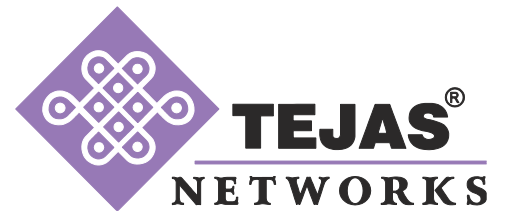


Tejas Networks Ltd.

Regd. Office: Plot No. 25, 5th Floor
J.P. Software Park, Electronic City Phase 1
Hosur Road, Bengaluru 560 100, India
Tel : +91- 80- 4179 4600/700/800
Fax: +91- 80- 2852 0201



July 21, 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 July 06, 2023 informing about the Board Meeting scheduled on July 21, 2023.

The Board of Directors of Tejas Networks Limited ('the Company') at their meeting held on Friday, July 21, 2023 at Bengaluru has *inter alia* considered and approved the following:

The Meeting started at 2.30 P.M. (IST) and ended at 5.35 P.M. (IST)

Financial Results

1. 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 ended June 30, 2023 together with the Limited review report of the Statutory Auditors for the said period is enclosed as **Annexure - A**.

Allotment of Equity Shares

2. Allotment of 54,930 Equity Shares of the Company pursuant to exercise of the Stock Options/ Restricted Stock Units by eligible employees/ KMP/ Senior Management of the Company under respective Stock Options Plans.

Consequently, on July 21, 2023, the paid-up share capital of the Company stands increased from Rs. 1,69,57,03,580 divided into 16,95,70,358 equity shares of Rs.10/- each to Rs 1,69,62,52,880 divided into 16,96,25,288 equity shares of Rs.10/- each.

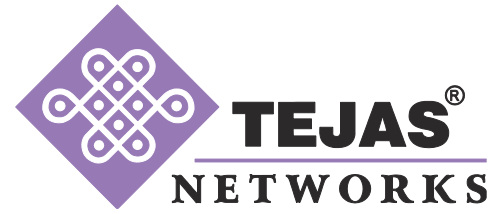
Grant of Restricted Stock Units

3. Approved the grant of 2,87,592 Restricted Stock Units at face value of Rs. 10/- each under Tejas Restricted Stock Unit Plans to the Employees/ KMP/ Senior Management of the Company.



Tejas Networks Ltd.

Regd. Office: Plot No. 25, 5th Floor
J.P. Software Park, Electronic City Phase 1
Hosur Road, Bengaluru 560 100, India
Tel : +91- 80- 4179 4600/700/800
Fax: +91- 80- 2852 0201



Reconstitution of Committee of the Board

4. The Board has reconstituted the Audit Committee with effect from July 21, 2023 as below

| S.No | Composition | Designation in the Committee |
|------|-----------------------------------|------------------------------|
| 1 | Mr. Chandrashekhhar Bhaskar Bhave | Chairperson |
| 2 | Mr. P R Ramesh | Member |
| 3 | Mr. A S Lakshminarayanan | Member |
| 4 | Prof. Bhaskar Ramamurthi | Member |
| 5 | Mrs. Alice G Vaidyan | Member |

We also enclose:

- Copy of the press release issued with respect of said unaudited financial results as **Annexure - B**
- Extracts of the unaudited financial results under IND-AS (Standalone and Consolidated) for the quarter ended June 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, July 21, 2023 at 7.00 P.M (IST) has already been intimated to Stock Exchanges vide our letter dated July 14, 2023.

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 Standalone Financial Results

To
The Board of Directors
Tejas Networks Limited
5th Floor, J P Software Park,
Plot No. 25, Sy, No 13, 14, 17 and 18,
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 ended June 30, 2023, which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2023' (the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the 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 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: 23209136BGXTXB8042

Place: Bengaluru
Date: July 21, 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

Registered and Corporate Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,

Konnappana Agrahara Village, Begur Hobli, Bengaluru 560 100, Karnataka, India.

Corporate Identity Number: L72900KA2000PLC026980

Tel: +91 80 4179 4600; Fax: +91 80 2852 0201

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

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2023

| Particulars | (Rs in crore except per share data) | | | |
|---|-------------------------------------|---------------------------------|--------------------------------|------------------------------|
| | Quarter ended June 30, 2023 | Quarter ended March 31, 2023 | Quarter ended June 30, 2022 | Year ended March 31, 2023 |
| | Unaudited | Unaudited (Refer Note - 8) | Unaudited | Audited |
| I Revenue from operations | 167.11 | 284.39 | 125.63 | 869.08 |
| II Other Income | 19.50 | 21.33 | 18.69 | 79.14 |
| III Total income (I + II) | 186.61 | 305.72 | 144.32 | 948.22 |
| IV EXPENSES | | | | |
| (a) Cost of materials consumed | 117.08 | 176.50 | 70.47 | 528.79 |
| (b) Purchases of stock in trade | 4.40 | 5.99 | 8.93 | 31.82 |
| (c) Changes in inventories of stock in trade and finished goods | (4.74) | 14.65 | (2.79) | (0.71) |
| (d) Employee benefit expense | 59.28 | 50.81 | 37.17 | 172.16 |
| (e) Finance costs | 1.47 | 1.44 | 0.88 | 5.20 |
| (f) Depreciation and amortization expense | 29.01 | 29.75 | 23.37 | 105.13 |
| (g) Allowance for expected credit loss | (2.26) | (7.97) | (4.71) | (33.32) |
| (h) Other expenses | 33.43 | 40.61 | 23.98 | 127.86 |
| Total expenses (IV) | 237.67 | 311.78 | 157.30 | 936.93 |
| V Profit/(Loss) before tax (III - IV) | (51.06) | (6.06) | (12.98) | 11.29 |
| VI Income tax expense/(benefit) | | | | |
| (1) Current tax expense/(benefit) | (9.85) | - | (0.89) | - |
| (2) Deferred tax expense/(benefit) (Refer Note - 4) | (26.56) | (1.11) | (5.41) | 8.25 |
| Total tax expense/(benefit) | (36.41) | (1.11) | (6.30) | 8.25 |
| VII Profit/(Loss) after tax (V - VI) | (14.65) | (4.95) | (6.68) | 3.04 |
| VIII Other comprehensive income/(loss) | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurements of the defined benefit obligation (expense)/benefit | (0.73) | 1.13 | (0.05) | (2.92) |
| Income tax relating to above | - | - | - | - |
| IX Total comprehensive income/(loss) for the period (VII + VIII) | (15.38) | (3.82) | (6.73) | 0.12 |
| X Earnings/(Loss) per equity share | | | | |
| Equity shares of par value Rs. 10 each | | | | |
| (1) Basic | (0.87) | (0.31) | (0.44) | 0.20 |
| (2) Diluted (Refer Note - 9) | (0.87) | (0.31) | (0.44) | 0.19 |



For identification purpose only





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

Notes

- 1 This Statement of Unaudited Standalone Financial Results for the quarter ended June 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").
- 2 The Company's operations comprise of only one segment viz. telecom and data networking related products.
- 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 share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended June 30, 2023, an amount of Rs. 18.31 crore (June 30, 2022: Rs. 3.29 crore), net of recoveries from subsidiaries, has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payments'. The RSUs granted and outstanding as at June 30, 2023, aggregates to 41,76,426 (June 30, 2022: 15,37,585).
- 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, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.
- 5 The Company at various dates 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.
- 6 The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the Draft Scheme of Amalgamation of Saankhya Labs and SSE with the Company and the respective stakeholders (the "Scheme"). The Company filed the scheme with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on September 30, 2022. 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. On July 06, 2023, NSE and BSE in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, have conveyed their no objection on the Scheme. Currently, the Company is in the process of filing the Scheme with National Company Law Tribunal (NCLT). Further, the Scheme is subject to receipt of necessary approvals from the shareholders, creditors, NCLT and such other persons and authorities, as may be required. Till such time, Saankhya Labs and SSE will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.
- 7 The Company has received approval from the Department of Telecommunication under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency 'PMA') letter dated October 31, 2022 and the Company is eligible to apply for the said incentive for the year ended March 31, 2023 upon complying with the terms and conditions prescribed in the said PLI scheme. The Company has not recognised the estimated incentive claim of Rs. 32.57 crore, as the Company is in the process of evaluating its entitlement of the incentive and will then make an application with the PMA seeking approval for its entitlement on the PLI.



for identification purpose only





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

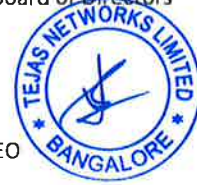
Tel: +91 80 4179 4600; Fax: +91 80 2852 0201

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

- 8 The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of that financial year which were subjected to review by the statutory auditors.
- 9 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.
- 10 Previous period's figures have been regrouped/reclassified wherever necessary, to confirm with the current period's presentation for the purpose of comparability.
- 11 The above statement of unaudited standalone financial results was reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on July 21, 2023.

For and on behalf of the Board of Directors


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



Place: Bengaluru
Date: July 21, 2023



For identification purpose only

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Review Report on the Statement of Unaudited Consolidated Financial Results

To
The Board of Directors
Tejas Networks Limited
5th Floor, J P Software Park,
Plot No. 25, Sy, No 13, 14, 17 and 18,
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 Consolidated Statement) for the quarter ended June 30, 2023 which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2023' (the "Consolidated Statement"). The Consolidated Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initiated 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 Consolidated 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
 - d) Saankhya Strategic Electronics Private Limited
 - e) Saankhya US 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The Consolidated Financial Results includes the financial results of 4 subsidiaries which have not been reviewed by their auditors and whose financial results reflect total revenue of Rs. 1.06 crores, total net profit after tax of Rs. 0.01 crores and total comprehensive income of Rs. 0.10 crores for the quarter ended June 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.

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



Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 23209136BGTXC9129

Place: Bengaluru
Date: July 21, 2023



Tejas Networks Limited

Registered and Corporate Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,
Konnappana Agrahara Village, Begur Hobli, Bengaluru 560 100, Karnataka, India.

Corporate Identity Number: L72900KA2000PLC026980

Tel: +91 80 4179 4600; Fax: +91 80 2852 0201

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

Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2023

(Rs. in crore except per share data)

| Particulars | Quarter ended | Quarter ended | Quarter ended | Year ended |
|--|-------------------|-------------------|------------------|-------------------|
| | June 30, 2023 | March 31, 2023 | June 30, 2022 | March 31, 2023 |
| | Unaudited | Unaudited | Unaudited | Audited |
| | (Refer note - 10) | | | |
| I Revenue from operations | 187.89 | 299.32 | 125.76 | 919.57 |
| II Other Income | 19.48 | 21.27 | 18.69 | 81.01 |
| III Total income (I + II) | 207.37 | 320.59 | 144.45 | 1,000.58 |
| IV EXPENSES | | | | |
| (a) Cost of materials consumed | 117.57 | 177.32 | 70.46 | 532.73 |
| (b) Purchases of stock in trade | 4.40 | 5.99 | 8.93 | 31.82 |
| (c) Changes in inventories of stock in trade, work in progress and finished goods | (2.63) | 13.93 | (2.78) | (3.85) |
| (d) Employee benefit expense | 77.05 | 77.52 | 37.96 | 232.65 |
| (e) Finance costs | 4.67 | 4.65 | 0.94 | 15.20 |
| (f) Depreciation and amortization expense | 34.42 | 35.47 | 23.37 | 122.50 |
| (g) Allowance for expected credit loss | (2.26) | (7.60) | (4.71) | (32.97) |
| (h) Other expenses | 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/(benefit) | | | | |
| (1) Current tax expense/(benefit) | (9.85) | (0.32) | (0.89) | (0.32) |
| (2) Deferred tax expense/(benefit) (Refer Note - 6) | (29.74) | (15.25) | (5.41) | (5.92) |
| Total tax expense/(benefit) | (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 the 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 |
| 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 | | | | |
| (1) Basic | (1.56) | (0.70) | (0.45) | (2.46) |
| (2) Diluted (Refer Note - 11) | (1.56) | (0.70) | (0.45) | (2.46) |



For identification purpose only



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

Notes

- 1 The Statement of unaudited consolidated financial results 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
- 2 This Statement of Unaudited Consolidated Financial Results for the quarter ended June 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").
- 3 The Group's operations comprise of only one segment viz. telecom and data networking related products.
- 4 Summary of key unaudited standalone financial results of the Company is as follows:

| Particulars | (Rs. in crore) | | | |
|--------------------------|-----------------------------------|-------------------------------------|-----------------------------------|---------------------------------|
| | Quarter ended June 30, 2023 | Quarter ended March '31, 2023 | Quarter ended June 30, 2022 | Year ended March 31, 2023 |
| | Unaudited | Unaudited (Refer note - 10) | Unaudited | Audited |
| Revenues from operations | 167.11 | 284.39 | 125.63 | 869.08 |
| Profit/(Loss) before tax | (51.06) | (6.06) | (12.98) | 11.29 |
| Profit/(Loss) after tax | (14.65) | (4.95) | (6.68) | 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.

- 5 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 share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. For the quarter ended June 30, 2023, an amount of Rs. 31.30 crore (June 30, 2022: Rs. 3.29 crore), has been recorded as employee share expenses based on requirements in Ind AS 102, 'Share-based payments'. The RSUs granted and outstanding as at June 30, 2023, aggregates to 41,76,426 (June 30, 2022: 15,37,585).
- 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 June 30, 2023, an amount of Rs. 0.22 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 June 30, 2023, aggregates to 10,06,120.



For identification purpose only



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

- 6 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, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.
- 7 The Company at various dates 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 quarter ended June 30, 2023 includes the contribution from those entities as below:

(Rs. in crore)

| Particulars | Quarter ended | Quarter ended | Year ended |
|----------------------------|---------------|--------------------------------|----------------|
| | June 30, 2023 | March 31, 2023 | March 31, 2023 |
| | Unaudited | Unaudited (Refer note - 10) | Audited |
| Revenue from Operations | 20.70 | 14.67 | 49.48 |
| Profit / (Loss) before Tax | (7.57) | (14.48) | (33.25) |
| Profit / (Loss) after Tax | (5.86) | (4.50) | (23.23) |

Results for the quarter ended June 30, 2023 include the impact of the above transaction and are not comparable with corresponding quarter ended June 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 of Saankhya Labs and SSE with the Company and the respective stakeholders (the "Scheme"). The Company filed the scheme with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on September 30, 2022. 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. On July 06, 2023, NSE and BSE in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, have conveyed their no objection on the Scheme. Currently, the Company is in the process of filing the Scheme with National Company Law Tribunal (NCLT). Further, the Scheme is subject to receipt of necessary approvals from shareholders, creditors, NCLT and such other persons and authorities, as may be required. Till such time, Saankhya Labs and SSE 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 under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency 'PMA') letter dated October 31, 2022 and the Company is eligible to apply for the said incentive for the year ended March 31, 2023 upon complying with the terms and conditions prescribed in the said PLI scheme. The Company has not recognised the estimated incentive claim of Rs. 32.57 crore, as the Company is in the process of evaluating its entitlement of the incentive and will then make an application with the PMA seeking approval for its entitlement on the PLI.



For identification purpose Only



Tejas Networks Limited

Registered and Corporate Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,
Konnappana 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

- 10 The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of that financial year which were subjected to review by the statutory auditors.
- 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 was reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on July 21, 2023.

For and on behalf of the Board of Directors


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



Place: Bengaluru
Date: July 21, 2023



For identification purpose only



Press Release

Tejas Networks announces results for quarter ended June 30, 2023
Q1 24 revenue was Rs. 187.9 crore YoY growth 49.4% and Net Loss was Rs. 26.3 crore

Bengaluru, July 21, 2023: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the first quarter ended June 30, 2023. Tejas Networks designs, develops, manufactures and sells high-performance telecom and networking products, which are used to build high-speed communication networks.

For Q1-FY24, consolidated net revenue was Rs. 187.9 crore, which was a YoY increase of 49.4%, resulting in a loss before tax of Rs. 65.9 crore as compared to loss of Rs. 12.9 crore, for corresponding previous period. Loss after tax was Rs. 26.3 crore as compared to loss of Rs. 6.6 crore for corresponding previous period.

Mr. Anand Athreya, Managing Director and CEO of Tejas Networks said, "In Q1-FY24 we saw a YOY growth of 49%. The QoQ revenue decline was primarily due to transition of EMS facilities and some supply chain challenges. The loss after tax was primarily due to continued investment in R&D for growth and increased component costs due to expedite fees and spot buys to ensure critical customer shipments. We have successfully commissioned the pilot network of 200 sites for the BSNL 4G network and plan to ramp up our supplies in the coming quarters".

Mr. Venkatesh Gadiyar, CFO said, "As on June 30, 2023, our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, were at Rs. 943 crore and we continue to be a debt-free Company. On the merger of Saankhya with Tejas, on July 06, 2023, the stock exchanges in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, have conveyed their no objection on the Scheme. Currently, we are in the process of filing the Scheme with National Company Law Tribunal (NCLT)."

As on June 30, 2023, Tejas and its subsidiaries have filed for 445 patents of which 267 have been granted.



99



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

Attn: Mr. Santosh Kesavan: 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.

cy
A





| Tejas Networks Limited and subsidiaries | | |
|---|----------------------|-----------------------|
| Abstract of Unaudited Consolidated Balance Sheet as at | | |
| | (in Rs. crore) | |
| | June 30, 2023 | March 31, 2023 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 103.60 | 85.05 |
| Right-of-use assets | 41.91 | 44.29 |
| Goodwill | 211.81 | 211.81 |
| Intangible assets | 307.66 | 305.67 |
| Intangible assets under development | 193.52 | 153.58 |
| Financial assets | | |
| Trade receivables | 21.79 | 19.10 |
| Other financial assets | 7.93 | 7.04 |
| Current tax asset (net) | 50.05 | 31.71 |
| Deferred Tax Asset (net) | 71.84 | 42.09 |
| Other non-current assets | 37.94 | 34.37 |
| Total non-current assets | 1,048.05 | 934.71 |
| Current assets | | |
| Inventories | 872.32 | 646.86 |
| Financial assets | | |
| Investments ¹ | 117.01 | 262.24 |
| Trade receivables | 479.43 | 498.93 |
| Cash and cash equivalents ² | 49.41 | 85.39 |
| Other bank balances ³ | 474.55 | 656.42 |
| Other financial assets ^{4,5} | 343.09 | 337.14 |
| Other current assets | 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 | 172.84 | 171.64 |
| Other equity | 2,811.53 | 2,801.32 |
| Total equity | 2,984.37 | 2,972.96 |
| Liabilities | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Lease Liabilities | 43.02 | 43.90 |
| Other financial liabilities | 159.76 | 156.68 |
| Provisions | 2.35 | 2.12 |
| Total non-current liabilities | 205.13 | 202.70 |
| Current liabilities | | |
| Financial liabilities | | |
| Lease Liabilities | 4.85 | 5.92 |
| Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | 20.68 | 26.00 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 286.01 | 275.02 |
| Other financial liabilities | 38.70 | 67.77 |
| Provisions | 18.10 | 12.11 |
| Other current liabilities | 46.01 | 39.55 |
| Total current liabilities | 414.35 | 426.37 |
| Total equity and liabilities | 3,603.85 | 3,602.03 |
| Supplementary Information | (in Rs. crore) | |
| Cash and Cash Equivalents as at | June 30, 2023 | March 31, 2023 |
| ¹ Investments includes Investment in mutual funds | 117.01 | 262.24 |
| ² Cash and cash equivalents | 49.41 | 85.39 |
| ³ Other bank balances | 474.55 | 656.42 |
| ⁴ Other current financial asset includes Deposits with financial institutions | 300.00 | 300.00 |
| ⁵ 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 | 2.36 | 2.31 |
| Total | 943.33 | 1,306.36 |

89





| Tejas Networks Limited and subsidiaries | | | | |
|---|--------------------------------|-------------------------------|--------------------------------|----------------------------|
| Unaudited Consolidated Statement of Comprehensive Income for | | | | |
| <i>(in Rs. crore, except share data)</i> | | | | |
| | Quarter ended June 30, 2023 | Quarter ended Mar 31, 2023 | Quarter ended June 30, 2022 | Year ended Mar 31, 2023 |
| Revenue from operations | 187.89 | 299.32 | 125.76 | 919.57 |
| Other Income | 19.48 | 21.27 | 18.69 | 81.01 |
| Total Income | 207.37 | 320.59 | 144.45 | 1,000.58 |
| Expenses | | | | |
| Cost of materials consumed | 117.57 | 177.32 | 70.46 | 532.73 |
| Purchases of stock in trade | 4.40 | 5.99 | 8.93 | 31.82 |
| Changes in inventories of stock in trade, work in progress and finished goods | (2.63) | 13.93 | (2.78) | (3.85) |
| Employee benefit expense | 77.05 | 77.52 | 37.96 | 232.65 |
| Finance costs | 4.67 | 4.65 | 0.94 | 15.20 |
| Depreciation and amortization expense | 34.42 | 35.47 | 23.37 | 122.50 |
| Allowance for expected credit loss | (2.26) | (7.60) | (4.71) | (32.97) |
| Other expenses | 40.03 | 40.35 | 23.22 | 145.15 |
| Total Expenses | 273.25 | 347.63 | 157.39 | 1,043.23 |
| Profit/(Loss) before tax | (65.88) | (27.04) | (12.94) | (42.65) |
| Current tax | (9.85) | (0.32) | (0.89) | (0.32) |
| Deferred tax | (29.74) | (15.25) | (5.41) | (5.92) |
| Profit/(Loss) after tax | (26.29) | (11.47) | (6.64) | (36.41) |
| Other comprehensive income/(loss) | (0.69) | 1.45 | 0.17 | (2.42) |
| Items that will not be reclassified to profit or loss | | | | |
| Remeasurements of the defined benefit obligation (Net of tax) | (0.73) | 1.00 | (0.05) | (3.15) |
| Items that will be reclassified to profit or loss | | | | |
| Exchange differences on translation of foreign operations | 0.04 | 0.45 | 0.22 | 0.73 |
| Total comprehensive income/(loss) for the period | (26.98) | (10.02) | (6.47) | (38.83) |
| Earnings/(Loss) per equity share of Rs. 10 each | | | | |
| Basic (Rs.) | (1.56) | (0.70) | (0.45) | (2.46) |
| Diluted (Rs.) | (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 |
| As a result of acquisition of controlling interest by the Company in Saankhya and by Saankhya Labs in SSE with effect from July 1, 2022 and July 8, 2022 respectively, the consolidated results for the quarter ended June 30, 2023 includes the contribution from those entities as below: | | | | |
| Particulars | Quarter ended June 30, 2023 | Quarter ended Mar 31, 2023 | Year ended Mar 31, 2023 | |
| Revenue from Operations | | 20.70 | 14.67 | 49.48 |
| Profit / (Loss) before Tax | | (7.57) | (14.48) | (33.25) |
| Profit / (Loss) after Tax | | (5.86) | (4.50) | (23.23) |

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 ended June 30, 2023

| Sl. No. | Particulars | (Rs. in crore except per share data) | | |
|---------|--|--------------------------------------|------------------------------|--------------------------------|
| | | Quarter ended June 30, 2023 | Year ended March 31, 2023 | Quarter ended June 30, 2022 |
| 1 | Total Income from operations* | 187.89 | 919.57 | 125.76 |
| 2 | Net Profit/(Loss) before tax | (65.88) | (42.65) | (12.94) |
| 3 | Net Profit/(Loss) after tax | (26.29) | (36.41) | (6.64) |
| 4 | Total Comprehensive Income/(Loss) for the period (Comprising Profit/(Loss) for the period after tax and Other Comprehensive Income/(Loss) after tax) | (26.98) | (38.83) | (6.47) |
| 5 | Equity Share Capital (Face value of Rs. 10/- each) | 172.84 | 171.64 | 154.80 |
| 6 | Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year | - | 2,801.32 | - |
| 7 | Earnings/(Loss) per equity share (of Rs. 10/- each) | | | |
| | (i) Basic Rs. | (1.56) | (2.46) | (0.45) |
| | (ii) Diluted Rs. | (1.56) | (2.46) | (0.45) |

Notes

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

| Particulars | Quarter ended | Year ended | Quarter ended |
|-------------------------------|---------------|----------------|---------------|
| | June 30, 2023 | March 31, 2023 | June 30, 2022 |
| Total Income from operations* | 167.11 | 869.08 | 125.63 |
| Net Profit/(Loss) before tax | (51.06) | 11.29 | (12.98) |
| Net Profit/(Loss) after tax | (14.65) | 3.04 | (6.68) |

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).

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, recognised an additional deferred tax asset on tax losses and MAT credit amounting to Rs. 18.73 crore.

4 The Company at various dates 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 quarter ended June 30, 2023 includes the contribution from those entities as below:

| Particulars | Quarter ended | Year ended | Quarter ended |
|-------------------------------|---------------|----------------|---------------|
| | June 30, 2023 | March 31, 2023 | June 30, 2022 |
| Total income from operations* | 20.70 | 49.48 | - |
| Net Profit/(Loss) before Tax | (7.57) | (33.25) | - |
| Net Profit/(Loss) after Tax | (5.86) | (23.23) | - |

5 a) The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the Draft Scheme of Amalgamation of Saankhya Labs and SSE with the Company and the respective stakeholders (the "Scheme"). The Company filed the scheme with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on September 30, 2022. 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. On July 06, 2023, NSE and BSE in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, have conveyed their no objection on the Scheme. Currently, the Company is in the process of filing the Scheme with National Company Law Tribunal (NCLT). Further, the Scheme is subject to receipt of necessary approvals from shareholders, creditors, NCLT and such other persons and authorities, as may be required. Till such time, Saankhya Labs and SSE 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.

6 The Company has received approval from the Department of Telecommunication under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency 'PMA') letter dated October 31, 2022 and the Company is eligible to apply for the said incentive for the year ended March 31, 2023 upon complying with the terms and conditions prescribed in the said PLI scheme. The Company has not recognised the estimated incentive claim of Rs. 32.57 crore, as the Company is in the process of evaluating its entitlement of the incentive and will then make an application with the PMA seeking approval for its entitlement on the PLI.

* excludes other income.

Place: Bengaluru
Date: July 21, 2023

For and on behalf of the Board of Directors

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

