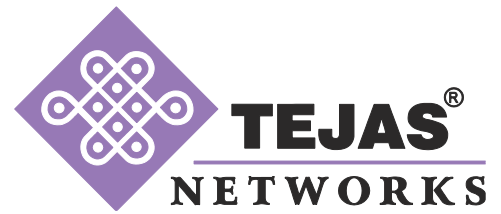


## Tejas Networks Ltd.

Regd. Office: Plot No. 25, 5th Floor  
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Hosur Road, Bengaluru 560 100, India  
Tel : +91- 80- 4179 4600/700/800  
Fax: +91- 80- 2852 0201



October 20, 2023

The Secretary  
**National Stock Exchange of India Ltd**  
Exchange Plaza, C/1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051  
**NSE Symbol: TEJASNET**

The Secretary  
**BSE Limited**  
P J Towers, Dalal Street,  
Fort, Mumbai – 400 001  
**BSE Scrip Code: 540595**

Dear Sir/Madam,

### **Re: Outcome of Board Meeting**

This is with reference to our letter dated October 06, 2023 informing about the Board Meeting scheduled on October 20, 2023.

The Board of Directors of Tejas Networks Limited ('the Company') at their meeting held on Friday, October 20, 2023 at Bengaluru has *inter alia* considered and approved the following:

The Meeting started at 2.30 P.M. (IST) and ended at 6.00 P.M. (IST)

#### **1. Financial Results**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the unaudited financial results (Standalone and Consolidated) as per IND-AS for the quarter and half-year ended September 30, 2023 together with the Limited review report of the Statutory Auditors for the said period is enclosed as **Annexure - A**.

#### **2. Allotment of Equity Shares**

Allotment of 2,00,976 Equity Shares of the Company pursuant to exercise of the Stock Options/ Restricted Stock Units by eligible employees/ KMP/ Senior Management of the Company and Subsidiaries of the Company under respective Stock Options Plans.

*Consequently, on October 20, 2023, the paid-up share capital of the Company stands increased from Rs.1,69,72,12,010 divided into 16,97,21,201 equity shares of Rs.10/- each to Rs. 1,69,92,21,770 divided into 16,99,22,177 equity shares of Rs.10/- each.*

#### **3. Grant of Restricted Stock Units**

Approved the grant of 40,900 Restricted Stock Units at face value of Rs. 10/- each under Tejas Restricted Stock Unit Plans to the Employees/ Senior Management of the Company.

#### **4. Corporate Governance Policies**

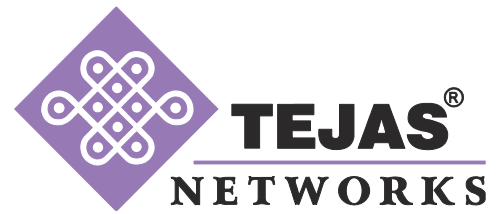
The adoption of the following amended Policies:

- Code of Conduct – The Company has adopted the Tata Code of Conduct.
- Nomination and Remuneration Policy.

The revised amended policies are applicable from October 20, 2023 and the copies of the amended policies will be hosted on the website of the Company.

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We also enclose:

- a) Copy of the press release issued with respect of said unaudited financial results as **Annexure - B**
- b) Extracts of the unaudited financial results under IND-AS (Standalone and Consolidated) for the quarter and half-year ended September 30, 2023 being published in the newspapers as **Annexure - C**

Please note that the Conference Call details to discuss the Company's performance, on Friday, October 20, 2023 at 7.00 P.M (IST) has already been intimated to Stock Exchanges vide our letter dated October 09, 2023.

The above information is also being made available on the website of the Company at [www.tejasnetworks.com](http://www.tejasnetworks.com).

This is for your kind information and record.

Yours sincerely  
**For Tejas Networks Limited**

**N R Ravikrishnan**  
**General Counsel, Chief Compliance Officer**  
**& Company Secretary**

Encl: as above

# 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  
5<sup>th</sup> Floor, J P Software Park,  
Plot No. 25, Sy, No 13, 14, 17 and 18,  
Konnapanan Agrahara Village,  
Begur Hobli, Bengaluru – 560 100

1. We have reviewed the Unaudited Consolidated Financial Results of Tejas Networks Limited (the "Parent") and its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), (refer Note 1 on the Statement) for the quarter and six months period ended September 30, 2023, which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the quarter and six months period ended September 30, 2023', the 'Unaudited Consolidated Statement of Assets and Liabilities as on that date and the 'Unaudited Consolidated Statement of Cash Flows for the six months period ended on that date (together the "Consolidated Statement"). The Consolidated Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the Securities 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 Parent's Management and has been approved by the Parent'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" ("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 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  
Bangalore - 560 008  
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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

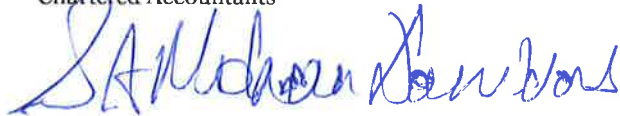
4. The Statement includes the results of the following entities:

## Subsidiaries

- a) Tejas Communications Pte. Limited, Singapore
  - b) Saankhya Labs Private Limited, India
  - c) Tejas Communications (Nigeria) Limited, Nigeria
  - d) Saankhya Strategic Electronics Private Limited, India
  - e) 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 Unaudited Consolidated Financial Results includes the financial results of 4 subsidiaries which have not been reviewed by their auditors and whose financial results reflect total assets of Rs. 25.44 crores and net assets of Rs. 19.60 crores as at September 30, 2023, total revenue of Rs. 2.26 crores and Rs. 3.32 crores, total net profit/(loss) after tax of Rs. (0.27) crores and Rs. (0.26) crores and total comprehensive income/(loss) of Rs. (0.50) crores and Rs. (0.40) crores for the quarter and six months period ended September 30, 2023 respectively, and net cash inflows of Rs. 2.95 crores for the six months period ended September 30, 2023. According to the information and explanations given to us by the Management, the financial information of the aforesaid subsidiaries is not material to the Group.

