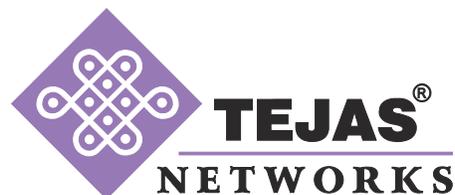


Tejas Networks Ltd.

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

October 23, 2019

Dear Sir/Madam,

Re: Outcome of Board Meeting

This is with reference to our letter dated October 03, 2019 informing about the Board Meeting scheduled on October 23, 2019.

The Board of Directors of Tejas Networks Limited ('the Company') at their meeting held on Wednesday, October 23, 2019 at Bangalore 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 and half-year ended September 30, 2019 together with the Limited review report of the Statutory Auditors for the said period is enclosed as **Annexure - A**.

Other matters

2. The Nomination and Remuneration Committee and the Board of Directors in its meeting held today, have approved the grant of 43,800 Restricted Stock Units at face value of Rs. 10/- each under Tejas Restricted Stock Unit Plan 2017 to the employees including senior management of the Company with the effective date of grant as of October 23, 2019.
3. Allotment of 3,159 Equity Shares of the Company pursuant to exercise of the Stock Options/ Restricted Stock Units by eligible employees of the Company under respective Stock Options Plans/ Tejas Restricted Stock Unit Plan 2017.

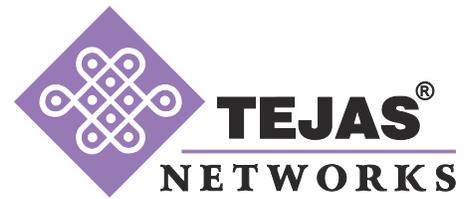
We also enclose:

- 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 and half-year ended September 30, 2019 being published in the newspapers as **Annexure - C**.

Please note that the Conference Call details to discuss the Company's performance on Wednesday, October 23, 2019 at 7.00 P.M (IST) has already been intimated to Stock Exchanges vide our letter dated October 21, 2019.

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The above information is also being made available on the website of the Company at www.tejasnetworks.com.

Kindly take the above information on record and acknowledge.

Thanking you,

Yours sincerely

For Tejas Networks Limited

A handwritten signature in blue ink, consisting of stylized initials and a horizontal line.

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

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Review Report on the unaudited standalone results

The Board of Directors
Tejas Networks Limited,
5th Floor, J P Software Park,
Plot No 25, Sy. No 13, 14, 17, 18,
Konnapana Agrahara Village,
Begur Hobli, Bangalore – 560100

1. We have reviewed the unaudited standalone financial results of Tejas Networks Limited (the "Company") for the quarter ended September 30, 2019 which are included in the accompanying 'Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2019', the unaudited standalone statement of assets and liabilities as on that date, the unaudited standalone statement of cash flows for the half-year ended on that date and the Notes thereon (together referred to as the "Statement"). The 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. This 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 Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying 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
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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 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

Independent Auditor's Review Report on the unaudited standalone results

Page 2 of 2

4. We were neither engaged to review, nor have we reviewed the comparative figures for the statement of cash flows for the period April 1, 2018 to September 30, 2018 and accordingly, we do not express any conclusion on the cash flows presented in the Statement for the period from April 1, 2018 to September 30, 2018. As set out in note 9 to the Statement, these figures have been furnished by the Management. Our conclusion on the statement is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016



Pradip Kanakia

Partner

Membership Number: 039985

UDIN: 19039985AAAABQ3117

Place: Bengaluru

Date: October 23, 2019



Tejas Networks Limited

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

Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2019

(Rs. in crore except per share data)

Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	85.76	160.56	205.61	246.32	441.02	894.03
II Other Income	6.89	7.05	10.80	13.94	20.52	36.64
III Total income (I + II)	92.65	167.61	216.41	260.26	461.54	930.67
IV EXPENSES						
(a) Cost of materials consumed	35.22	93.82	111.22	129.04	222.84	463.70
(b) Employee benefit expense	21.38	24.90	28.35	46.28	59.39	117.60
(c) Finance costs	2.47	3.41	3.90	5.88	7.07	16.88
(d) Depreciation and amortization expense	18.24	17.59	15.04	35.83	32.24	65.88
(e) Other expenses	21.73	17.76	20.98	39.49	51.32	117.14
Total expenses (IV)	99.04	157.48	179.49	256.52	372.86	781.20
V Profit/(Loss) before tax (III - IV)	(6.39)	10.13	36.92	3.74	88.68	149.47
VI Income tax expense						
(1) Current tax	(1.54)	2.20	7.91	0.66	19.52	19.63
(2) Deferred tax expense/(benefit)	(1.55)	2.16	(5.00)	0.61	(10.00)	(16.85)
Total tax expense	(3.09)	4.36	2.91	1.27	9.52	2.78
VII Profit/(Loss) after tax (V - VI)	(3.30)	5.77	34.01	2.47	79.16	146.69
VIII Other comprehensive income/(loss)						
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation	0.24	(0.05)	(0.32)	0.19	(0.39)	(2.20)
Income tax relating to above	(0.01)	0.01	0.06	-	0.08	0.48
IX Total comprehensive income/(loss) for the period (VII + VIII)	(3.07)	5.73	33.75	2.66	78.85	144.97
X Earnings/(Loss) per equity share						
Equity shares of par value Rs. 10 each						
(1) Basic	(0.36)	0.63	3.73	0.27	8.69	16.07
(2) Diluted	(0.36)	0.60	3.53	0.26	8.24	15.33

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Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2019

Particulars	(Rs. in crore)	
	As at September 30, 2019 Unaudited	As at March 31, 2019 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	29.19	30.68
Right-of-use assets	23.94	-
Intangible assets	63.35	68.44
Intangible assets under development	60.31	41.38
Investments in subsidiaries	10.87	10.87
Financial assets		
Investments*	0.00	0.00
Trade receivables	41.28	42.81
Loans	5.54	4.35
Other financial assets	0.04	0.12
Income Tax Asset (net)	43.71	36.93
Deferred Tax Assets	139.64	138.00
Other non-current assets	0.05	0.14
Total non-current assets	417.92	373.72
Current assets		
Inventories	258.22	181.39
Financial assets		
Investments	76.50	86.55
Trade receivables	552.47	607.39
Cash and cash equivalents	100.48	16.41
Bank balances other than above	56.72	106.15
Loans	1.28	0.79
Other financial assets	68.96	180.44
Other current assets	34.73	27.48
Total current assets	1,149.36	1,206.60
Total assets	1,567.28	1,580.32
EQUITY AND LIABILITIES		
Equity		
Equity share capital	95.39	94.99
Other equity	1,219.40	1,223.75
Total equity	1,314.79	1,318.74
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	24.89	-
Provisions	0.91	1.75
Total non-current liabilities	25.80	1.75
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	25.19	26.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	132.03	137.03
Lease liabilities	5.73	-
Other financial liabilities	48.30	78.41
Provisions	9.72	8.14
Other current liabilities	5.72	9.42
Total current liabilities	226.69	259.83
Total liabilities	252.49	261.58
Total equity and liabilities	1,567.28	1,580.32

* Amount below the rounding off norm adopted by the Company

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Unaudited Standalone Statement of Cash Flows for six months ended September 30, 2019

