

Tejas Networks Limited

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

Consolidated Unaudited Balance Sheet as at	Notes	June 30, 2023	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	103.60	85.05
Right-of-use assets	4(a)	41.91	44.29
Goodwill	4(b)	211.81	211.81
Intangible assets	4(b)	307.66	305.67
Intangible assets under development	4(b)	193.52	153.58
Financial assets			
(i) Investments	5(a)	0.00	0.00
(ii) Trade receivables	6	21.79	19.10
(iii) Other financial assets	8	7.93	7.04
Current tax asset (net)	9(a)	50.05	31.71
Deferred tax assets (net)	9(b)	71.84	42.09
Other non-current assets	10	37.94	34.37
Total non - current assets		1,048.05	934.71
Current assets			
Inventories	11	872.32	646.86
Financial assets			
(i) Investments	5(b)	117.01	262.24
(ii) Trade receivables	6	479.43	498.93
(iii) Cash and cash equivalents	7(i)	49.41	85.39
(iv) Bank balances other than (iii) above	7(ii)	474.55	656.42
(v) Other financial assets	8	343.09	337.14
Other current assets	10	219.99	180.34
Total current assets		2,555.80	2,667.32
Total assets		3,603.85	3,602.03
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	172.84	171.64
Other equity	13	2,811.53	2,801.32
Total equity		2,984.37	2,972.96
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	14	43.02	43.90
(ii) Other financial liabilities	17	159.76	156.68
Provisions	15	2.35	2.12
Total non - current liabilities		205.13	202.70
Current liabilities			
Financial liabilities			
(i) Lease liabilities	14	4.85	5.92
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		20.68	26.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		286.01	275.02
(iii) Other financial liabilities	17	38.70	67.77
Provisions	15	18.10	12.11
Other current liabilities	18	46.01	39.55
Total current liabilities		414.35	426.37
Total liabilities		619.48	629.07
Total equity and liabilities		3,603.85	3,602.03

Consolidated Unaudited Statement of Profit and Loss	Notes	Quarter ended		Year Ended	
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
I Revenue from operations	19	187.89	299.32	125.76	919.57
II Other Income	20	19.48	21.27	18.69	81.01
III Total income (I + II)		207.37	320.59	144.45	1,000.58
IV Expenses					
Cost of materials consumed	21A	117.57	177.32	70.46	532.73
Purchases of stock in trade	21C	4.40	5.99	8.93	31.82
Changes in inventories of stock in trade, work in progress and finished goods	21B	(2.63)	13.93	(2.78)	(3.85)
Employee benefit expense	22	77.05	77.52	37.96	232.65
Finance costs	23A	4.67	4.65	0.94	15.20
Depreciation and amortization expense	4(c)	34.42	35.47	23.37	122.50
Allowance for expected credit loss	23B	(2.26)	(7.60)	(4.71)	(32.97)
Other expenses	24	40.03	40.35	23.22	145.15
Total expenses (IV)		273.25	347.63	157.39	1,043.23
V Profit/(Loss) before tax (III - IV)		(65.88)	(27.04)	(12.94)	(42.65)
VI Income tax expense	25				
Current tax		(9.85)	(0.32)	(0.89)	(0.32)
Deferred tax expense/(benefit)		(29.74)	(15.25)	(5.41)	(5.92)
Total tax expense (VI)		(39.59)	(15.57)	(6.30)	(6.24)
VII Profit/(Loss) after tax (V - VI)		(26.29)	(11.47)	(6.64)	(36.41)
VIII Other comprehensive income/(loss)					
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit obligation (expense)/benefit		(0.73)	0.89	(0.05)	(3.29)
Income tax relating to above		-	0.11	-	0.14
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations		0.04	0.45	0.22	0.73
Other comprehensive income/(loss) for the period, net of tax (VIII)		(0.69)	1.45	0.17	(2.42)
IX Total comprehensive income/(loss) for the period (VII + VIII)		(26.98)	(10.02)	(6.47)	(38.83)
X Earnings/(Loss) per equity share					
Equity shares of par value Rs. 10 each					
Basic		(1.56)	(0.70)	(0.45)	(2.46)
Diluted		(1.56)	(0.70)	(0.45)	(2.46)
Weighted average equity shares used in computing earnings per equity share					
Basic		16,88,46,812	16,21,20,609	14,86,17,496	15,36,77,077
Diluted		16,88,46,812	16,21,20,609	14,86,17,496	15,36,77,077

