.42

Note No. 24: Employee Benefit Expenses

Particulars	Quarter ended		Year ended	
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
Salaries and wages, including performance incentives	38.19	27.77	30.63	123.23
Contribution to provident and other funds	1.46	0.44	1.17	4.94
Gratuity expenses	0.79	1.25	0.30	1.25
Employee share based payment expenses	5.31	0.98	1.75	5.69
Staff welfare expenses	1.30	1.40	1.17	5.30
	47.05	31.84	35.02	140.41
Less: Capitalized during the period [Refer Note 4(b)]	14.49	11.36	12.24	48.15
Total employee benefit expenses	32.56	20.48	22.78	92.26

Tejas Networks Limited
Notes to the unaudited consolidated financial statements for the period ended June 30, 2018

(All amounts in Rupees Crore except for share data or as otherwise stated)

Note No. 25: Finance Cost

Particulars	Quarter ended			Year ended
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
Interest expense				
(i) Borrowings	0.63	0.01	5.63	5.83
(iii) Delayed payment of taxes	-	(0.09)	0.09	-
(iv) Unwinding of discount on fair valuation of financial liabilities	0.17	0.22	0.22	0.88
Exchange differences regarded as an adjustment to borrowing costs	-	(0.65)	(0.28)	-
Other finance cost	2.52	2.06	1.16	6.69
Total finance cost	3.32	1.55	6.82	13.40

Note No. 26: Other Expenses

Particulars	Quarter ended			Year ended
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
Installation and commissioning expenses	2.20	1.15	4.46	24.03
Other processing charges	0.55	0.29	0.62	1.30
Power and fuel	1.34	1.06	1.13	4.16
Housekeeping and security	0.60	0.67	0.67	2.60
Rent including lease rentals	2.03	1.98	1.95	7.84
Repairs and maintenance - machinery	0.15	0.13	0.14	0.47
Repairs and maintenance - others	0.32	0.68	1.08	2.44
Sub-contractor charges	2.13	2.06	0.64	6.47
Insurance	0.09	0.17	0.21	0.65
Rates and taxes	0.18	0.57	0.39	1.78
Communication	0.35	0.37	0.36	1.29
Royalty	0.29	0.59	-	0.83
Travelling and conveyance	4.71	5.11	3.18	15.03
Printing and stationery	0.06	0.08	0.08	0.38
Freight and forwarding	0.09	1.14	(0.56)	1.31
Contract related expenses	-	3.92	4.63	16.01
Sales expenses	0.81	1.94	0.09	2.33
Sales commission	1.45	3.94	3.81	10.75
Business promotion	0.38	0.33	0.15	1.36
Donations	-	-	-	0.01
Director sitting fees	0.02	0.03	0.05	0.14
Director commission	-	0.29	-	0.29
Legal and professional	3.60	4.29	2.41	13.46
Auditors remuneration and out-of-pocket expenses				
As auditors	0.11	0.13	0.14	0.50
For taxation matters	-	(0.16)	-	-
Auditors out-of-pocket expenses	0.03	0.01	0.01	0.04
Net loss on foreign currency transactions and translation (other than considered as finance cost)	0.72	-	-	-
Bad trade and other receivables and loans and advances written off	4.45	-	-	-
Less:- Allowance for doubtful trade and other receivables, loans and advances released	(1.28)	-	-	-
Advance Written off (net)	3.17	-	-	-
Provision for advances	-	(0.07)	-	1.55
Provision for doubtful trade and other receivables (net)	3.03	(3.87)	(0.10)	3.39
Provision for diminution in value of investment	-	-	-	-
Provision for warranty	0.04	0.08	0.29	0.67
Expenditure on corporate social responsibility	-	0.54	-	0.54
Miscellaneous expenses	1.13	0.69	0.30	1.68
	29.58	28.14	26.13	123.30
Capitalized during the period [Refer Note 4(b)]	0.46	0.23	0.53	1.06
Total other expenses	29.12	27.91	25.60	122.24

Note No. 27: Income Tax Expense

Particulars	Quarter ended			Year ended
	June 30, 2018	March 31, 2018	June 30, 2017	March 31, 2018
a. Current tax				
Current tax on profits for the year	11.61	2.61	5.37	23.78
Total current tax expense	11.61	2.61	5.37	23.78
b. Deferred tax				
Decrease/(increase) in deferred tax assets	(5.00)	(24.26)	-	(24.26)
Total deferred tax expense/(benefit)	(5.00)	(24.26)	-	(24.26)
Total Income tax (expense)	6.61	(21.65)	5.37	(0.48)