Particulars	(Rs. in crore)		
	Six months ended September 30, 2019	Six months ended September 30, 2018	Year ended March 31, 2019
	Unaudited	Unaudited	Audited
Cash flows from operating activities			
Profit before tax	3.74	88.68	149.47
Adjustments to reconcile net profit to net cash provided by operating activities			
Depreciation and amortization expense	35.83	32.24	65.88
Provision for doubtful trade and other receivables (net)	2.59	3.25	5.17
Bad Debts written off	-	-	0.57
Provision for doubtful debts released	-	-	(0.57)
Focus Product Scheme receivable written off	-	4.45	4.45
Provision for Focus Product Scheme receivable released	-	(1.28)	(1.28)
Provision for doubtful advances	-	-	0.09
Investment in subsidiaries written off	-	-	54.33
Provision for investment in subsidiaries released	-	-	(54.33)
Interest Income	(6.39)	(15.87)	(27.74)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	0.18	(0.09)	(0.32)
(Gain)/Loss on sale of current investment carried at fair value through statement of profit and loss	(2.21)	(1.57)	(4.15)
Finance costs recognized in profit or loss	5.88	7.07	16.88
Unrealised Exchange Difference (Net)	(1.15)	(6.07)	0.66
Loss/ (profit) on sale of property, plant and equipment	(0.02)	0.04	0.03
Expense recognized in respect of equity-settled share-based payments	6.83	7.80	15.10
	45.28	118.65	224.24
Movements in working capital:			
(Increase)/decrease in inventories	(76.83)	25.49	9.50
(Increase)/decrease in trade receivables	55.21	(187.43)	(360.25)
(Increase)/decrease in loans	(1.59)	0.01	0.76
(Increase)/decrease in other financial assets	0.87	(2.40)	(8.36)
(Increase)/decrease in other assets	(7.16)	0.84	(6.59)
Increase/(decrease) in trade and other payables	(6.84)	26.86	57.31
Increase/(decrease) in provisions	0.71	2.17	(0.34)
Increase/(decrease) in other financial liabilities	(25.11)	0.37	26.55
Increase/(decrease) in other liabilities	(3.70)	(1.31)	(0.26)
Cash generated from operations	(19.16)	(16.75)	(57.44)
Income taxes paid	(7.44)	(16.36)	(24.05)
a) Net cash generated from/(used in) operating activities	(26.60)	(33.11)	(81.49)
Cash flows from investing activities			
Expenditure on property, plant and equipment	(9.83)	(2.72)	(8.82)
Expenditure on intangible assets (including under development)	(40.82)	(33.56)	(71.50)
Sale proceeds of property, plant and equipment	0.03	0.05	0.07
Investment in Deposits with banks and financial institutions not considered as cash and cash equivalents	(28.62)	(357.51)	(636.41)
Withdrawal in Deposits with banks and financial institutions not considered as cash and cash equivalents	183.13	169.20	596.94
Investment in liquid mutual funds and fixed maturity plan securities	(465.25)	(311.80)	(776.34)
Redemption of liquid mutual funds and fixed maturity plan securities	477.33	379.27	770.78
Interest received	11.91	6.06	20.89
b) Net cash generated from/(used in) investing activities	127.88	(151.01)	(104.39)
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company	2.33	4.41	6.77
Dividend paid (including Tax on dividend)	(11.08)	-	-
Repayment of borrowings	-	-	(1.08)
Payment of lease liabilities	(4.28)	-	-
Interest paid	(4.18)	(7.07)	(16.88)
c) Net cash generated from/(used in) financing activities	(17.21)	(2.66)	(11.19)
d) Net increase/(decrease) in cash and cash equivalents	84.07	(186.78)	(197.07)
Cash and cash equivalents at the beginning of the period	16.41	213.48	213.48
Cash and cash equivalents at the end of the period	100.48	26.70	16.41

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Signature





Tejas Networks Limited

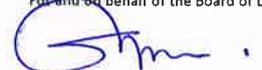
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Notes

(Rs. in crore except share data)