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

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



Mohan Danivas S A  
Partner  
Membership Number: 209136  
UDIN: 23209136BGXTYM6010

Place: Bengaluru  
Date: October 20, 2023



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**Statement of Unaudited Consolidated Financial Results for the quarter and six months period ended September 30, 2023**

(Rs. in crore except per share data)

Particulars	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited (Refer note - 7)	Unaudited	Unaudited (Refer note - 7)	Audited
I Revenue from operations	395.95	187.89	219.94	583.84	345.70	919.57
II Other Income	17.97	19.48	20.05	37.45	38.74	81.01
<b>III Total income (I + II)</b>	<b>413.92</b>	<b>207.37</b>	<b>239.99</b>	<b>621.29</b>	<b>384.44</b>	<b>1,000.58</b>
<b>IV EXPENSES</b>						
(a) Cost of materials consumed	262.22	117.57	115.75	379.79	186.23	532.73
(b) Purchases of stock in trade	2.33	4.40	7.08	6.73	16.01	31.82
(c) Changes in inventories of stock in trade, work in progress and finished goods	(12.74)	(2.63)	(3.76)	(15.37)	(6.56)	(3.85)
(d) Employee benefit expense	79.35	77.05	48.51	156.40	86.47	232.65
(e) Finance costs	7.00	4.67	4.87	11.67	5.81	15.20
(f) Depreciation and amortization expense	41.68	34.42	30.05	76.10	53.42	122.50
(g) Allowance for expected credit loss	8.45	(2.26)	(8.24)	6.19	(12.95)	(32.97)
(h) Other expenses	43.37	40.03	39.06	83.40	62.28	145.15
<b>Total Expenses (IV)</b>	<b>431.66</b>	<b>273.25</b>	<b>233.32</b>	<b>704.91</b>	<b>390.71</b>	<b>1,043.23</b>
<b>V Profit/(Loss) before tax (III - IV)</b>	<b>(17.74)</b>	<b>(65.88)</b>	<b>6.67</b>	<b>(83.62)</b>	<b>(6.27)</b>	<b>(42.65)</b>
<b>VI Income tax expense/(benefit)</b>						
(1) Current tax expense/(benefit)	(1.93)	(9.85)	1.36	(11.78)	0.47	(0.32)
(2) Deferred tax expense/(benefit) (Refer Note - 6)	(3.17)	(29.74)	8.47	(32.91)	3.06	(5.92)
<b>Total tax expense/(benefit)</b>	<b>(5.10)</b>	<b>(39.59)</b>	<b>9.83</b>	<b>(44.69)</b>	<b>3.53</b>	<b>(6.24)</b>
<b>VII Profit/(Loss) after tax (V - VI)</b>	<b>(12.64)</b>	<b>(26.29)</b>	<b>(3.16)</b>	<b>(38.93)</b>	<b>(9.80)</b>	<b>(36.41)</b>
<b>VIII Other comprehensive income/(loss)</b>						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation (expense)/benefit	1.99	(0.73)	(3.13)	1.26	(3.18)	(3.29)
Income tax relating to above	(0.05)	-	0.56	(0.05)	0.56	0.14
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	0.11	0.04	0.13	0.15	0.35	0.73
<b>IX Total comprehensive income/(loss) for the period (VII + VIII)</b>	<b>(10.59)</b>	<b>(26.98)</b>	<b>(5.60)</b>	<b>(37.57)</b>	<b>(12.07)</b>	<b>(38.83)</b>
<b>X Equity Share Capital (Face value of Rs. 10/- each)</b>	<b>172.99</b>	<b>172.84</b>	<b>155.38</b>	<b>172.99</b>	<b>155.38</b>	<b>171.64</b>
<b>XI Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year</b>	-	-	-	-	-	<b>2,801.32</b>
<b>XII Earnings/(Loss) per equity share</b>						
Equity shares of par value Rs. 10 each						
(1) Basic	(0.74)	(1.56)	(0.21)	(2.30)	(0.66)	(2.46)
(2) Diluted (Refer Note - 11)	(0.74)	(1.56)	(0.21)	(2.30)	(0.66)	(2.46)



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**Unaudited Consolidated Statement of Assets and Liabilities**

Particulars	(Rs. in crore)	
	As at	
	September 30, 2023	March 31, 2023
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	143.81	85.05
Capital work in progress	2.42	-
Right-of-use assets	133.05	44.29
Goodwill	211.81	211.81
Intangible assets	326.29	305.67
Intangible assets under development	221.53	153.58
Financial assets		
(i) Investments*	0.00	0.00
(ii) Trade receivables	37.96	19.10
(iii) Other financial assets	10.12	7.04
Current Tax Asset (net)	57.69	31.71
Deferred Tax Assets (net)	74.95	42.09
Other non-current assets	43.17	34.37
<b>Total non - current assets</b>	<b>1,262.80</b>	<b>934.71</b>
<b>Current assets</b>		
Inventories	1,400.65	646.86
Financial assets		
(i) Investments	717.39	262.24
(ii) Trade receivables	449.06	498.93
(iii) Cash and cash equivalents	45.44	85.39
(iv) Bank balances other than (iii) above	304.96	656.42
(v) Other financial assets	342.25	337.14
Other current assets	341.46	180.34
<b>Total current assets</b>	<b>3,601.21</b>	<b>2,667.32</b>
<b>Total assets</b>	<b>4,864.01</b>	<b>3,602.03</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	172.99	171.64
Other equity	2,834.45	2,801.32
<b>Total equity</b>	<b>3,007.44</b>	<b>2,972.96</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Lease liabilities	132.99	43.90
(ii) Other financial liabilities [Refer Note - 8(b)]	162.83	156.68
Provisions	2.10	2.12
<b>Total non - current liabilities</b>	<b>297.92</b>	<b>202.70</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Lease liabilities	5.00	5.92
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	33.14	26.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	683.93	275.02
(iii) Other financial liabilities	38.54	67.77
Provisions	18.27	12.11
Other current liabilities	779.77	39.55
<b>Total current liabilities</b>	<b>1,558.65</b>	<b>426.37</b>
<b>Total liabilities</b>	<b>1,856.57</b>	<b>629.07</b>
<b>Total equity and liabilities</b>	<b>4,864.01</b>	<b>3,602.03</b>

\* Amount below the rounding off norm adopted by the Company



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### Unaudited Consolidated Statement of Cash Flows

(Rs. in crore)

Particulars	Six months ended	Six months ended
	September 30, 2023	September 30, 2022
	Unaudited	Unaudited
<b>a) Cash flows from operating activities</b>		
Profit/(Loss) before tax	(83.62)	(6.27)
Adjustments to reconcile net profit to net cash generated from operating activities:		
Depreciation and amortization expense	76.10	53.42
Allowance for expected credit loss (net)	6.19	(12.95)
Interest Income	(29.36)	(23.99)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	(1.15)	0.43
(Gain)/Loss on sale of current investment carried at fair value through statement of profit and loss	(5.77)	(12.83)
Finance costs recognized in profit or loss	11.67	5.81
Unrealised Exchange Difference on cash held in foreign currencies	(0.15)	2.31
Unrealised Exchange Difference (Net)	1.40	(4.61)
Expense recognized in respect of equity-settled share-based payments	45.28	9.46
	<b>20.59</b>	<b>10.78</b>
Movements in working capital:		
(Increase)/decrease in inventories	(753.79)	(106.60)
(Increase)/decrease in trade receivables	23.52	(52.36)
(Increase)/decrease in other financial assets	(14.38)	(9.29)
(Increase)/decrease in other assets	(162.60)	(41.80)
Increase/(decrease) in trade and other payables	416.08	75.86
Increase/(decrease) in provisions	7.20	3.47
Increase/(decrease) in other financial liabilities	(19.76)	(2.69)
Increase/(decrease) in other liabilities	740.19	0.76
<b>Cash generated from/(used in) operations</b>	<b>257.05</b>	<b>(121.87)</b>
Income taxes refund/(paid)	(14.20)	1.70
<b>Net cash generated from/(used in) operating activities</b>	<b>242.85</b>	<b>(120.17)</b>
<b>b) Cash flows from investing activities</b>		
Expenditure on property, plant and equipment	(94.06)	(15.03)
Expenditure on intangible assets (including under development)	(120.65)	(66.00)
Sale proceeds of property, plant and equipment*	0.00	-
Investments in Deposits with banks	(346.64)	(389.61)
Withdrawals of Deposits from banks	697.03	32.86
Withdrawals of Deposits from financial institutions	-	2.97
Investments in mutual funds	(1,835.00)	(2,603.32)
Redemption of mutual funds	1,386.77	2,708.17
Payment for acquisition of subsidiary, net of cash and cash equivalents acquired	-	(240.18)
Interest received	31.08	21.16
<b>Net cash used in investing activities</b>	<b>(281.47)</b>	<b>(548.98)</b>
<b>c) Cash flows from financing activities</b>		
Proceeds from exercise of restricted stock units/employee stock options	7.33	3.80
Proceeds from Issue of equity shares through Private Placement (Net of Issue Expenses)	-	712.50
Principal payment of lease liabilities	(3.50)	(2.99)
Interest payment of lease liabilities	(2.81)	(2.15)
Finance costs paid	(2.50)	(3.58)
<b>Net cash generated from/(used in) financing activities</b>	<b>(1.48)</b>	<b>707.58</b>
<b>d) Net increase/(decrease) in cash and cash equivalents</b>	<b>(40.10)</b>	<b>38.43</b>
Cash and cash equivalents at the beginning of the period	85.39	47.56
Effects of exchange rate changes on the balance of cash held in foreign currencies	0.15	(2.31)
<b>Cash and cash equivalents at the end of the period</b>	<b>45.44</b>	<b>83.68</b>

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#### Notes

- The Statement of Unaudited Consolidated Financial Results (which comprises of statement of unaudited consolidated financial results, unaudited consolidated statement of assets and liabilities and unaudited consolidated statement of cash flows) includes the results of Tejas Networks Limited ('the Company' or 'the Holding Company' or 'the Parent') and the following subsidiaries (collectively referred as 'the Group' hereinafter):  
**Subsidiaries:**
  - Tejas Communication Pte. Limited, Singapore
  - Saankhya Labs Private Limited (Saankhya Labs)
  - Tejas Communications (Nigeria) Limited, Nigeria
  - Saankhya Strategic Electronics Private Limited (SSE)
  - Saankhya Labs Inc, USA
- This Statement of Unaudited Consolidated Financial Results for the quarter ended September 30, 2023 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, 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's operations comprise of only one segment viz. telecom and data networking related products and related services.
- Summary of key unaudited standalone financial results of the Company is as follows:

Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	(Rs. in crore)
	September 30,	June 30,	September 30,	September 30,	September 30,	Year ended
	2023	2023	2022	2023	2022	March 31,
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenues from operations	359.21	167.11	205.77	526.32	331.40	869.08
Profit/(Loss) before tax	(18.60)	(51.06)	19.13	(69.66)	6.15	11.29
Profit/(Loss) after tax	(11.98)	(14.65)	9.26	(26.63)	2.58	3.04

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 published unaudited standalone financial results.

- a) The Company has, at various grant dates issued Restricted Stock Units (RSUs) to its employees and employees of its subsidiaries at face value of the Company's equity share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended September 30, 2023, an amount of Rs. 33.01 crore (June 30, 2023: Rs. 31.30 crore; September 30, 2022: Rs. 5.72 crore), has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payment'. The RSUs granted and outstanding as at September 30, 2023, aggregates to 43,22,308 (June 30, 2023: 41,76,426; September 30, 2022: 19,81,912). The ESOPs granted and outstanding as at September 30, 2023, aggregates to 10,60,278 (June 30, 2023: 11,05,372; September 30, 2022: 25,92,760).
- b) Saankhya Labs has, at various grant dates, issued stock options under different Employee Stock Option Plans to its employees at exercise price of Rs. 10. For the quarter ended September 30, 2023, an amount of Rs. 0.19 crore (June 30, 2023: Rs. 0.22 crore; September 30, 2022: Rs. 0.45 crore) has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payments'. The ESOPs granted and outstanding as at September 30, 2023, aggregates to 10,06,120 (June 30, 2023: 10,06,120; September 30, 2022: 10,06,120).
- With respect to certain ongoing Income tax disputes for various assessment years, based on an assessment by an independent tax expert on the likelihood of outcome, the Company has during the quarter ended June 30, 2023, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.



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7. The Company at various dates during financial year 2022-23, acquired 64.40% of equity shares in Saankhya Labs through secondary purchase at a price of Rs. 454.19 per equity share amounting to Rs. 283.94 crore. On July 08, 2022, Saankhya Labs has acquired 100% shareholding in SSE. Consequent to such acquisition Saankhya Labs and SSE have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively. The unaudited consolidated results for the respective quarters and six months period ended includes the contribution from those entities as below:

Particulars	(Rs. in crore)					
	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenues from operations	36.65	20.70	13.87	57.35	13.87	49.48
Profit/(Loss) before tax	8.22	(7.57)	(5.31)	0.65	(5.31)	(33.25)
Profit/(Loss) after tax	5.19	(5.86)	(5.28)	(0.67)	(5.28)	(23.23)

Results for the six months ended September 30, 2023 include the impact of the above transaction and are not comparable with corresponding six months ended September 30, 2022.

The fair value of assets and liabilities acquired were provisionally determined by the Company and accounted for in accordance with IND AS 103 –“Business Combination” until quarter ended December 31, 2022. As per Ind AS 103, such adjustments need to be completed within the measurement period (i.e. 1 year from the date of acquisition). In accordance with the Standard, the Company made adjustments to the provisional amounts in the quarter ended March 31, 2023 as if the business combination have been completed on the acquisition date (i.e. July 1, 2022). The impact on account of completion of determination of the fair value of assets and liabilities have been accordingly incorporated in the numbers for the quarter and six months period ended September 30, 2022.

8. a) The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the “Scheme”) of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their “No Objection” to the Scheme. Further, on July 27, 2023, the Company has filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. The Scheme is subject to receipt of necessary approvals from shareholders, creditors and NCLT and such other persons and authorities as may be required. Upon implementation of the Scheme, the shareholders holding remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.
- b) As per the Shareholders agreement (“SHA”), in the event the merger is not completed within the “Merger Long Stop Date”, the Company shall purchase and the remaining shareholders of Saankhya Labs shall sell the equity shares to the Company, as per terms provided for in SHA. As the contract contains an obligation for the entity to deliver cash in exchange for its own equity shares (Non-Controlling interest), such an obligation is in the nature of financial liability under the provisions of Ind AS 32 “Financial instruments- Presentation” and has been accordingly considered in the unaudited consolidated financial results.
9. The Company has received approval from the Department of Telecommunication (DOT) under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI’s (Project Management Agency ‘PMA’) letter dated October 31, 2022. During the quarter, the Company has made an application to claim incentive for the year ended March 31, 2023 for an amount of Rs. 32.68 crore and is awaiting approval from the DOT in this regard. The Company has not recognised this incentive claim pending such approval.
10. During the quarter, the Company has received purchase orders from Tata Consultancy Services Limited amounting to Rs. 7,492 crore (excluding Goods and Services Tax) and has received a mobilization advance of Rs. 750 crore towards supply of Radio Access Network equipment for approximately 1,00,000 sites of BSNL Pan-India 4G/5G network.
11. Potentially issuable equity shares, on account of Share Options/RSUs issued to employees and share warrants, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share if they are anti-dilutive for the period presented.
12. Previous period’s figures have been regrouped/reclassified wherever necessary, to confirm with the current period’s presentation for the purpose of comparability.
13. 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 October 20, 2023. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.

For and on behalf of the Board of Directors

Anand S. Ahreja  
Managing Director and CEO  
(DIN: 10118880)



Place: Bengaluru  
Date: October 20, 2023

for identification purpose only

# 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  
5<sup>th</sup> Floor, J P Software Park,  
Plot No. 25, Sy, No 13, 14, 17 and 18,  
Konnapanan 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 six months period ended September 30, 2023, which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter and six months period ended September 30, 2023', the 'Unaudited Standalone Statement of Assets and Liabilities' as on that date and the 'Unaudited Standalone Statement of Cash Flows' for the six months period ended on that date (together the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the Securities 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 accompanying Standalone Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in 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.

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



Mohan Danivas S A  
Partner  
Membership Number: 209136  
UDIN: 23209136BGXYL5528

Place: Bengaluru  
Date: October 20, 2023

Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bangalore - 560 008  
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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)



**Tejas Networks Limited**

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**Statement of Unaudited Standalone Financial Results for the quarter and six months period ended September 30, 2023**

Particulars	(Rs in crore except per share data)					
	Quarter ended September 30, 2023	Quarter ended June 30, 2023	Quarter ended September 30, 2022	Six months ended September 30, 2023	Six months ended September 30, 2022	Year ended March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	359.21	167.11	205.77	526.32	331.40	869.08
II Other Income	18.03	19.50	19.38	37.53	38.07	79.14
III <b>Total income (I + II)</b>	<b>377.24</b>	<b>186.61</b>	<b>225.15</b>	<b>563.85</b>	<b>369.47</b>	<b>948.22</b>
IV <b>EXPENSES</b>						
(a) Cost of materials consumed	261.64	117.08	112.66	378.72	183.13	528.79
(b) Purchases of stock in trade	2.33	4.40	7.08	6.73	16.01	31.82
(c) Changes in inventories of stock in trade and finished goods	(14.01)	(4.74)	(1.36)	(18.75)	(4.15)	(0.71)
(d) Employee benefit expense	61.09	59.28	39.40	120.37	76.57	172.16
(e) Finance costs	3.80	1.47	1.45	5.27	2.33	5.20
(f) Depreciation and amortization expense	36.26	29.01	23.88	65.27	47.25	105.13
(g) Allowance for expected credit loss	8.45	(2.26)	(8.21)	6.19	(12.92)	(33.32)
(h) Other expenses	36.28	33.43	31.12	69.71	55.10	127.86
<b>Total expenses (IV)</b>	<b>395.84</b>	<b>237.67</b>	<b>206.02</b>	<b>633.51</b>	<b>363.32</b>	<b>936.93</b>
V <b>Profit/(Loss) before tax (III - IV)</b>	<b>(18.60)</b>	<b>(51.06)</b>	<b>19.13</b>	<b>(69.66)</b>	<b>6.15</b>	<b>11.29</b>
VI <b>Income tax expense/(benefit)</b>						
(1) Current tax expense/(benefit)	(1.94)	(9.85)	1.36	(11.79)	0.47	-
(2) Deferred tax expense/(benefit) (Refer Note - 4)	(4.68)	(26.56)	8.51	(31.24)	3.10	8.25
<b>Total tax expense/(benefit)</b>	<b>(6.62)</b>	<b>(36.41)</b>	<b>9.87</b>	<b>(43.03)</b>	<b>3.57</b>	<b>8.25</b>
VII <b>Profit/(Loss) after tax (V - VI)</b>	<b>(11.98)</b>	<b>(14.65)</b>	<b>9.26</b>	<b>(26.63)</b>	<b>2.58</b>	<b>3.04</b>
VIII <b>Other comprehensive income/(loss)</b>						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation (expense)/benefit	1.81	(0.73)	(3.00)	1.08	(3.05)	(2.92)
Income tax relating to above	-	-	0.53	-	0.53	-
IX <b>Total comprehensive income/(loss) for the period (VII + VIII)</b>	<b>(10.17)</b>	<b>(15.38)</b>	<b>6.79</b>	<b>(25.55)</b>	<b>0.06</b>	<b>0.12</b>
X Equity Share Capital (Face value of Rs. 10/- each)	172.99	172.84	155.38	172.99	155.38	171.64
XI Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	-	-	-	2,835.63
XII <b>Earnings/(Loss) per equity share</b>						
Equity shares of par value Rs. 10 each						
(1) Basic	(0.71)	(0.87)	0.61	(1.57)	0.17	0.20
(2) Diluted (Refer Note - 8)	(0.71)	(0.87)	0.57	(1.57)	0.16	0.19



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**Unaudited Standalone Statement of Assets and Liabilities**

(Rs. in crore)

Particulars	As at	
	September 30, 2023	March 31, 2023
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	138.03	78.28
Capital work in progress	2.42	-
Right-of-use assets	132.51	42.89
Intangible assets	127.00	97.85
Intangible assets under development	198.81	136.41
Financial assets		
(i) Investments	294.81	294.81
(ii) Trade receivables	37.96	19.10
(iii) Other financial assets	9.94	5.44
Current Tax Assets (net)	51.68	25.82
Deferred Tax Assets (net)	134.33	103.09
Other non-current assets	32.16	24.63
<b>Total non - current assets</b>	<b>1,159.65</b>	<b>828.32</b>
<b>Current assets</b>		
Inventories	1,383.94	628.07
Financial assets		
(i) Investments	717.39	262.24
(ii) Trade receivables	399.73	462.18
(iii) Cash and cash equivalents	29.98	78.98
(iv) Bank balances other than (iii) above	304.52	652.06
(v) Other financial assets	393.53	365.03
Other current assets	339.47	178.61
<b>Total current assets</b>	<b>3,568.56</b>	<b>2,627.17</b>
<b>Total assets</b>	<b>4,728.21</b>	<b>3,455.49</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	172.99	171.64
Other equity	2,880.37	2,835.63
<b>Total equity</b>	<b>3,053.36</b>	<b>3,007.27</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	132.99	43.86
Provisions	1.86	2.03
<b>Total non - current liabilities</b>	<b>134.85</b>	<b>45.89</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Lease liabilities	4.36	4.37
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	31.54	24.53
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	683.95	282.75
(iii) Other financial liabilities	36.05	61.42
Provisions	16.31	10.11
Other current liabilities	767.79	19.15
<b>Total current liabilities</b>	<b>1,540.00</b>	<b>402.33</b>
<b>Total liabilities</b>	<b>1,674.85</b>	<b>448.22</b>
<b>Total equity and liabilities</b>	<b>4,728.21</b>	<b>3,455.49</b>



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**Unaudited Standalone Statement of Cash Flows**

(Rs. in crore)

Particulars	Six months ended	Six months ended
	September 30, 2023	September 30, 2022
	Unaudited	Unaudited
<b>a) Cash flows from operating activities</b>		
Profit/(Loss) before tax	(69.66)	6.15
Adjustments to reconcile net profit to net cash generated from operating activities:		
Depreciation and amortization expense	65.27	47.25
Allowance for expected credit loss (net)	6.19	(12.92)
Interest Income	(29.06)	(23.62)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	(1.15)	0.43
(Gain)/Loss on sale of current investment carried at fair value through statement of profit and loss	(5.77)	(12.83)
Finance costs recognized in the statement of profit and loss	5.27	2.33
Unrealised Exchange Difference on cash held in foreign currencies	(0.15)	(0.51)
Unrealised Exchange Difference (Net)	1.22	(2.54)
Expense recognized in respect of equity-settled share-based payments	21.90	9.01
	<b>(5.94)</b>	<b>12.75</b>
Movements in working capital:		
(Increase)/decrease in inventories	(755.87)	(102.80)
(Increase)/decrease in trade receivables	36.17	(49.46)
(Increase)/decrease in other financial assets	(15.83)	(8.91)
(Increase)/decrease in other assets	(161.08)	(40.96)
Increase/(decrease) in trade and other payables	408.22	72.57
Increase/(decrease) in provisions	6.91	3.01
Increase/(decrease) in other financial liabilities	(15.95)	(1.12)
Increase/(decrease) in other liabilities	748.64	(0.78)
<b>Cash generated from/(used in) operations</b>	<b>245.27</b>	<b>(115.70)</b>
Income taxes refund/(paid)	(14.07)	2.73
<b>Net cash generated from/(used in) operating activities</b>	<b>231.20</b>	<b>(112.97)</b>
<b>b) Cash flows from investing activities</b>		
Expenditure on property, plant and equipment	(93.60)	(19.86)
Expenditure on intangible assets (including under development)	(116.57)	(52.93)
Sale proceeds of property, plant and equipment*	0.00	-
Investments in Deposits with banks	(346.64)	(389.61)
Withdrawals of Deposits from banks	694.18	37.15
Withdrawals of Deposits from financial institutions	-	2.97
Investments in mutual funds	(1,835.00)	(2,603.32)
Redemption of mutual funds	1,386.77	2,708.17
Investment in subsidiary	-	(283.94)
Interest received	30.80	20.98
<b>Net cash used in investing activities</b>	<b>(280.06)</b>	<b>(580.39)</b>
<b>c) Cash flows from financing activities</b>		
Proceeds from exercise of restricted stock units/employee stock options	7.33	3.80
Proceeds from Issue of equity shares through private placement (net of Issue expense)	-	712.50
Principal payment on lease liabilities	(2.55)	(2.77)
Interest payment on lease liabilities	(2.79)	(1.96)
Finance costs paid	(2.28)	(0.29)
<b>Net cash generated from/(used in) financing activities</b>	<b>(0.29)</b>	<b>711.28</b>
<b>d) Net increase/(decrease) in cash and cash equivalents</b>	<b>(49.15)</b>	<b>17.92</b>
Cash and cash equivalents at the beginning of the period	78.98	45.50
Effects of exchange rate changes on the balance of cash held in foreign currencies	0.15	0.51
<b>Cash and cash equivalents at the end of the period</b>	<b>29.98</b>	<b>63.93</b>

\* Amount below the rounding off norm adopted by the Company



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### Notes

1. This Statement of Unaudited Standalone Financial Results (which comprises of statement of unaudited standalone financial results, unaudited standalone statement of assets and liabilities and unaudited standalone statement of cash flows) for the quarter ended September 30, 2023 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, 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's operations comprise of only one segment viz. telecom and data networking related products and related services.
3. The Company has, at various grant dates issued Restricted Stock Units (RSUs) to its employees and employees of its subsidiaries at face value of the Company's equity share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended September 30, 2023, an amount of Rs. 21.56 crore (June 30, 2023: Rs. 18.31 crore; September 30, 2022: Rs. 5.72 crore), net of recoveries from subsidiaries, has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payment'. The RSUs granted and outstanding as at September 30, 2023, aggregates to 43,22,308 (June 30, 2023: 41,76,426; September 30, 2022: 19,81,912). The ESOPs granted and outstanding as at September 30, 2023, aggregates to 10,60,278 (June 30, 2023: 11,05,372; September 30, 2022: 25,92,760).
4. With respect to certain ongoing Income tax disputes for various assessment years, based on an assessment by an independent tax expert on the likelihood of outcome, the Company has during the quarter ended June 30, 2023, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.
5. The Company at various dates during financial year 2022-23, acquired 64.40% of equity shares in Saankhya Labs Private Limited (Saankhya Labs) through secondary purchase at a price of Rs. 454.19 per equity share amounting to Rs. 283.94 crore. On July 08, 2022, Saankhya Labs has acquired 100% shareholding in Saankhya Strategic Electronics Private Limited (SSE). Consequent to such acquisition Saankhya Labs and SSE have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively.

The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the "Scheme") of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their "No Objection" to the Scheme. Further, on July 27, 2023, the Company has filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. The Scheme is subject to receipt of necessary approvals from shareholders, creditors and NCLT and such other persons and authorities as may be required. Upon implementation of the Scheme, the shareholders holding remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.

6. The Company has received approval from the Department of Telecommunication (DOT) under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency 'PMA') letter dated October 31, 2022. During the quarter, the Company has made an application to claim incentive for the year ended March 31, 2023 for an amount of Rs. 32.68 crore and is awaiting approval from the DOT in this regard. The Company has not recognised this incentive claim pending such approval.
7. During the quarter, the Company has received purchase orders from Tata Consultancy Services Limited amounting to Rs. 7,492 crore (excluding Goods and Services Tax) and has received a mobilization advance of Rs. 750 crore towards supply of Radio Access Network equipment for approximately 1,00,000 sites of BSNL Pan-India 4G/5G network.
8. Potentially issuable equity shares, on account of Share Options/RSUs issued to employees and share warrants, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share if they are anti-dilutive for the period presented.
9. Previous period's figures have been regrouped/reclassified wherever necessary, to confirm with the current period's presentation for the purpose of comparability.
10. The above statement of unaudited standalone 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 October 20, 2023. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.

For and on behalf of the Board of Directors

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



Place: Bengaluru  
Date: October 20, 2023



for identification purpose only



## Press Release

**Tejas Networks announces highest ever quarterly revenue for Q2-FY24**  
**Q2 24 revenue was Rs. 396.0 crore (YoY 80%) and H1 24 revenue was Rs. 583.8 crore (YoY 69%)**  
**Q2 24 Net Loss was Rs. 12.6 crore and H1 24 Net loss was Rs. 38.9 crore**

**Bengaluru, October 20, 2023:** Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the second quarter ended September 30, 2023. Tejas Networks designs, develops, manufactures and sells high-performance telecom and networking products, which are used to build high-speed communication networks.

	Amount in Rs. cr			
	Q2-FY24	Q2-FY23	H1-FY24	H1-FY23
Net Revenue	396.0	220.0	583.8	345.7
PBT	(17.7)	6.7	(83.6)	(6.3)
PAT	(12.6)	(3.2)	(38.9)	(9.8)

Mr. Anand Athreya, Managing Director and CEO of Tejas Networks said, "In Q2-FY24 we achieved the highest ever quarterly revenue in our company. Based on strong order inflow across all product lines during the quarter, we also have our highest ever order book of Rs. 9,271 crore. As part of our long-term strategy, we continue to invest in scaling up R&D teams, addition of new facilities, and increasing manufacturing infrastructure to address the large upcoming shipments for BSNL 4G wireless equipment. The PAT loss for the quarter was on account of the increased investments and expedite fees for delayed components."

Mr. Venkatesh Gadiyar, CFO said, "During the quarter, we have received the mobilization advance of Rs. 750 crore from TCS towards supply of RAN equipment for BSNL 4G/5G network. As on September 30, 2023, our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, were at Rs. 1,371 crore."

As on September 30, 2023, Tejas and its subsidiaries have filed for 443 patents of which 282 have been granted.



29



## About Tejas Networks Limited

Tejas Networks Ltd. designs and manufactures high-performance wireline and wireless networking products for telecommunications service providers, internet service providers, utilities, defence and government entities in over 75 countries. Tejas Networks Ltd. is a part of the Tata Group, with Panatone Finvest Ltd. (a subsidiary of Tata Sons Pvt. Ltd.) being the majority shareholder.

For more information, visit Tejas Networks Ltd. at <http://www.tejasnetworks.com> or contact Investor Relations: [ir@india.tejasnetworks.com](mailto:ir@india.tejasnetworks.com)  
Attn: Mr. Santosh Kesavan: [skeshavan@india.tejasnetworks.com](mailto:skeshavan@india.tejasnetworks.com) Phone: +91 80 41794600

## SAFE HARBOUR

*Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the industry in which the Company operates. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.*







Tejas Networks Limited and subsidiaries  
Unaudited Consolidated Statement of Comprehensive Income for

(in Rs. crore, except share data)

	Quarter ended Sep 30, 2023	Quarter ended June 30, 2023	Quarter ended Sep 30, 2022	Six months ended Sep 30, 2023	Six months ended Sep 30, 2022	Year ended Mar 31, 2023
Revenue from operations	395.95	187.89	219.94	583.84	345.70	919.57
Other Income	17.97	19.48	20.05	37.45	38.74	81.01
<b>Total Income</b>	<b>413.92</b>	<b>207.37</b>	<b>239.99</b>	<b>621.29</b>	<b>384.44</b>	<b>1,000.58</b>
<b>Expenses</b>						
Cost of materials consumed	262.22	117.57	115.75	379.79	186.23	532.73
Purchases of stock in trade	2.33	4.40	7.08	6.73	16.01	31.82
Changes in inventories of stock in trade, work in progress and finished goods	(12.74)	(2.63)	(3.76)	(15.37)	(6.56)	(3.85)
Employee benefit expense	79.35	77.05	48.51	156.40	86.47	232.65
Finance costs	7.00	4.67	4.87	11.67	5.81	15.20
Depreciation and amortization expense	41.68	34.42	30.05	76.10	53.42	122.50
Allowance for expected credit loss	8.45	(2.26)	(8.24)	6.19	(12.95)	(32.97)
Other expenses	43.37	40.03	39.06	83.40	62.28	145.15
<b>Total Expenses</b>	<b>431.66</b>	<b>273.25</b>	<b>233.32</b>	<b>704.91</b>	<b>390.71</b>	<b>1,043.23</b>
<b>Profit/(Loss) before tax</b>	<b>(17.74)</b>	<b>(65.88)</b>	<b>6.67</b>	<b>(83.62)</b>	<b>(6.27)</b>	<b>(42.65)</b>
Current tax	(1.93)	(9.85)	1.36	(11.78)	0.47	(0.32)
Deferred tax	(3.17)	(29.74)	8.47	(32.91)	3.06	(5.92)
<b>Profit/(Loss) after tax</b>	<b>(12.64)</b>	<b>(26.29)</b>	<b>(3.16)</b>	<b>(38.93)</b>	<b>(9.80)</b>	<b>(36.41)</b>
<b>Other comprehensive income/(loss)</b>	<b>2.05</b>	<b>(0.69)</b>	<b>(2.44)</b>	<b>1.36</b>	<b>(2.27)</b>	<b>(2.42)</b>
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation (Net of tax)	1.94	(0.73)	(2.57)	1.21	(2.62)	(3.15)
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	0.11	0.04	0.13	0.15	0.35	0.73
<b>Total comprehensive income/(loss) for the period</b>	<b>(10.59)</b>	<b>(26.98)</b>	<b>(5.60)</b>	<b>(37.57)</b>	<b>(12.07)</b>	<b>(38.83)</b>
<b>Earnings/(Loss) per equity share of Rs. 10 each</b>						
Basic (Rs.)	(0.74)	(1.56)	(0.21)	(2.30)	(0.66)	(2.46)
Diluted (Rs.)	(0.74)	(1.56)	(0.21)	(2.30)	(0.66)	(2.46)
Weighted average equity shares used in computing earnings per equity share						
Basic	16,96,47,119	16,88,46,812	15,16,97,417	16,92,49,152	15,01,36,759	15,36,77,077
Diluted	16,96,47,119	16,88,46,812	15,16,97,417	16,92,49,152	15,01,36,759	15,36,77,077



19



Tejas Networks Limited and subsidiaries		
Abstract of Unaudited Consolidated Balance Sheet as at		
	(in Rs. crore)	
	September 30, 2023	March 31, 2023
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	143.81	85.05
Capital work in progress	2.42	-
Right-of-use assets	133.05	44.29
Goodwill	211.81	211.81
Intangible assets	326.29	305.67
Intangible assets under development	221.53	153.58
<b>Financial assets</b>		
Trade receivables	37.96	19.10
Other financial assets <sup>1</sup>	10.12	7.04
Current tax asset (net)	57.69	31.71
Deferred Tax Asset (net)	74.95	42.09
Other non-current assets	43.17	34.37
<b>Total non - current assets</b>	<b>1,262.80</b>	<b>934.71</b>
<b>Current assets</b>		
Inventories	1,400.65	646.86
<b>Financial assets</b>		
Investments <sup>2</sup>	717.39	262.24
Trade receivables	449.06	498.93
Cash and cash equivalents <sup>3</sup>	45.44	85.39
Other bank balances <sup>4</sup>	304.96	656.42
Other financial assets <sup>5,6</sup>	342.25	337.14
Other current assets	341.46	180.34
<b>Total current assets</b>	<b>3,601.21</b>	<b>2,667.32</b>
<b>Total assets</b>	<b>4,864.01</b>	<b>3,602.03</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	172.99	171.64
Other equity	2,834.45	2,801.32
<b>Total equity</b>	<b>3,007.44</b>	<b>2,972.96</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Lease Liabilities	132.99	43.90
Other financial liabilities	162.83	156.68
Provisions	2.10	2.12
<b>Total non - current liabilities</b>	<b>297.92</b>	<b>202.70</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Lease Liabilities	5.00	5.92
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	33.14	26.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	683.93	275.02
Other financial liabilities	38.54	67.77
Provisions	18.27	12.11
Other current liabilities	779.77	39.55
<b>Total current liabilities</b>	<b>1,558.65</b>	<b>426.37</b>
<b>Total equity and liabilities</b>	<b>4,864.01</b>	<b>3,602.03</b>
Supplementary Information	(in Rs. crore)	
<b>Cash and Cash Equivalents as at</b>	<b>September 30, 2023</b>	<b>March 31, 2023</b>
<sup>1</sup> Other non-current financial asset includes Fixed Deposits with banks with remaining maturity of more than twelve months	0.09	-
<sup>2</sup> Investments includes Investment in mutual funds	717.39	262.24
<sup>3</sup> Cash and cash equivalents	45.44	85.39
<sup>4</sup> Other bank balances	304.96	656.42
<sup>5</sup> Other current financial asset includes Deposits with financial institutions	300.00	300.00
<sup>6</sup> Other current financial asset includes Fixed Deposits with banks with original maturity of more than twelve months but remaining maturity of less than twelve months	3.29	2.31
<b>Total</b>	<b>1,371.17</b>	<b>1,306.36</b>



09



Tejas Networks Limited

Registered and Corporate 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

Extract of Unaudited Consolidated Results for the quarter and six months period ended September 30, 2023

Sl. No.	Particulars	(Rs. in crore except per share data)		
		Quarter ended September 30, 2023	Six months ended September 30, 2023	Quarter ended September 30, 2022
1	Total Income from operations*	395.95	583.84	219.94
2	Net Profit/(Loss) before tax	(17.74)	(83.62)	6.67
3	Net Profit/(Loss) after tax	(12.64)	(38.93)	(3.16)
4	Total Comprehensive Income/(Loss) for the period (Comprising Profit/(Loss) for the period after tax and Other Comprehensive Income/(Loss) after tax)	(10.59)	(37.57)	(5.60)
5	Equity Share Capital (Face value of Rs. 10/- each)	172.99	172.99	155.38
6	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	-
7	Earnings/(Loss) per equity share (of Rs. 10/- each)			
	(i) Basic Rs.	(0.74)	(2.30)	(0.21)
	(ii) Diluted Rs.	(0.74)	(2.30)	(0.21)

## Notes

1 Key Unaudited Standalone Financial Information of the company is given below:

Particulars	Quarter ended September 30, 2023	Six months ended September 30, 2023	Quarter ended September 30, 2022
Total Income from operations*	359.21	526.32	205.77
Net Profit/(Loss) before tax	(18.60)	(69.66)	19.13
Net Profit/(Loss) after tax	(11.98)	(26.63)	9.26

- 2 The above is an extract of the detailed format of quarterly unaudited financial results filed with the Stock Exchanges under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The full format of the quarterly unaudited standalone financial results are available on the website of the Stock Exchange(s) and the Company ([www.tejasnetworks.com](http://www.tejasnetworks.com)).
- 3 With respect to certain ongoing Income tax disputes for various assessment years, based on an assessment by an independent tax expert on the likelihood of outcome, the Company has during the quarter ended June 30, 2023, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.
- 4 The Company at various dates during financial year 2022-23, acquired 64.40% of equity shares in Saankhya Labs Private Limited (Saankhya Labs) through secondary purchase at a price of Rs. 454.19 per equity share amounting to Rs. 283.94 crore. On July 08, 2022, Saankhya Labs has acquired 100% shareholding in Saankhya Strategic Electronics Private Limited (SSE). Consequently to such acquisition Saankhya Labs and SSE have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively. The unaudited consolidated results for the respective quarters and six months period ended includes the contribution from those entities as below:

Particulars	Quarter ended September 30, 2023	Six months ended September 30, 2023	Six months ended September 30, 2022
Total income from operations*	36.65	57.35	13.87
Net Profit/(Loss) before tax	8.22	0.65	(5.31)
Net Profit/(Loss) after tax	5.19	(0.67)	(5.28)

The fair value of assets and liabilities acquired were provisionally determined by the Company and accounted for in accordance with IND AS 103 – “Business Combination” until quarter ended December 31, 2022. As per Ind AS 103, such adjustments need to be completed within the measurement period (i.e. 1 year from the date of acquisition). In accordance with the Standard, the Company made adjustments to the provisional amounts in the quarter ended March 31, 2023 as if the business combination have been completed on the acquisition date (i.e. July 1, 2022). The impact on account of completion of determination of the fair value of assets and liabilities have been accordingly incorporated in the numbers for the quarter and six months period ended September 30, 2022.

- 5 a) The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the “Scheme”) of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022 the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their “No Objection” to the Scheme. Further, on July 27, 2023, the Company has filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. The Scheme is subject to receipt of necessary approvals from shareholders, creditors and NCLT and such other persons and authorities as may be required. Upon implementation of scheme, the shareholders holding remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.
- b) As per the Shareholders agreement (“SHA”), in the event the merger is not completed within the “Merger Long Stop Date”, the Company shall purchase and the remaining shareholders of Saankhya Labs shall sell the equity shares to the Company, as per terms provided for in SHA. As the contract contains an obligation for the entity to deliver cash in exchange for its own equity shares (Non-Controlling interest), such an obligation is in the nature of financial liability under the provisions of Ind AS 32 “Financial Instruments- Presentation” and has been accordingly considered in the unaudited consolidated financial results.





Tejas Networks Limited

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- 6 The Company has received approval from the Department of Telecommunication (DOT) under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency 'PMA') letter dated October 31, 2022. During the quarter, the Company has made an application to claim incentive with the PMA for the year ended March 31, 2023 for an amount of Rs. 32.68 crore and is awaiting for approval from the DOT in this regard. The Company has not recognised this incentive claim pending such approval.
- 7 During the quarter, the Company has received purchase orders from Tata Consultancy Services Limited amounting to Rs. 7,492 crore (excluding Goods and Services Tax) and has received a mobilization advance of Rs. 750 crore towards supply of Radio Access Network equipment for approximately 1,00,000 sites of BSNL Pan-India 4G/5G network.

\* excludes other income.

Place: Bengaluru  
Date: October 20, 2023

For and on behalf of the Board of Directors

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