A. Equity share capital

Particulars	Note	Amount
As at April 1, 2022*		117.82
Increase in equity share capital on account of exercise of ESOP and RSU	12	1.49
Issue of equity shares under Private Placement		52.33
As at March 31, 2023*		171.64
Increase in equity share capital on account of exercise of ESOP and RSU	12	1.20
As at June 30, 2023*		172.84

* Includes forfeited shares of Rs. 3.27

B. Other equity

Particulars	Note	Share application money pending allotment	Reserves and surplus			Money received against share warrants	Exchange differences on translating the financial statements of a foreign operation	Total
			Securities premium	Employee stock compensation outstanding account	Retained earnings			
Balance as at April 1, 2022		-	1,456.24	29.29	(12.51)	337.50	1.91	1,812.43
(Loss)/Profit for the year	13	-	-	-	(36.41)	-	-	(36.41)
Other comprehensive (loss)/income (Remeasurement of defined benefit obligation net of income tax)	13	-	-	-	(3.15)	-	-	(3.15)
Other comprehensive income/(loss) (Exchange differences on translation of foreign operations)	13	-	-	-	-	-	1.02	1.02
Total comprehensive (loss)/income for the year		-	-	-	(39.56)	-	1.02	(38.54)
Transaction with owners in their capacity as owners:								
Premium received on exercise of ESOP	13	-	7.34	-	-	-	-	7.34
Premium received on Issue of shares through Private placement	13	-	1,297.67	-	-	-	-	1,297.67
Employee share based payment expenses	22	-	-	59.92	-	-	-	59.92
Reclassification upon exercise of ESOP/RSU	13	-	12.09	(12.09)	-	-	-	-
Conversion of share warrants		-	-	-	-	(337.50)	-	(337.50)
Balance as at March 31, 2023		-	2,773.34	77.12	(52.07)	-	2.93	2,801.32
Balance as at April 1, 2023		-	2,773.34	77.12	(52.07)	-	2.93	2,801.32
(Loss)/Profit for the period	13	-	-	-	(26.29)	-	-	(26.29)
Other comprehensive (loss)/income (Remeasurement of defined benefit obligation net of income tax)	13	-	-	-	(0.73)	-	-	(0.73)
Other comprehensive (loss)/income (Exchange differences on translation of foreign operations)	13	-	-	-	-	-	0.04	0.04
Total comprehensive (loss)/income for the period		-	-	-	(27.02)	-	0.04	(26.98)
Transaction with owners in their capacity as owners:								
Premium received on exercise of ESOP	13	-	5.63	-	-	-	-	5.63
Employee share based payment expenses	22	-	-	31.52	-	-	-	31.52
Reclassification upon exercise of ESOP/RSU	13	-	8.13	(8.13)	-	-	-	-
Employee share application money pending allotment	13	0.04	-	-	-	-	-	0.04
Balance as at June 30, 2023		0.04	2,787.10	100.51	(79.09)	-	2.97	2,811.53

Consolidated Unaudited Statement of Cash Flows	Notes	Period ended	
		June 30, 2023	Year ended March 31, 2023
Cash flows from operating activities			
Profit/(Loss) before tax for the period		(65.88)	(42.65)
Adjustments to reconcile net profit/(loss) to net cash generated from operating activities:			
Depreciation and amortization expense	4(c)	34.42	122.50
Allowance for expected credit loss	23B	(2.26)	(32.97)
Interest Income	20	(15.85)	(58.56)
Loss/(Gain) on current investments carried at fair value through statement of profit and loss	20	1.02	(0.63)
Gain on sale of current investments carried at fair value through statement of profit and loss	20	(4.19)	(18.83)
Finance costs	23A	4.67	15.20
Unrealized Exchange Difference on cash held in foreign currencies		-	(0.56)
Unrealised Exchange Differences (Net)		0.69	(0.30)
Loss/ (profit) on sale of property, plant and equipment	20	-	(0.01)
Expense recognized in respect of equity-settled share-based payments	22	31.52	59.92
		(15.86)	43.11
Movements in working capital:			
(Increase)/decrease in inventories		(225.46)	(354.00)
(Increase)/decrease in trade receivables		17.52	(169.06)
(Increase)/decrease in other financial assets		(7.59)	(22.00)
(Increase)/decrease in other assets		(40.07)	(102.49)
Increase/(decrease) in trade and other payables		6.58	177.00
Increase/(decrease) in provisions		5.39	0.51
Increase/(decrease) in other financial liabilities		(27.47)	32.98
Increase/(decrease) in other liabilities		6.46	2.52
Cash used in operations		(280.50)	(391.43)
Income taxes (paid)/refund		(8.50)	11.29
Net cash used in operating activities (A)		(289.00)	(380.14)
Cash flows from investing activities			
Expenditure on property, plant and equipment		(30.99)	(46.65)
Expenditure on intangible assets (including under development)		(66.29)	(202.52)
Sale proceeds of property, plant and equipment		-	0.05
Investments in Deposits with banks		(318.44)	(714.94)
Withdrawals of Deposits from banks		500.25	359.79
Withdrawals of Deposits from financial institutions		-	51.79
Investments in liquid mutual funds		(340.10)	(3,962.89)
Redemption of liquid mutual funds		488.50	4,121.89
Investment in subsidiary net of cash		-	(240.18)
Interest received		16.65	52.22
Net cash generated from/(used in) investing activities (B)		249.58	(581.44)
Cash flows from financing activities			
Proceeds from exercise of RSUs/ESOPs		6.87	8.83
Proceeds from Issue of Fresh Equity shares through Private Placement (Net of Issue Expenses)		-	1,012.50
Principal repayment on lease liabilities		(1.95)	(7.45)
Interest payment on lease liabilities		(1.19)	(4.36)
Finance costs paid		(0.29)	(10.67)
Net cash generated from financing activities (C)		3.44	998.85
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(35.98)	37.27
Cash and cash equivalents at the beginning of the period [Refer Note No. 7(i)]		85.39	47.56
Effects of exchange rate changes on the balance of cash held in foreign currencies		-	0.56
Cash and cash equivalents at the end of the period [Refer Note No. 7(i)]		49.41	85.39

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

Particulars	Laboratory Equipment	Networking Equipment	Electrical Installation	Furniture and Fixtures	Office Equipment	Computing Equipment	Vehicles	Plant and Machinery - Cards/Prototypes and Others	Servers	Total	Right-of-use asset*
Gross carrying value as of April 1, 2022	33.45	1.68	7.56	9.74	2.34	11.65	0.14	50.15	5.71	122.42	28.79
On account of acquisition of subsidiary	4.99	-	0.16	0.20	0.22	1.28	-	-	-	6.85	6.55
Additions	29.45	2.50	2.14	1.85	1.15	6.03	-	15.54	5.69	64.35	35.93
Deletions	-	-	-	-	-	0.06	-	-	-	0.06	6.18
Gross carrying value as of March 31, 2023	67.89	4.18	9.86	11.79	3.71	18.90	0.14	65.69	11.40	193.56	65.09
Accumulated depreciation as of April 1, 2022	(21.02)	(0.93)	(6.67)	(7.96)	(1.54)	(8.43)	(0.13)	(32.66)	(2.99)	(82.33)	(14.23)
Depreciation for the year	(8.46)	(0.70)	(0.60)	(1.94)	(0.71)	(3.06)	(0.01)	(9.23)	(1.49)	(26.20)	(9.75)
Accumulated depreciation on deletions	-	-	-	-	-	(0.02)	-	-	-	(0.02)	(3.18)
Accumulated depreciation as of March 31, 2023	(29.48)	(1.63)	(7.27)	(9.90)	(2.25)	(11.47)	(0.14)	(41.89)	(4.48)	(108.51)	(20.80)
Carrying value as of March 31, 2023	38.41	2.55	2.59	1.89	1.46	7.43	-	23.80	6.92	85.05	44.29
Gross carrying value as of April 1, 2023	67.89	4.18	9.86	11.79	3.71	18.90	0.14	65.69	11.40	193.56	65.09
Additions	22.22	0.29	0.28	0.34	0.11	1.70	-	0.25	1.04	26.23	-
Deletions	-	-	-	-	-	-	-	-	-	-	-
Gross carrying value as of June 30, 2023	90.11	4.47	10.14	12.13	3.82	20.60	0.14	65.94	12.44	219.79	65.09
Accumulated depreciation as of April 1, 2023	(29.48)	(1.63)	(7.27)	(9.90)	(2.25)	(11.47)	(0.14)	(41.89)	(4.48)	(108.51)	(20.80)
Depreciation for the period	(2.94)	(0.17)	(0.20)	(0.30)	(0.12)	(1.09)	-	(2.35)	(0.51)	(7.68)	(2.38)
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of June 30, 2023	(32.42)	(1.80)	(7.47)	(10.20)	(2.37)	(12.56)	(0.14)	(44.24)	(4.99)	(116.19)	(23.18)
Carrying value as of June 30, 2023	57.69	2.67	2.67	1.93	1.45	8.04	-	21.70	7.45	103.60	41.91

* Right-of-use asset pertains to buildings

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Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 4(b): Intangible Assets

Particulars	Goodwill	Other Intangible Assets				Total	Intangible Assets under development (IAUD)
		Computer Software	Product Development	Patent	Technical Knowhow		
Gross carrying value as of April 1, 2022	-	28.92	344.01	-	-	372.93	39.61
On account of acquisition of subsidiary	-	0.06	-	-	220.47	220.53	-
Additions	211.81	11.81	76.59	0.09	-	88.49	190.56
Transfers	-	-	-	-	-	-	76.59
Gross carrying value as of March 31, 2023	211.81	40.79	420.60	0.09	220.47	681.95	153.58
Accumulated amortization as of April 1, 2022	-	(25.22)	(264.51)	-	-	(289.73)	-
Amortization expenses for the year	-	(6.58)	(67.20)	(0.09)	(12.68)	(86.55)	-
Accumulated amortization as of March 31, 2023	-	(31.80)	(331.71)	(0.09)	(12.68)	(376.28)	-
Carrying value as of March 31, 2023	211.81	8.99	88.89	-	207.79	305.67	153.58
Gross carrying value as of April 1, 2023	211.81	40.79	420.60	0.09	220.47	681.95	153.58
Additions	-	2.54	23.81	-	-	26.35	63.75
Transfers	-	-	-	-	-	-	23.81
Gross carrying value as of June 30, 2023	211.81	43.33	444.41	0.09	220.47	708.30	193.52
Accumulated amortization as of April 1, 2023	-	(31.80)	(331.71)	(0.09)	(12.68)	(376.28)	-
Amortization expenses for the period	-	(2.45)	(17.68)	-	(4.23)	(24.36)	-
Accumulated amortization as of June 30, 2023	-	(34.25)	(349.39)	(0.09)	(16.91)	(400.64)	-
Carrying value as of June 30, 2023	211.81	9.08	95.02	-	203.56	307.66	193.52

Remaining useful life for product development ranges from 1 to 24 months (March 31, 2023: 1 to 24 months)

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

Particulars	Period ended	Year ended
	June 30, 2023	March 31, 2023
Depreciation on property, plant and equipment [Refer Note No. 4(a)]	7.68	26.20
Depreciation on right of use assets [Refer Note No. 4(a)]	2.38	9.75
Amortization of intangible assets [Refer Note No. 4(b)]	24.36	86.55
Total depreciation and amortization expense	34.42	122.50

Tejas Networks Limited**Notes to the consolidated unaudited financial statements for the period ended June 30, 2023**

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

Note No. 5: Investments

Particulars	As at			
	June 30, 2023	March 31, 2023		
5(a) Non-Current investments (Unquoted) {FVTPL}				
Equity instruments				
Investment in ELCIA ESDM Cluster (No. of shares 1100)	0.00	0.00		
Total unquoted investments	0.00	0.00		
5(b) Current investments (Quoted) {FVTPL}				
Investment in Mutual funds	Number of units	Amount	Number of units	Amount
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAG	60,804	34.06	1,43,556	79.05
Tata Liquid Fund Direct Plan - Growth	2,29,623	82.95	5,15,814	183.19
Total current investments		117.01		262.24

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Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 6: Trade Receivables

Particulars	As at	
	June 30, 2023	March 31, 2023
Trade receivables from contract with customers - billed	538.06	570.68
Trade receivables from contract with customers - unbilled	36.20	21.74
Trade receivables from contract with customers - related parties	29.96	30.87
Less: Loss allowance	(103.00)	(105.26)
Trade Receivables	501.22	518.03
Current portion	479.43	498.93
Non-current portion	21.79	19.10
Break-up of securities details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	603.84	622.91
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	0.38	0.38
Total	604.22	623.29
Less: Loss allowance	(103.00)	(105.26)
Total trade receivables	501.22	518.03

Note No. 7: Cash and Bank Balances

Particulars	As at	
	June 30, 2023	March 31, 2023
(i) Cash and Cash Equivalents		
<i>(a) Balances with banks</i>		
(i) In current accounts	22.24	64.20
(ii) In EEFC accounts	26.16	21.18
<i>(b) Deposits with original maturity of less than three months</i>	1.00	-
<i>(c) Cash in hand</i>	0.01	0.01
Total cash and cash equivalents	49.41	85.39
(ii) Other Bank Balances		
Balances with banks in unpaid dividend account	0.03	0.03
Deposits with original maturity of more than three months but less than twelve months	472.63	654.43
In earmarked deposit accounts	-	0.07
Balances held as margin money or security against fund and non-fund based banking arrangements	1.89	1.89
Total other bank balances	474.55	656.42

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Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

The details of balances with banks (all in India, unless stated otherwise) and deposits with financial institutions as on Balance Sheet dates are as follows:

Particulars	As at	
	June 30, 2023	March 31, 2023
a) Current Accounts		
Axis Bank	0.43	0.67
Citibank	0.05	0.05
Citibank, Dubai	0.16	0.14
Citibank, Mexico	0.23	0.15
Citibank, USA	1.10	0.89
HDFC Bank	1.48	1.63
ICICI Bank	3.35	0.36
Indian Overseas Bank	0.08	0.08
Kotak Mahindra Bank	0.10	0.36
Silicon Valley Bank, California	-	0.12
Standard Chartered Bank	10.81	55.83
Standard Chartered Bank, Nairobi	0.09	0.18
Standard Chartered Bank, Singapore	2.63	3.39
Standard Chartered Bank, Kuala Lumpur	0.06	0.10
Standard Chartered Bank, South Africa	0.09	0.14
State Bank of India	1.58	0.11
	22.24	64.20
b) EEFC Accounts		
Citibank	0.18	0.77
HDFC Bank	-	0.22
Standard Chartered Bank	25.10	19.90
State Bank of India	0.88	0.29
	26.16	21.18
c) Deposits with original maturity of less than three months		
HDFC Bank	1.00	-
	1.00	-
d) Balances with banks in unpaid dividend account		
Axis Bank	0.03	0.03
	0.03	0.03
e) Deposits with original maturity of more than three months but less than twelve months		
Axis Bank	8.00	21.10
HDFC Bank	0.24	0.29
ICICI Bank	-	4.00
IndusInd Bank	88.00	167.95
Karnataka Bank	30.00	30.00
Kotak Mahindra Bank	1.36	1.36
State Bank of India	345.03	389.73
Yes Bank	-	40.00
	472.63	654.43
f) Balances held as earmarked deposit accounts		
HDFC Bank	-	0.07
	-	0.07
g) Balances held as margin money or security against fund and non-fund based banking arrangements for less than twelve months		
Axis Bank	0.45	0.45
Kotak Mahindra Bank	0.44	0.44
State Bank of India	1.00	1.00
	1.89	1.89
Total cash and cash equivalent excluding cash in hand (a+b+c)	49.40	85.38
Cash in hand	0.01	0.01
Total other bank balances with maturity more than three months but less than twelve months (d+e+f+g)	474.55	656.42
h) Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months (Refer Note 8)		
ICICI Bank	2.07	2.31
HDFC Bank	0.29	-
	2.36	2.31
i) Deposits with financial institutions (Refer Note No. 8)		
Bajaj Finance Limited	300.00	300.00
	300.00	300.00

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Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 8: Other Financial Assets

Particulars	As at	
	June 30, 2023	March 31, 2023
Non-current financial assets		
Security deposits	8.02	7.13
Less: Provision	(0.09)	(0.09)
Total non-current financial assets	7.93	7.04
Current financial assets		
Security deposits	0.78	0.93
Less: Provision	(0.26)	(0.26)
	0.52	0.67
Deposits with financial institutions	300.00	300.00
Interest accrued but not due	3.24	4.12
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	2.36	2.31
Foreign exchange forward contracts	0.06	0.02
Other receivables	36.91	30.02
Total current financial assets	343.09	337.14

Note No. 9: Tax assets

Particulars	As at	
	June 30, 2023	March 31, 2023
9(a) Current Tax Asset (net)		
Advance Income Tax (net)	50.05	31.71
	50.05	31.71
9(b) Deferred Tax Assets/(Liabilities)		
The balance comprises temporary differences attributable to: Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	(115.69)	(123.62)
Lease liabilities	14.99	17.32
Unabsorbed depreciation and allowances under section 35	144.38	119.59
MAT credit	41.25	44.14
Total deferred tax assets	84.93	57.43
Right-of-use assets	(13.09)	(15.34)
Net deferred tax assets	71.84	42.09

Note No. 10: Other assets

Particulars	As at	
	June 30, 2023	March 31, 2023
Other non-current assets		
Pre-paid gratuity contributions (asset)	-	0.30
Prepaid expenses	0.78	0.27
Capital Advances	11.69	8.54
Balances with government authorities (other than income taxes)	25.47	25.26
Total other non-current assets	37.94	34.37
Other current assets		
Advances to suppliers	42.77	59.88
Capital Advances	-	0.17
Advances others	0.03	0.02
Balances with government authorities (other than income taxes)	165.29	113.06
Prepaid expenses	9.60	5.80
Advances to employees	2.30	1.41
Total other current assets	219.99	180.34

Note No. 11: Inventories

Particulars	As at	
	June 30, 2023	March 31, 2023
Raw material - components including assemblies and sub-assemblies [including goods in transit Rs. 24.28 (March 31, 2023: Rs. 13.54)]	854.96	632.13
Work in progress	4.08	6.19
Finished Goods	9.11	3.05
Traded Goods	4.17	5.49
Total Inventories	872.32	646.86

Tejas Networks Limited

Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 12: Equity Share Capital

Particulars	Number of Shares	Equity share capital
i) Authorised Capital		
Equity Share Capital of Rs. 10/- each		
As at April 01, 2022	20,00,00,000	200.00
Changes in equity share capital during the year		
Increase during the year	6,00,00,000	60.00
As at March 31, 2023	26,00,00,000	260.00
Changes in equity share capital during the period		
Increase during the period	-	-
As at June 30, 2023	26,00,00,000	260.00
ii) Issued, Subscribed and Paid up Capital		
Equity Share Capital of Rs. 10/- each		
Fully paid shares		
As at April 01, 2022	11,45,49,908	114.55
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan	14,95,363	1.49
Issue of equity shares under Private Placement	5,23,25,582	52.33
As at March 31, 2023	16,83,70,853	168.37
Changes in equity share capital during the period		
Issue of equity shares under employee share option plan and restricted stock unit plan	11,99,505	1.20
As at June 30, 2023	16,95,70,358	169.57
iii) Forfeited shares (to the extent of amount paid up)*		
As at April 1, 2022	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2023	3,27,27,930	3.27
Transaction during the period	-	-
As at June 30, 2023	3,27,27,930	3.27
	As at	
	June 30, 2023	March 31, 2023
Total Equity Share Capital (ii+iii)	172.84	171.64

* 3,27,27,930 partly paid equity shares issued by the Company to the Tejas Employees Welfare Trust (TEWT) on July 11, 2010, were forfeited on July 25, 2016.

Tejas Networks Limited

Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 13: Other Equity

Particulars	As at	
	June 30, 2023	March 31, 2023
Securities premium	2,787.10	2,773.34
Retained earnings	(79.09)	(52.07)
Employee stock compensation outstanding account	100.51	77.12
Money received against share warrants	-	-
Foreign Currency Translation Reserve	2.97	2.93
Share application money pending allotment	0.04	-
Total Other Equity	2,811.53	2,801.32

(i) Securities premium

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening Balance	2,773.34	1,456.24
Premium received upon exercise of ESOP	5.63	7.34
Premium received on Issue of shares through Private placement	-	1,297.67
Reclassification upon exercise of ESOP/RSU	8.13	12.09
Closing Balance	2,787.10	2,773.34

(ii) Retained earnings

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening Balance	(52.07)	(12.51)
(Loss)/Profit for the period	(26.29)	(36.41)
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
Remeasurement of the defined benefit obligation net of income tax	(0.73)	(3.15)
Closing Balance	(79.09)	(52.07)

(iii) Employee stock compensation outstanding account

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening Balance	77.12	29.29
Share based payment expenses	31.52	59.92
Reclassification upon exercise of ESOP/RSU	(8.13)	(12.09)
Closing Balance	100.51	77.12

(iv) Foreign Currency Translation Reserve

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening Balance	2.93	1.91
Transaction during the period	0.04	1.02
Closing Balance	2.97	2.93

(v) Money received against share warrants

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening Balance	-	337.50
Transaction during the period	-	(337.50)
Closing Balance	-	-

(vi) Share application money pending allotment

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening Balance	-	-
Transaction during the period	0.04	-
Closing Balance	0.04	-

Tejas Networks Limited**Notes to the consolidated unaudited financial statements for the period ended June 30, 2023**

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

Note No. 14: Lease Liabilities

Particulars	As at	
	June 30, 2023	March 31, 2023
Non-Current		
Lease Liabilities	43.02	43.90
Total non-current	43.02	43.90
Current		
Lease Liabilities	4.85	5.92
Total current	4.85	5.92

Note No. 15: Provisions

Particulars	As at	
	June 30, 2023	March 31, 2023
Non-current provisions		
Provision for employee benefits		
Gratuity	0.09	0.09
Other provisions		
Warranty	2.26	2.03
Total non-current provisions	2.35	2.12
Current provisions		
Provision for employee benefits		
Compensated absences	10.37	9.57
Gratuity	1.61	0.20
Other provisions		
Warranty	3.88	2.34
Provisions	2.24	-
Total current provisions	18.10	12.11

Movement in Warranty

Provision for warranty has been estimated based on past history of claims settled.

Particulars	As at	
	June 30, 2023	March 31, 2023
Opening balance	4.37	1.94
Unwinding of interest on provisions	0.09	0.17
Additions	1.75	8.93
Utilisation	(0.07)	(6.67)
Closing balance	6.14	4.37

Disclosed as:

Non-current	2.26	2.03
Current	3.88	2.34
	6.14	4.37

Tejas Networks Limited**Notes to the consolidated unaudited financial statements for the period ended June 30, 2023**

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

Note No. 16: Trade Payables

Particulars	As at	
	June 30, 2023	March 31, 2023
Total outstanding dues of micro and small enterprises (MSME)	20.68	26.00
Total outstanding dues of creditors other than MSME - others	282.39	274.14
Total outstanding dues of creditors other than MSME - related parties	3.62	0.88
Total trade payables	306.69	301.02

Note No. 17: Other Financial Liabilities

Particulars	As at	
	June 30, 2023	March 31, 2023
Non-Current		
Merger Liability	159.76	156.68
Total Non-Current other financial liabilities	159.76	156.68
Current		
Due to employees	22.56	50.02
Capital Creditors	15.96	17.57
Unpaid dividend	0.03	0.03
Other liabilities	0.15	0.15
Total current other financial liabilities	38.70	67.77

Note No. 18: Other Current Liabilities

Particulars	As at	
	June 30, 2023	March 31, 2023
Advances received from customers	8.19	7.05
Advances received from customers - related parties	7.65	7.66
Deferred revenue	12.23	13.07
Liabilities on Corporate Social Responsibility	-	0.30
Statutory dues	17.94	11.47
Total other current liabilities	46.01	39.55

Tejas Networks Limited
Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 19: Revenue from Operations

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Revenue from contract with customers				
Sale of goods				
Manufactured goods - Telecom and Data Networking related products	152.83	264.16	110.00	803.22
Traded Goods	0.34	3.34		3.34
	153.17	267.50	110.00	806.56
Rendering of services - related to selling/support of our products				
Installation and commissioning revenue	3.41	2.24	1.82	8.42
Annual maintenance revenue	13.93	13.84	13.38	52.77
Rendering of services - development of products for customers and other services	17.38	15.74	0.56	51.82
	34.72	31.82	15.76	113.01
Total revenue from operations	187.89	299.32	125.76	919.57

Note No. 20: Other Income

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Interest income from banks on deposits	15.73	16.25	9.84	54.94
(Loss)/Gain on current investments carried at fair value through statement of profit and loss	(1.02)	(0.06)	1.22	0.63
Gain on sale of current investments carried at fair value through statement of profit and loss	4.19	2.61	5.66	18.83
Unwinding of discount on fair valuation of financial assets	0.12	0.11	0.05	0.71
Gain on Derecognition of ROU Asset	-	-	-	0.45
Net gain on foreign currency transactions and translation	-	(0.08)	-	0.48
Export Incentive	0.24	-	1.91	1.97
Other non-operating income				
Profit on sale of property, plant and equipment	-	0.01	-	0.01
Interest on income tax refunds	-	2.45	-	2.91
Miscellaneous income	0.22	(0.02)	0.01	0.08
Total other income	19.48	21.27	18.69	81.01

Note No. 21A: Cost of Materials Consumed

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Opening stock	632.13	465.09	270.18	270.18
Add: Purchases	340.40	344.36	112.03	894.68
	972.53	809.45	382.21	1,164.86
Less: Closing stock	854.96	632.13	311.75	632.13
Cost of materials consumed	117.57	177.32	70.46	532.73

Note No. 21B: Changes in inventories of stock in trade, work in progress and finished goods

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Opening balance				
Work-in progress	6.19	-	-	3.04
Finished goods	3.05	16.27	4.19	4.19
Traded goods	5.49	12.39	3.65	3.65
Total opening balance	14.73	28.66	7.84	10.88
Closing balance				
Work-in progress	4.08	6.19	-	6.19
Finished goods	9.11	3.05	7.25	3.05
Traded goods	4.17	5.49	3.37	5.49
Total closing balance	17.36	14.73	10.62	14.73
Changes in inventories of stock in trade, work in progress and finished goods	(2.63)	13.93	(2.78)	(3.85)

Note No. 21C: Purchase of stock in trade

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Purchase of stock in trade	4.40	5.99	8.93	31.82
	4.40	5.99	8.93	31.82

Note No. 22: Employee benefit expense

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Salaries and wages, including performance incentives	93.88	100.48	56.27	311.69
Contribution to provident and pension funds	4.84	3.57	2.57	12.43
Gratuity expenses	1.01	0.82	1.12	3.86
Employee share based payment expenses (net)	31.52	23.95	3.29	59.92
Staff welfare expenses	1.76	2.12	1.06	6.56
	133.01	130.94	64.31	394.46
Less: Capitalized during the period [Refer Note No. 4(b)]	55.96	53.42	26.35	161.81
Total employee benefit expenses	77.05	77.52	37.96	232.65

Tejas Networks Limited
Notes to the consolidated unaudited financial statements for the period ended June 30, 2023

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

Note No. 23A: Finance cost

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Interest expense				
(i) Delayed payment of taxes	0.01	-	-	-
(ii) Unwinding of discount on fair valuation of financial liabilities	4.27	4.20	0.71	14.03
(iii) Unwinding of discount on fair valuation of warranty	0.10	0.04	0.04	0.16
Other finance cost	0.29	0.41	0.19	1.01
Total finance cost	4.67	4.65	0.94	15.20

Note No. 23B: Allowance for expected credit loss

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Allowance for expected credit loss	(2.26)	(7.60)	(4.71)	(32.97)
Total Allowance for expected credit loss	(2.26)	(7.60)	(4.71)	(32.97)

Note No. 24: Other Expenses

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
Installation, commissioning and maintenance expenses	2.62	6.85	1.87	11.55
Other processing charges	0.09	0.66	0.06	4.40
Power and fuel	1.67	1.43	1.37	5.82
Housekeeping and security	1.49	1.42	0.69	4.20
Lease rentals	0.85	0.89	0.43	4.97
Repairs and maintenance - machinery	0.21	0.07	0.08	0.47
Repairs and maintenance - others	1.36	1.31	0.60	4.08
Sub-contractor charges	4.90	4.52	2.63	13.90
Cost of technical services	9.38	9.19	2.92	33.72
Insurance	0.68	0.62	0.25	1.92
Rates and taxes	0.09	2.47	0.16	3.46
Communication	0.29	0.47	0.34	1.58
Royalty	0.01	-	0.01	0.03
Travelling and conveyance	4.62	3.66	1.14	12.04
Printing and stationery	0.11	0.11	0.06	0.34
Freight and forwarding	2.00	0.94	0.19	3.88
Sales expenses	0.42	(0.03)	0.15	0.55
Sales commission	0.64	0.97	1.62	4.11
Business promotion	0.48	0.58	0.10	3.07
Director sitting fees	0.06	0.10	0.06	0.33
Director commission	-	0.48	-	0.48
Legal and professional	7.16	5.28	2.68	16.78
Auditors remuneration and out-of-pocket expenses				
Audit Fee (including fees for limited reviews)	0.22	0.28	0.16	0.83
Tax Audit Fee	-	-	-	0.04
Certification matters	-	(0.01)	-	0.03
Other services	-	0.05	0.15	0.20
Auditors out-of-pocket expenses	0.04	0.02	0.02	0.09
Net loss on foreign currency transactions and translation	0.43	0.89	0.03	2.89
Warranty	1.75	(2.51)	3.84	8.93
Expenditure on corporate social responsibility	-	0.22	-	0.22
Subscription and Membership	2.33	2.43	0.80	7.88
Miscellaneous expenses	1.02	2.68	0.81	7.11
Total other expenses	44.92	46.04	23.22	159.90
Less: Capitalized during the period [Refer Note No. 4(b)]	4.89	5.69	-	14.75
Total other expenses	40.03	40.35	23.22	145.15

Note No. 25: Income Tax Expense

Particulars	Quarter ended		Year ended	
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
a. Current tax				
Tax on (losses)/profits for the period	(9.85)	(0.01)	(0.89)	(0.01)
Adjustments for tax of prior periods	-	(0.31)	-	(0.31)
Total current tax expense	(9.85)	(0.32)	(0.89)	(0.32)
b. Deferred tax				
Decrease/(increase) in deferred tax assets	(28.27)	(13.37)	(5.41)	(4.04)
(Decrease)/increase in deferred tax liabilities	(1.47)	(1.88)	-	(1.88)
Total deferred tax (benefit)/expense	(29.74)	(15.25)	(5.41)	(5.92)
Total Income tax (benefit)/expense	(39.59)	(15.57)	(6.30)	(6.24)