- 1 These financial results have been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended) ['Ind AS'] prescribed under section 133 of the Companies Act, 2013 read with relevant rules, issued thereunder, and other recognised accounting practices and policies 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, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act) and in March 2018, has also sent a show cause notice to the company under Section 276(C). The Company and its officials fully co-operated with the Income Tax Department. During the previous years, the Company and certain officers of the Company have received Summons under various sections of the IT Act from the Special Court for Economic Offences. The Company has responded appropriately in this matter. As on date, there is no demand raised by the Income Tax Department in respect of any of the matters under the aforesaid proceedings or summons. During the current quarter, the Company has received notices from the Income Tax Department u/s 142(1) of the IT Act to furnish accounts and documents in respect of assessment years 2012-13 to 2017-18. Post the ongoing proceedings initiated by the Income Tax department, certain other agencies sent notices as part of their preliminary inquiries, which was duly responded by the Company and its officials. The Company is of the view that the outcome of these proceedings/summons/notices will not have any material impact on the Company's financial results.
- 4 In July, 2018, the Company has received an Order from Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') with respect to applicability of excise duty on the software used as part of the Multiplexer products sold during the financial years 2002-03 to 2009-10. The aforesaid Order (the 'Order') has dealt with an earlier Order received during the year 2010-11 with associated demand of Rs. 11.87 and various show cause notices on the similar matter received in different earlier financial years with associated demands aggregating to Rs. 24.88. The Order was a culmination of the various appeals filed by both the Company and the Department of Central Excise in respect of both the earlier order and the show cause notices mentioned above that were heard by the Commissioner of Central Excise and CESTAT. According to the Order, the value of software is to be included for the purpose of arriving at the assessable value for calculating the excise duty liability on the product. Accordingly, CESTAT has remanded the matter back to the adjudicating authority for quantifying the differential duty liability, interest and penalties. Based on Management's assessment of the CESTAT Order, supported by an external legal opinion, Management has concluded that the company has a strong case to defend its position in this matter and accordingly, no provision has been made in the financial results, for the financial impact if any, arising from the aforesaid CESTAT Order. The Company has filed a Miscellaneous Application with CESTAT on August 19, 2018 challenging the aforementioned Order. In addition, Company has also filed a Civil Application on September 24, 2018 under section 35L of the Central Excise Act, 1944 along with a stay application with the Supreme Court against the CESTAT Order. The Company has also received show cause notices from the Department of Central Excise in respect of financial years 2010-11 to 2013-14 on the similar matter amounting to Rs. 3.01 which are not part of the Order.
- 5 a) 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 September 30, 2019, an amount of Rs. 3.52 (September 30, 2018: Rs. 1.97) has been recorded as employee share expenses based on accounting as per Ind AS 102, 'Share-based payments'. The RSUs granted and outstanding as at September 30, 2019, aggregates to 17,10,233 (September 30, 2018: 9,46,490).
b) The Company has, at various grant dates in the earlier years issued stock options under different Employee Stock Option Plans to its employees at different exercise prices. For the quarter ended September 30, 2019, an amount of Rs. 0.15 (September 30, 2018: Rs. 0.52) has been recorded as employee share expenses based on accounting as per Ind AS 102, 'Share-based payments'.
- 6 The Company has from time to time in the normal course of business entered into factoring agreements with bankers for some of the trade receivables on a non-recourse basis. As at September 30, 2019 the trade receivables does not include receivables amounting to Rs. 56.73 (March 31, 2019: Rs. 57.85) which have been derecognised in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring arrangement entered in the current quarter.
- 7 The Company and its overseas subsidiary has filed a claim against a vendor for recovery of outstanding amount (net), which comprises amount payable by the Company and amount receivable by the Company's overseas subsidiary. The Company has also received a counter claim from the said vendor. Based on management assessment, the counter claim is not tenable as it is not backed by reliable supporting documentation. There has been no business with this vendor for more than 3 years. The matter is sub-judice and is under mediation. The Company believes that the outcome of this litigation will have no material impact on this statement of financial results.
- 8 Effective April 1, 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise Right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. The Company has used the 'modified retrospective approach' for transition from Ind AS 17, 'Leases'. Therefore, the comparative information for the prior periods have not been restated. On transition, the Company has recorded the lease liabilities at the present value of future lease payments discounted using the incremental borrowing rate. The adoption of Ind AS 116 has resulted in recognition of Right-of-use assets of Rs. 22.65 and lease liabilities of Rs. 29.09 on the transition date. Cumulative effect of adoption of Ind AS 116 has been recognised by debiting retained earnings by Rs. 4.69 (net of deferred tax impact). In the financial results for the quarter ended September 30, 2019, the nature of expense for leasing arrangements has changed from lease rent in previous periods to depreciation on the Right-of-use assets and finance cost on the corresponding lease liabilities. The adoption of Ind AS 116 did not have a material impact on the results for the quarter ended September 30, 2019.
- 9 The comparative figures for cash flows for the six months ended September 30, 2018 included in the 'Unaudited Standalone Statement of Cash flows for the six months ended September 30, 2019' have been reviewed by the Audit Committee of the Company and approved by the Company's Board of Directors at their respective meetings held on October 23, 2019, but have not been subjected to review by the statutory auditors as the mandatory requirement for limited review of cash flows has been made applicable for periods beginning April 1, 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 10 Previous period's figures have been regrouped/reclassified where necessary, to conform with the current period's presentation for the purpose of comparability.
- 11 The above statement of standalone financial results, statement of assets and liabilities and statement of cash flows 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 October 23, 2019.

For and on behalf of the Board of Directors


Sanjay Nayak
CEO and Managing Director
(DIN: 01049871)



Place: Bengaluru
Date: October 23, 2019

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Price Waterhouse Chartered Accountants LLP

Independent Auditor's Review Report on the unaudited consolidated results

The Board of Directors
Tejas Networks Limited,
5th Floor, J P Software Park,
Plot No 25, Sy. No 13, 14, 17, 18,
Konnapana Agrahara Village,
Begur Hobli, Bangalore - 560100

1. We have reviewed the unaudited consolidated financial results of Tejas Networks Limited (the "Parent"), its subsidiary/ step down subsidiary (the parent and its subsidiary/step down subsidiary hereinafter referred to as the "Group") (refer Note 1 to the Statement) for the quarter ended September 30, 2019 which are included in the accompanying 'Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2019', the unaudited consolidated statement of assets and liabilities as on that date, the unaudited consolidated statement of cash flows for the half-year ended on that date and the Notes thereon (together referred to as the "Statement"). The 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, 2015"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and 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 Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 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 Listing Regulations, 2015, to the extent applicable.

4. The Statement includes the results of the following entities:
 - (a) Tejas Communication Pte. Limited, Singapore
 - (b) Tejas Communication (Nigeria) Limited
 - (c) Tejas Israel Limited (upto November 25, 2018)
 - (d) vSave Energy Private Limited (upto July 28, 2018)



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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

Independent Auditor's Review Report on the unaudited consolidated results

Page 2 of 2

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 Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We were neither engaged to review, nor have we reviewed the comparative figures for the statement of cash flows for the period April 1, 2018 to September 30, 2018 and accordingly, we do not express any conclusion on the cash flows presented in the Statement for the period from April 1, 2018 to September 30, 2018. As set out in note 11 to the Statement, these figures have been furnished by the Management. Our conclusion on the statement is not modified in respect of this matter.

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



Pradip Kanakia
Partner
Membership Number: 039985
UDIN: 19039985AAAABR8200

Place: Bengaluru
Date: October 23, 2019



Tejas Networks Limited

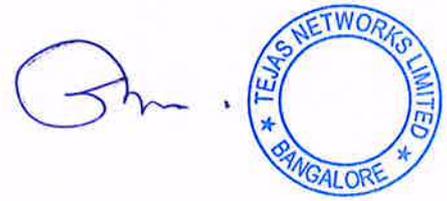
Registered and Corporate Office: J.P. Software Park, Plot No. 25, Sy. No. 13, 14, 17 and 18,
Konnappa Agrahara Village, Begur Hobli, Bengaluru 560 100, Karnataka, India.
Corporate Identity Number: L72900KA2000PLC026980
Tel: +91 80 4179 4600; Fax: +91 80 2852 0201
E-mail: corporate@tejasnetworks.com; Website: www.tejasnetworks.com

Statement of Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2019

(Rs. in crore except per share data)

Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	87.42	161.89	207.03	249.31	442.86	900.32
II Other Income	6.89	7.05	10.87	13.94	20.52	36.69
III Total Income (I + II)	94.31	168.94	217.90	263.25	463.38	937.01
IV EXPENSES						
(a) Cost of materials consumed	35.22	93.82	111.19	129.04	222.83	463.70
(b) Employee benefit expense	22.57	26.46	29.81	49.03	62.37	123.66
(c) Finance costs	2.51	3.44	4.07	5.95	7.39	17.00
(d) Depreciation and amortization expense	18.24	17.59	15.04	35.83	32.24	65.88
(e) Other expenses	23.24	17.42	21.40	40.66	50.52	116.75
Total Expenses (IV)	101.78	158.73	181.51	260.51	375.35	786.99
V Profit/(Loss) before tax (III - IV)	(7.47)	10.21	36.39	2.74	88.03	150.02
VI Income tax expense						
(1) Current tax	(1.54)	2.20	7.91	0.66	19.52	19.63
(2) Deferred tax expense/(benefit)	(1.55)	2.16	(5.00)	0.61	(10.00)	(16.85)
Total tax expense	(3.09)	4.36	2.91	1.27	9.52	2.78
VII Profit/(Loss) after tax (V - VI)	(4.38)	5.85	33.48	1.47	78.51	147.24
VIII Other comprehensive income/(loss)						
a Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation	0.24	(0.05)	(0.32)	0.19	(0.39)	(2.20)
Income tax relating to above	(0.01)	0.01	0.06	-	0.08	0.48
b Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	0.39	(0.03)	2.41	0.36	1.64	0.77
IX Total comprehensive income/(loss) for the period (VII + VIII)	(3.76)	5.78	35.63	2.02	79.84	146.29
X Earnings/(Loss) per equity share						
Equity shares of par value Rs. 10 each						
(1) Basic	(0.47)	0.64	3.67	0.16	8.62	16.13
(2) Diluted	(0.47)	0.61	3.48	0.16	8.17	15.39

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Tejas Networks Limited

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Corporate Identity Number: L72900KA2000PLC026980

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

Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2019

Particulars	(Rs. in crore)	
	As at	As at
	September 30, 2019	March 31, 2019
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	29.19	30.68
Right-of-use assets	23.94	-
Intangible assets	63.35	68.44
Intangible assets under development	60.31	41.38
Financial assets		
Investments*	0.00	0.00
Trade receivables	41.28	42.81
Loans	5.56	4.38
Other financial assets	0.04	0.12
Income Tax Asset (net)	43.70	36.92
Deferred Tax Assets	139.64	138.00
Other non-current assets	0.05	0.14
Total non-current assets	407.06	362.87
Current assets		
Inventories	258.22	181.39
Financial assets		
Investments	76.50	86.55
Trade receivables	565.77	622.12
Cash and cash equivalents	101.44	16.90
Bank balances other than above	56.72	106.15
Loans	1.38	0.95
Other financial assets	68.96	180.44
Other current assets	34.89	27.91
Total current assets	1,163.88	1,222.41
Total assets	1,570.94	1,585.28
EQUITY AND LIABILITIES		
Equity		
Equity share capital	95.39	94.99
Other equity	1,220.26	1,225.25
Total equity	1,315.65	1,320.24
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	24.89	-
Provisions	0.91	1.75
Total non-current liabilities	25.80	1.75
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	25.19	26.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	131.75	136.70
Lease liabilities	5.73	-
Other financial liabilities	51.14	81.72
Provisions	9.72	8.14
Other current liabilities	5.96	9.90
Total current liabilities	229.49	263.29
Total liabilities	255.29	265.04
Total equity and liabilities	1,570.94	1,585.28

* Amount below the rounding off norm adopted by the Company



Signature



**Tejas Networks Limited**

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Unaudited Consolidated statement of Cash Flows for the six months ended on September 30, 2019

Particulars	(Rs. in crore)		
	Six months ended September 30, 2019	Six months ended September 30, 2018	Year ended March 31, 2019
	Unaudited	Unaudited	Audited
Cash flows from operating activities			
Profit before tax	2.74	88.03	150.02
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and amortization expense	35.83	32.24	65.88
Provision for doubtful trade and other receivables (net)	3.74	3.25	5.24
Bad Debts written off	-	-	0.57
Provision for doubtful debts released	-	-	(0.57)
Focus Product Scheme receivable written off	-	4.45	4.45
Provision for Focus Product Scheme receivable released	-	(1.28)	(1.28)
Provision for doubtful advances	-	-	0.09
Interest Income	(6.39)	(15.87)	(27.74)
(Gain)/Loss on current investment carried at fair value through statement of profit and loss	0.18	(0.09)	(0.32)
(Gain)/Loss on sale of current investment carried at fair value through statement of profit and loss	(2.21)	(1.57)	(4.15)
Finance costs recognized in profit or loss	5.95	7.39	17.00
Unrealised Exchange Difference (Net)	(0.77)	(4.06)	2.08
Loss/ (profit) on sale of property, plant and equipment	(0.02)	0.04	0.03
Expense recognized in respect of equity-settled share-based payments	6.83	7.80	15.10
	45.88	120.33	226.40
Movements in working capital:			
(Increase)/decrease in inventories	(76.83)	25.49	9.50
(Increase)/decrease in trade receivables	55.51	(185.17)	(359.47)
(Increase)/decrease in loans	(1.52)	(0.14)	0.65
(Increase)/decrease in other financial assets	0.87	(2.40)	(8.36)
(Increase)/decrease in other assets	(6.93)	(0.68)	(6.65)
Increase/(decrease) in trade and other payables	(6.82)	28.09	57.09
Increase/(decrease) in provisions	0.71	2.17	(0.34)
Increase/(decrease) in other financial liabilities	(25.58)	(1.86)	24.09
Increase/(decrease) in other liabilities	(3.93)	(1.54)	(0.45)
Cash generated from operations	(18.64)	(15.71)	(57.54)
Income taxes paid	(7.44)	(16.36)	(24.05)
a) Net cash generated from/(used in) operating activities	(26.08)	(32.07)	(81.59)
Cash flows from investing activities			
Expenditure on property, plant and equipment	(9.83)	(2.72)	(8.82)
Expenditure on intangible assets (including under development)	(40.82)	(33.56)	(71.50)
Sale proceeds of property, plant and equipment	0.03	0.05	0.07
Investment in Deposits with banks and financial institutions not considered as cash and cash equivalents	(28.62)	(357.51)	(636.41)
Withdrawal in Deposits with banks and financial institutions not considered as cash and cash equivalents	183.13	169.20	596.94
Investment in liquid mutual funds and fixed maturity plan securities	(465.25)	(311.80)	(776.34)
Redemption of liquid mutual funds and fixed maturity plan securities	477.33	379.27	770.78
Interest received	11.92	6.06	20.89
b) Net cash generated from/(used in) investing activities	127.89	(151.01)	(104.39)
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company	2.33	4.41	6.77
Dividend paid (including Tax on dividend)	(11.08)	-	-
Repayment of borrowings	-	-	(1.08)
Payment of lease liabilities	(4.28)	-	-
Interest paid	(4.24)	(7.39)	(17.00)
c) Net cash generated from/(used in) financing activities	(17.27)	(2.98)	(11.31)
d) Net increase/(decrease) in cash and cash equivalents	84.54	(186.06)	(197.29)
Cash and cash equivalents at the beginning of the period	16.90	214.19	214.19
Cash and cash equivalents at the end of the period	101.44	28.13	16.90

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Tejas Networks Limited

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Notes

(Rs. in crore except share data)

- The Statement of consolidated financial results includes the results of Tejas Networks Limited ('the Company' or 'the Holding Company') and the following subsidiaries/ step down subsidiary (collectively referred as 'the Group' hereinafter):
 - Tejas Communication Pte. Limited, Singapore
 - Tejas Communication (Nigeria) Limited
 - vSave Energy Private Limited (upto July 28, 2018) and
 - Tejas Israel Limited (upto November 25, 2018)
- These consolidated financial results of the Group have been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended) ['Ind AS'] prescribed under section 133 of the Companies Act, 2013 read with relevant rules, issued thereunder, and other recognised accounting practices and policies and in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ['