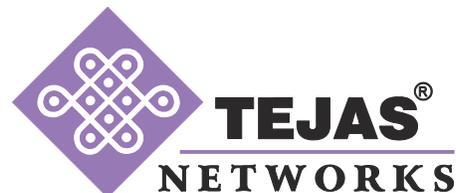


## Tejas Networks Ltd.

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



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

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

**July 25, 2022**

Dear Sir/Madam,

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

This is with reference to our letter dated July 14, 2022 informing about the Board Meeting scheduled on July 25, 2022.

The Board of Directors of Tejas Networks Limited ('the Company') at their meeting held on Monday, July 25, 2022 through video-conference has *inter alia* considered and approved the following:

### **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, 2022 together with the Limited review report of the Statutory Auditors for the said period is enclosed as **Annexure - A**.

### **Other matters:**

2. Based on the recommendations of the Nomination and Remuneration Committee, the Board approved the grant of 2,150 Restricted Stock Units at face value of Rs. 10/- each under Tejas Restricted Stock Unit Plan 2017 to the employees of the Company with the effective date of grant as July 25, 2022.
3. Allotment of 26,320 Equity Shares of the Company pursuant to exercise of the Stock Options/ Restricted Stock Units by eligible Employees/Senior Management/ Key Managerial Personnel of the Company under respective Stock Options Plans/ Tejas Restricted Stock Unit Plan 2017.

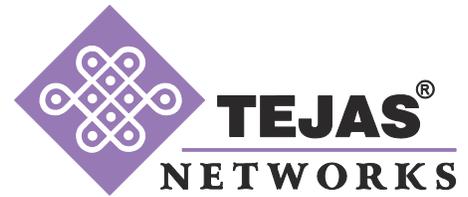
### **We also enclose:**

- a) Copy of the press release issued with respect of said financial results as **Annexure- B**.
- b) Extracts of the unaudited financial results under IND-AS (Standalone and Consolidated) for the quarter ended June 30, 2022 being published in the newspapers as **Annexure - C**.

Please note that the Conference Call details to discuss the Company's performance on Monday, July 25, 2022 at 7.00 P.M (IST) has already been intimated to Stock Exchanges vide our letter dated July 18, 2022.

## Tejas Networks Ltd.

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

Kindly take the above information on record and acknowledge.

Thanking you,

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,  
Konnappa 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, 2022, which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2022' together with the notes thereon (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 initiated 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 Standalone 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.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bengaluru - 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

5. We draw your attention to Note 7 to the Standalone Statement which explains the uncertainties and the management's assessment of the financial impact (including recoverability of carrying value of assets) due to supply constraints and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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



Mohan Danivas S A  
Partner

Membership Number: 209136  
UDIN: 22209136ANOUA5432

Place: Bengaluru  
Date: July 25, 2022



**Tejas Networks Limited**

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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

**Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2022**

Particulars	(Rs in crore except per share data)			
	Quarter ended June 30, 2022	Quarter ended March 31, 2022	Quarter ended June 30, 2021	Year ended March 31, 2022
	Unaudited	Unaudited (Refer Note - 12)	Unaudited	Audited
I Revenue from operations	125.63	125.50	144.07	549.14
II Other Income	18.69	14.39	8.38	43.25
<b>III Total income (I + II)</b>	<b>144.32</b>	<b>139.89</b>	<b>152.45</b>	<b>592.39</b>
<b>IV EXPENSES</b>				
(a) Cost of materials consumed	67.40	70.86	65.96	290.74
(b) Purchases of stock in trade	8.93	5.47	9.28	23.69
(c) Changes in inventories of stock in trade	0.28	(0.33)	(1.43)	(3.65)
(d) Employee benefit expense	37.17	37.39	27.02	124.51
(e) Finance costs	0.88	0.22	1.23	3.03
(f) Depreciation and amortization expense	23.37	21.89	16.39	76.78
(g) Allowance for expected credit loss	(4.71)	68.64	1.16	87.91
(h) Other expenses	23.98	32.66	24.57	107.53
<b>Total expenses (IV)</b>	<b>157.30</b>	<b>236.80</b>	<b>144.18</b>	<b>710.54</b>
<b>V Profit/(Loss) before tax (III - IV)</b>	<b>(12.98)</b>	<b>(96.91)</b>	<b>8.27</b>	<b>(118.15)</b>
<b>VI Income tax expense/(benefit)</b>				
(1) Current tax expense/(benefit)	(0.89)	9.77	1.44	0.19
(2) Deferred tax expense/(benefit)	(5.41)	(56.04)	(0.65)	(54.61)
<b>Total tax expense/(benefit)</b>	<b>(6.30)</b>	<b>(46.27)</b>	<b>0.79</b>	<b>(54.42)</b>
<b>VII Profit/(Loss) after tax (V - VI)</b>	<b>(6.68)</b>	<b>(50.64)</b>	<b>7.48</b>	<b>(63.73)</b>
<b>VIII Other comprehensive income/(loss)</b>				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit obligation	(0.05)	0.29	0.05	(2.08)
Income tax relating to above	-	(0.41)	(0.01)	-
<b>IX Total comprehensive income/(loss) for the period (VII + VIII)</b>	<b>(6.73)</b>	<b>(50.76)</b>	<b>7.52</b>	<b>(65.81)</b>
<b>X Earnings/(Loss) per equity share</b>				
<b>Equity shares of par value Rs. 10 each</b>				
(1) Basic	(0.44)	(4.43)	0.80	(6.07)
(2) Diluted (Refer Note - 10)	(0.44)	(4.43)	0.77	(6.07)

*For identification purpose*





## Tejas Networks Limited

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

### Notes

1 This Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2022 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. Networking equipment.

3 In July 2017, Income Tax Department initiated proceedings under section 132 of the Income Tax Act, 1961 for assessment years 2012-13 to 2018-19. During the year 2019-20, 2020-21 and 2022-23 certain other agencies sent notices as part of their inquiries, which were duly responded / attended by the Company and its officials.

In FY 2019-20, the Income Tax assessments for AY 2012-13 to 2018-19 were carried out and the Company received Income Tax demands for Rs. 25.62 crore (after adjusting carry forward losses of earlier years) and Rs. 0.48 crore for AY 2017-18 and AY 2018-19, respectively. Pursuant to the Company's application for rectification of certain errors in the aforesaid orders, during the quarter ended September 30, 2020, the Company received rectification orders for AY 2012-13 to AY 2018-19 under section 154 of the IT Act. Certain brought forward losses which were not considered in the earlier demand orders were allowed and other computation errors were corrected in the rectification orders resulting in a cumulative net refund position. The Company has also filed appeal against the orders for the aforementioned assessment years disputing certain disallowances. The management is of the view that the outcome of these proceedings/ notices has no material adverse impact on the Company's financial results.

4 During FY 2018-19 and 2019-20, the Company received demand orders for Rs. 42.92 crore towards additional duty and penalty from the Customs Excise and Service Tax Appellate Tribunal (CESTAT) on the applicability of excise duty on software used in the multiplexer products pertaining to FY 2002-03 to FY 2009-10. Further, an additional penalty on certain officers of the Company amounting to Rs. 0.90 crore was raised. The Company has filed a stay application before the Honourable Supreme Court and has also filed an appeal before CESTAT.

During the previous year the Company received a demand order for Rs. 3.32 crore for FY 2010-11 to FY 2013-14 on similar matters. The Company has filed appeals with the concerned authorities. Based on an assessment, supported by an external legal opinion, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in this regard.

5 The Company has, at various grant dates issued Restricted Stock Units (RSUs) to its employees 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, 2022, an amount of Rs. 3.29 crore (June 30, 2021: Rs. 1.79 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, 2022, aggregates to 15,37,585 (June 30, 2021: 18,23,490).

6 The Company has from time to time in the normal course of business entered into factoring agreements on a non-recourse basis with bankers/factoring institutions for some of the trade receivables. As at June 30, 2022 the trade receivables do not include receivables amounting to Rs. 27.47 crore (June 30, 2021: NIL) which have been derecognized in accordance with Ind AS 109, 'Financial Instruments', pursuant to such factoring arrangements entered in the current quarter.

#### 7 Impact due to supply constraints and other conditions relating to COVID-19 pandemic

The spread of COVID-19 continues to have an impact on certain businesses around the globe. During the quarter ended June 30, 2022, uncertainties caused by the pandemic continued to result in some delays in customer payments. Management also has experienced delays in executing the orders-in-hand, due to an increase in lead-time for sourcing semiconductor components. Based on current assessment, management is of the view that some uncertainty is likely to continue till the demand-supply situation in the semiconductor component industry stabilises.

The Company had capital infusion by way of conversion of share warrants to equity shares during the quarter ended June 30, 2022 and the Company does not have borrowings as at the quarter end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at June 30, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken into account all possible impact of known events arising from supply constraints and other conditions related to the COVID-19 pandemic situation in making this assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

*For identification purpose*





## Tejas Networks Limited

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

### 8 Issue of Equity shares and Warrants through Preferential allotment

During the year ended March 31, 2022, the Company made preferential allotment, based on the approval of the Board of Directors, as follows:

- 1,93,79,845 equity shares, having face value of Rs. 10/- each, at a price of Rs. 258 per Equity Share, aggregating to Rs. 500 crore ("Subscription Shares");
- 3,68,21,706 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of Rs. 258 per equity share aggregating to Rs. 950 crore ("Series A Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the warrants until expiry of 11 (eleven) months from the date of allotment of the warrants ("Series A Warrants"); and
- 1,55,03,876 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of Rs. 258 per equity share aggregating to Rs. 400 crore ("Series B Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing after the expiry of 12 (twelve) months from the date of allotment of the warrants until expiry of 18 (eighteen) months from the date of allotment of the warrants ("Series B Warrants");

on terms and conditions as determined by the Board in accordance with the SEBI (ICDR) Regulations and other applicable laws, and as set out in the share subscription agreement executed between the Company and Panatone Finvest Limited (a subsidiary of Tata Sons Private Limited).

The Company on September 7, 2021 received a total amount aggregating to Rs. 837.50 crore, which includes exercise price on subscription shares amounting to Rs. 500 crore and 25% of the Series A Warrants and Series B Warrants amounting to Rs. 237.50 crore and Rs. 100 crore respectively.

In view of substantial acquisition of securities, voting rights and control over the Company, Panatone Finvest Limited along with Akashastha Technologies Private Limited (a subsidiary of Panatone Finvest limited) and Tata Sons Private Limited made an Open Offer to acquire 4,02,55,631 fully paid-up equity shares at Rs. 258/- per equity share. The open offer tendering commenced on October 11, 2021 and ended on October 26, 2021. 2,592 equity shares were acquired through the open offer. Upon completion of the Open Offer, Panatone Finvest Limited is designated as promoter of the Company and Akashastha Technologies Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

During the quarter ended June 30, 2022, Panatone Finvest Limited exercised the right attached to the Series A Warrants and subscribed to the equity shares by remitting the balance 75% of the Exercise Price of Series A Warrant amounting to Rs. 712.50 crore. On April 8, 2022, the Company allotted 3,68,21,706 equity shares upon exercise of warrants.

The balance 75% of Series B Warrants shall be payable at the time of allotment of equity shares pursuant to exercise of rights attached to Series B Warrants to subscribe to equity share. The 25% of consideration amount received upfront against Series B Warrants shall be adjusted / set-off against the issue price for the resultant equity shares.

- 9 On March 30, 2022, the Company signed definitive agreements to acquire upto 64.40% of shares of Saankhya Labs Private Limited, Bangalore, for Rs 283.94 crore in cash. The acquisition is expected to enhance the Company's Wireless offerings by adding 5G ORAN, 5G Cellular Broadcast and Satellite communication products to its product portfolio. Post the quarter ended June 30, 2022, the Company, on various dates, acquired 61,57,925 equity shares in aggregate through secondary purchase at a price of Rs. 454.19/- per equity share amounting to 63.43% of the equity share capital of Saankhya Labs Private Limited., on a fully diluted basis for an aggregate consideration of Rs. 279.69 crore. The Company is in process of acquiring the balance 93,571 equity shares in due course of time. Consequent to the said acquisition, Saankhya Labs Private Limited has become a subsidiary of the Company. The Company, upon procuring all necessary consents and approvals also intends to proceed with acquiring the balance 35.60% shares through a merger process or a secondary acquisition.
- 10 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 when they are anti-dilutive for the period presented.
- 11 Previous period's figures have been regrouped/reclassified wherever necessary, to confirm with the current period's presentation for the purpose of comparability.
- 12 The figures for the quarter ended March 31, 2022 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 the respective financial years which were subjected to review by the statutory auditors.
- 13 The above statement of 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 25, 2022.

For and on behalf of the Board of Directors

**Sanjay Nayak**  
CEO and Managing Director  
(DIN: 01049871)

Place: Bengaluru  
Date: July 25, 2022

*For identification purpose*



# 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"), 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, 2022 which are included in the accompanying "Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2022" together with the notes thereon (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 initialed 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.

4. The Consolidated Statement includes the results of the following entities:
  - a) Tejas Communication Pte. Limited, Singapore
  - b) Tejas Communications (Nigeria) Limited



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor  
Bengaluru - 560 008  
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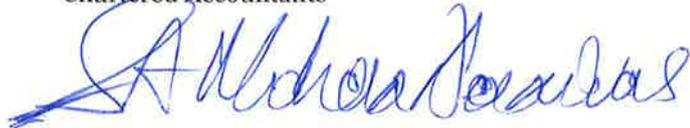
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAG-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/NS00016 (ICAI registration number before conversion was 012754N)

## Price Waterhouse Chartered Accountants LLP

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. We draw your attention to Note 9 to the Consolidated Statement which explains the uncertainties and the management's assessment of the financial impact (including recoverability of carrying value of assets) due to supply constraints and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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



Mohan Danivas S A  
Partner

Membership Number: 209136  
UDIN: 22209136ANOBBM1821

Place: Bengaluru  
Date: July 25, 2022



## Tejas Networks Limited

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

### Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2022

Particulars	(Rs. in crore except per share data)			
	Quarter ended June 30, 2022	Quarter ended March 31, 2022	Quarter ended June 30, 2021	Year ended March 31, 2022
	Unaudited	Unaudited (Refer Note - 14)	Unaudited	Audited
I Revenue from operations	125.76	126.50	144.25	550.59
II Other Income	18.69	14.36	8.38	43.30
III <b>Total income (I + II)</b>	<b>144.45</b>	<b>140.86</b>	<b>152.63</b>	<b>593.89</b>
<b>IV EXPENSES</b>				
(a) Cost of materials consumed	67.40	70.86	65.96	290.74
(b) Purchases of stock in trade	8.93	5.47	9.28	23.69
(c) Changes in inventories of stock in trade	0.28	(0.33)	(1.43)	(3.65)
(d) Employee benefit expense	37.96	41.35	29.60	134.43
(e) Finance costs	0.94	0.25	1.26	3.19
(f) Depreciation and amortization expense	23.37	21.89	16.39	76.78
(g) Allowance for expected credit loss	(4.71)	68.49	1.16	87.76
(h) Other expenses	23.22	28.77	22.07	98.08
<b>Total Expenses (IV)</b>	<b>157.39</b>	<b>236.75</b>	<b>144.29</b>	<b>711.02</b>
V <b>Profit/(Loss) before tax (III - IV)</b>	<b>(12.94)</b>	<b>(95.89)</b>	<b>8.34</b>	<b>(117.13)</b>
VI <b>Income tax expense/(benefit)</b>				
(1) Current tax expense/(benefit)	(0.89)	9.77	1.44	0.19
(2) Deferred tax expense/(benefit)	(5.41)	(56.04)	(0.65)	(54.61)
<b>Total tax expense/(benefit)</b>	<b>(6.30)</b>	<b>(46.27)</b>	<b>0.79</b>	<b>(54.42)</b>
VII <b>Profit/(Loss) after tax (V - VI)</b>	<b>(6.64)</b>	<b>(49.62)</b>	<b>7.55</b>	<b>(62.71)</b>
VIII <b>Other comprehensive income/(loss)</b>				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit obligation	(0.05)	0.27	0.05	(2.08)
Income tax relating to above	-	(0.41)	(0.01)	-
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	0.22	(0.34)	0.01	0.89
<b>Total comprehensive income/(loss) for the period (VII + VIII)</b>	<b>(6.47)</b>	<b>(50.10)</b>	<b>7.60</b>	<b>(63.90)</b>
IX <b>Earnings/(Loss) per equity share</b>				
Equity shares of par value Rs. 10 each				
(1) Basic	(0.45)	(4.34)	0.81	(5.97)
(2) Diluted (Refer Note - 12)	(0.45)	(4.34)	0.78	(5.97)

*For identification purpose*





## 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') and the following subsidiary/ step down subsidiary (collectively referred as 'the Group' hereinunder):
- Tejas Communication Pte. Limited, Singapore
  - Tejas Communications (Nigeria) Limited

- 2 This Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2022 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. Networking equipment.

- 4 **Summary of key standalone financial results of the Company is as follows:**

(Rs. in crore)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
Revenues from operations	125.63	125.50	144.07	549.14
Profit/(Loss) before tax	(12.98)	(96.91)	8.27	(118.15)
Profit/(Loss) after tax	(6.68)	(50.64)	7.48	(63.73)

Note: The standalone financials results of the Group for the above mentioned periods are available in the investors section in [www.tejasnetworks.com](http://www.tejasnetworks.com) and also with the stock exchanges where it is listed. The information above has been extracted from the published standalone financial results.

- 5 In July 2017, Income Tax Department initiated proceedings under section 132 of the Income Tax Act, 1961 for assessment years 2012-13 to 2018-19. During the year 2019-20, 2020-21 and 2022-23 certain other agencies sent notices as part of their inquiries, which were duly responded / attended by the Company and its officials.

In FY 2019-20, the Income Tax assessments for AY 2012-13 to 2018-19 were carried out and the Company received Income Tax demands for Rs. 25.62 crore (after adjusting carry forward losses of earlier years) and Rs. 0.48 crore for AY 2017-18 and AY 2018-19, respectively. Pursuant to the Company's application for rectification of certain errors in the aforesaid orders, during the quarter ended September 30, 2020, the Company received rectification orders for AY 2012-13 to AY 2018-19 under section 154 of the IT Act. Certain brought forward losses which were not considered in the earlier demand orders were allowed and other computation errors were corrected in the rectification orders resulting in a cumulative net refund position. The Company has also filed appeal against the orders for the aforementioned assessment years disputing certain disallowances. The management is of the view that the outcome of these proceedings/ notices has no material adverse impact on the Group's financial results.

- 6 During FY 2018-19 and 2019-20, the Company received demand orders for Rs. 42.92 crore towards additional duty and penalty from the Customs Excise and Service Tax Appellate Tribunal (CESTAT) on the applicability of excise duty on software used in the multiplexer products pertaining to FY 2002-03 to FY 2009-10. Further, an additional penalty on certain officers of the Company amounting to Rs. 0.90 crore was raised. The Company has filed a stay application before the Honourable Supreme Court and has also filed an appeal before CESTAT. During the previous year the Company received a demand order for Rs. 3.32 crore for FY 2010-11 to FY 2013-14 on similar matters. The Company has filed appeals with the concerned authorities. Based on an assessment, supported by an external legal opinion, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in this regard.

- 7 The Company has, at various grant dates issued Restricted Stock Units (RSUs) to its employees 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, 2022, an amount of Rs. 3.29 crore (June 30, 2021: Rs. 1.79 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, 2022, aggregates to 15,37,585 (June 30, 2021: 18,23,490).

- 8 The Company has from time to time in the normal course of business entered into factoring agreements on a non-recourse basis with bankers/factoring institutions for some of the trade receivables. As at June 30, 2022 the trade receivables do not include receivables amounting to Rs. 27.47 crore (June 30, 2021: NIL) which have been derecognized in accordance with Ind AS 109, 'Financial Instruments', pursuant to such factoring arrangements entered in the current quarter.

- 9 **Impact due to supply constraints and other conditions relating to COVID-19 pandemic**

The spread of COVID-19 continues to have an impact on certain businesses around the globe. During the quarter ended June 30, 2022, uncertainties caused by the pandemic continued to result in some delays in customer payments. Management also has experienced delays in executing the orders-in-hand, due to an increase in lead-time for sourcing semiconductor components. Based on current assessment, management is of the view that some uncertainty is likely to continue till the demand-supply situation in the semiconductor component industry stabilises.

The Company had capital infusion by way of conversion of share warrants to equity shares during the quarter ended June 30, 2022 and the Company does not have borrowings as at the quarter end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at June 30, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken into account all possible impact of known events arising from supply constraints and other conditions related to the COVID-19 pandemic situation in making this assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Group will continue to closely monitor any material changes to future economic conditions.

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### 10 Issue of Equity shares and Warrants through Preferential allotment

During the year ended March 31, 2022, the Company made preferential allotment, based on the approval of the Board of Directors, as follows:

- 1,93,79,845 equity shares, having face value of Rs. 10/- each, at a price of Rs. 258 per Equity Share, aggregating to Rs. 500 crore ("Subscription Shares");
- 3,68,21,706 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of Rs. 258 per equity share aggregating to Rs. 950 crore ("Series A Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing from the date of allotment of the warrants until expiry of 11 (eleven) months from the date of allotment of the warrants ("Series A Warrants"); and
- 1,55,03,876 warrants, each carrying a right to subscribe to 1 (one) equity share at an exercise price of Rs. 258 per equity share aggregating to Rs. 400 crore ("Series B Warrant Exercise Price"), which may be exercised in one or more tranches during the period commencing after the expiry of 12 (twelve) months from the date of allotment of the warrants until expiry of 18 (eighteen) months from the date of allotment of the warrants ("Series B Warrants");

on terms and conditions as determined by the Board in accordance with the SEBI (ICDR) Regulations and other applicable laws, and as set out in the share subscription agreement executed between the Company and Panatone Finvest Limited (a subsidiary of Tata Sons Private Limited).

The Company on September 7, 2021 received a total amount aggregating to Rs. 837.50 crore, which includes exercise price on subscription shares amounting to Rs. 500 crore and 25% of the Series A Warrants and Series B Warrants amounting to Rs. 237.50 crore and Rs. 100 crore respectively.

In view of substantial acquisition of securities, voting rights and control over the Company, Panatone Finvest Limited along with Akashastha Technologies Private Limited (a subsidiary of Panatone Finvest limited) and Tata Sons Private Limited made an Open Offer to acquire 4,02,55,631 fully paid-up equity shares at Rs. 258/- per equity share. The open offer tendering commenced on October 11, 2021 and ended on October 26, 2021. 2,592 equity shares were acquired through the open offer. Upon completion of the Open Offer, Panatone Finvest Limited is designated as promoter of the Company and Akashastha Technologies Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

During the quarter ended June 30, 2022, Panatone Finvest Limited exercised the right attached to the Series A Warrants and subscribed to the equity shares by remitting the balance 75% of the Exercise Price of Series A Warrant amounting to Rs. 712.50 crore. On April 8, 2022, the Company allotted 3,68,21,706 equity shares upon exercise of warrants.

The balance 75% of Series B Warrants shall be payable at the time of allotment of equity shares pursuant to exercise of rights attached to Series B Warrants to subscribe to equity share. The 25% of consideration amount received upfront against Series B Warrants shall be adjusted / set-off against the issue price for the resultant equity shares.

- 11 On March 30, 2022, the Company signed definitive agreements to acquire upto 64.40% of shares of Saankhya Labs Private Limited, Bangalore, for Rs 283.94 crore in cash. The acquisition is expected to enhance the Company's Wireless offerings by adding 5G ORAN, 5G Cellular Broadcast and Satellite communication products to its product portfolio. Post the quarter ended June 30, 2022, the Company, on various dates, acquired 61,57,925 equity shares in aggregate through secondary purchase at a price of Rs. 454.19/- per equity share amounting to 63.43% of the equity share capital of Saankhya Labs Private Limited., on a fully diluted basis for an aggregate consideration of Rs. 279.69 crore. The Company is in process of acquiring the balance 93,571 equity shares in due course of time. Consequent to the said acquisition, Saankhya Labs Private Limited has become a subsidiary of the Company. The Company, upon procuring all necessary consents and approvals also intends to proceed with acquiring the balance 35.60% shares through a merger process or a secondary acquisition.
- 12 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 when they are anti-dilutive for the period presented.
- 13 Previous period's figures have been regrouped/reclassified wherever necessary, to confirm with the current period's presentation for the purpose of comparability.
- 14 The figures for the quarter ended March 31, 2022 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 the respective financial years which were subjected to review by the statutory auditors.
- 15 The above statement of 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 June 25, 2022.

*For identification purpose*



Place: Bengaluru  
Date: July 25, 2022

For and on behalf of the Board of Directors

Sanjay Nayak  
CEO and Managing Director  
(DIN: 01049871)





## **Press Release**

**Tejas Networks announces consolidated results for quarter ended June 30, 2022**

***Q1 23 revenue was Rs. 125.8 crore***

***Q1 23 loss was Rs. 6.6 crore***

**Bengaluru, July 25, 2022:** Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the first quarter ended June 30, 2022. Tejas Networks designs, develops, manufactures and sells high-performance telecom and networking products, which are used to build high-speed communication networks.

For Q1-FY23, consolidated net revenue was Rs. 125.8 crore, which was a YoY decrease of 12.8%, resulting in a loss before tax of Rs. 12.9 crore as compared to a profit of Rs. 8.3 crore, for corresponding previous period. Loss after tax was Rs. 6.6 crore as compared to profit of Rs. 7.6 crore for corresponding previous period.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, "We continued to experience supply chain challenges and we could not manufacture enough products to make complete, balanced shipments against our open orders. We are re-engineering our supply chain processes and IT tools, to better manage the unpredictability of component supplies. With these changes, along with our strong order book of Rs 1,158 crores and advance inventory actions, we expect to see better revenue performance in the coming quarters. We continue to increase our R&D and manufacturing investments for 4G and 5G wireless products and are seeing a good pipeline of business building up".

Mr. Venkatesh Gadiyar, CFO said, "During Q1, we saw margin pressure due to industry-wide increase in component prices over last few quarters, which we could not pass on to some of our customers with whom we had agreed for fixed price deals. Our cash position continues to be healthy and as on June 30, 2022 our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, were Rs. 1,739 crore and we continue to be a debt-free Company".

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### **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.*

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Tejas Networks Limited and subsidiaries  
Abstract of Consolidated Balance Sheet as at

(in Rs. crore)

	June 30, 2022	March 31, 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	42.01	40.09
Right-of-use assets	48.82	14.56
Intangible assets	73.30	83.20
Intangible assets under development	61.48	39.61
<b>Financial assets</b>		
Trade receivables	8.39	7.07
Other financial assets <sup>1</sup>	3.74	5.71
Current tax asset (net)	34.94	35.63
Deferred Tax Asset	116.74	111.33
Other non-current assets	23.60	23.19
<b>Total non - current assets</b>	<b>413.02</b>	<b>360.39</b>
<b>Current assets</b>		
Inventories	322.37	278.02
<b>Financial assets</b>		
Investments <sup>2</sup>	506.31	401.78
Trade receivables	289.96	285.09
Cash and cash equivalents <sup>3</sup>	293.46	47.56
Other bank balances <sup>4</sup>	586.94	299.68
Other financial assets <sup>5</sup>	367.97	363.16
Other current assets	91.01	74.44
<b>Total current assets</b>	<b>2,458.02</b>	<b>1,749.73</b>
<b>Total assets</b>	<b>2,871.04</b>	<b>2,110.12</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	154.80	117.82
Other equity	2,485.09	1,812.43
<b>Total equity</b>	<b>2,639.89</b>	<b>1,930.25</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Lease Liabilities	46.74	11.95
Provisions	0.87	0.49
<b>Total non - current liabilities</b>	<b>47.61</b>	<b>12.44</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Lease Liabilities	5.45	7.81
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	9.84	11.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	126.53	100.09
Other financial liabilities	20.78	22.48
Provisions	9.31	6.92
Other current liabilities	11.63	18.65
<b>Total current liabilities</b>	<b>183.54</b>	<b>167.43</b>
<b>Total equity and liabilities</b>	<b>2,871.04</b>	<b>2,110.12</b>

Supplementary Information

(in Rs. crore)

Cash and Cash Equivalents as at	June 30, 2022	March 31, 2022
<sup>1</sup> Other non current financial asset includes Fixed Deposits with banks with remaining maturity of more than twelve months	-	0.22
<sup>2</sup> Investments includes Investment in mutual funds	506.31	401.78
<sup>3</sup> Cash and cash equivalents	293.46	47.56
<sup>4</sup> Other bank balances	586.94	299.68
<sup>5</sup> Other current financial asset includes Deposits with financial institutions	351.79	351.79
<sup>5</sup> Other current financial asset includes Fixed Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	-	1.15
<b>Total</b>	<b>1,738.50</b>	<b>1,102.18</b>



Tejas Networks Limited and subsidiaries  
Consolidated Statements of Comprehensive Income for

(in Rs. crore, except share data)

	Quarter ended June 30, 2022	Quarter ended March 31, 2022	Quarter ended June 30, 2021	Year ended March 31, 2022
Revenue from operations	125.76	126.50	144.25	550.59
Other Income	18.69	14.36	8.38	43.30
<b>Total Income</b>	<b>144.45</b>	<b>140.86</b>	<b>152.63</b>	<b>593.89</b>
<b>Expenses</b>				
Cost of materials consumed	67.40	70.86	65.96	290.74
Purchases of stock in trade	8.93	5.47	9.28	23.69
Changes in inventories of stock in trade	0.28	(0.33)	(1.43)	(3.65)
Employee benefit expense	37.96	41.35	29.60	134.43
Finance costs	0.94	0.25	1.26	3.19
Depreciation and amortization expense	23.37	21.89	16.39	76.78
Allowance for expected credit loss	(4.71)	68.49	1.16	87.76
Other expenses	23.22	28.77	22.07	98.08
<b>Total Expenses</b>	<b>157.39</b>	<b>236.75</b>	<b>144.29</b>	<b>711.02</b>
<b>Profit/(Loss) before tax</b>	<b>(12.94)</b>	<b>(95.89)</b>	<b>8.34</b>	<b>(117.13)</b>
Current tax	(0.89)	9.77	1.44	0.19
Deferred tax	(5.41)	(56.04)	(0.65)	(54.61)
<b>Profit/(Loss) after tax</b>	<b>(6.64)</b>	<b>(49.62)</b>	<b>7.55</b>	<b>(62.71)</b>
<b>Other comprehensive income/(loss)</b>	<b>0.17</b>	<b>(0.48)</b>	<b>0.05</b>	<b>(1.19)</b>
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit obligation (Net of tax)	(0.05)	(0.14)	0.04	(2.08)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	0.22	(0.34)	0.01	0.89
<b>Total comprehensive income/(loss) for the period</b>	<b>(6.47)</b>	<b>(50.10)</b>	<b>7.60</b>	<b>(63.90)</b>
<b>Earnings/(Loss) per equity share of Rs. 10 each</b>				
<b>Basic (Rs.)</b>	<b>(0.45)</b>	<b>(4.34)</b>	<b>0.81</b>	<b>(5.97)</b>
<b>Diluted (Rs.)</b>	<b>(0.45)</b>	<b>(4.34)</b>	<b>0.78</b>	<b>(5.97)</b>
Weighted average equity shares used in computing earnings per equity share				
<b>Basic</b>	<b>14,86,17,496</b>	<b>11,42,44,004</b>	<b>9,33,45,059</b>	<b>10,50,19,617</b>
<b>Diluted</b>	<b>14,86,17,496</b>	<b>11,42,44,004</b>	<b>9,67,87,743</b>	<b>10,50,19,617</b>

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Extract of Unaudited Consolidated Results for the quarter ended June 30, 2022

(Rs. in crore except per share data)

Sl. No.	Particulars	Quarter ended June 30, 2022	Year ended March 31, 2022	Quarter ended June 30, 2021
1	Total Income from operations*	125.76	550.59	144.25
2	Net Profit/(Loss) before tax	(12.94)	(117.13)	8.34
3	Net Profit/(Loss) after tax	(6.64)	(62.71)	7.55
4	Total Comprehensive Income/(Loss) for the period (Comprising Profit/(Loss) for the period after tax and Other Comprehensive Income/(Loss) after tax)	(6.47)	(63.90)	7.60
5	Equity Share Capital (Face value of Rs. 10/- each)	154.80	117.82	96.86
6	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	1,812.43	-
7	Earnings/(Loss) per Share (of Rs. 10/- each)			
	(i) Basic Rs.	(0.45)	(5.97)	0.81
	(ii) Diluted Rs.	(0.45)	(5.97)	0.78

## Notes

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

Particulars	Quarter ended June 30, 2022	Year ended March 31, 2022	Quarter ended June 30, 2021
Total Income from operations*	125.63	549.14	144.07
Net Profit/(Loss) before tax	(12.98)	(118.15)	8.27
Net Profit/(Loss) after tax	(6.68)	(63.73)	7.48

2 The above is an extract of the detailed format of quarterly 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 financial results are available on the website of the Stock Exchange(s) and the Company (www.tejasnetworks.com).

3 In July 2017, Income Tax Department initiated proceedings under section 132 of the Income Tax Act, 1961 for assessment years 2012-13 to 2018-19. During the year 2019-20, 2020-21 and 2022-23 certain other agencies sent notices as part of their inquiries, which were duly responded / attended by the Company and its officials.

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4 During FY 2018-19 and 2019-20, the Company received demand orders for Rs. 42.92 crore towards additional duty and penalty from the Customs Excise and Service Tax Appellate Tribunal (CESTAT) on the applicability of excise duty on software used in the multiplexer products pertaining to FY 2002-03 to FY 2009-10. Further, an additional penalty on certain officers of the Company amounting to Rs. 0.90 crore was raised. The Company has filed a stay application before the Honourable Supreme Court and has also filed an appeal before CESTAT.

During the previous year the Company received a demand order for Rs. 3.32 crore for FY 2010-11 to FY 2013-14 on similar matters. The Company has filed appeals with the concerned authorities. Based on an assessment, supported by an external legal opinion, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in this regard.



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The Company had capital infusion by way of conversion of share warrants to equity shares during the quarter ended June 30, 2022 and the Company does not have borrowings as at the quarter end. In the view of the management, there is no significant impact on the immediate liquidity position of the company based on management's evaluation of future cash flows for the next one year. As at June 30, 2022, management has made an assessment of the recoverability of carrying values of Property, Plant and Equipment, Intangible assets, Inventories and Financial assets. Management has taken into account all possible impact of known events arising from supply constraints and other conditions related to the COVID-19 pandemic situation in making this assessment and has concluded that no further adjustments are considered necessary.

The above impact assessment is however a continuing process given the uncertainties associated with its nature and duration. The Group will continue to closely monitor any material changes to future economic conditions.

- 7 On March 30, 2022, the Company signed definitive agreements to acquire upto 64.40% of shares of Saankhya Labs Private Limited, Bangalore, for Rs 283.94 crore in cash. The acquisition is expected to enhance the Company's Wireless offerings by adding 5G ORAN, 5G Cellular Broadcast and Satellite communication products to its product portfolio. Post the quarter ended June 30, 2022, the Company, on various dates, acquired 61,57,925 equity shares in aggregate through secondary purchase at a price of Rs. 454.19/- per equity share amounting to 63.43% of the equity share capital of Saankhya Labs Private Limited., on a fully diluted basis for an aggregate consideration of Rs. 279.69 crore. The Company is in process of acquiring the balance 93,571 equity shares in due course of time. Consequent to the said acquisition, Saankhya Labs Private Limited has become a subsidiary of the Company. The Company, upon procuring all necessary consents and approvals also intends to proceed with acquiring the balance 35.60% shares through a merger process or a secondary acquisition.

\* excludes other income.

For and on behalf of the Board of Directors

**Sanjay Nayak**  
CEO and Managing Director  
(DIN: 01049871)

Place: Bengaluru  
Date: July 25, 2022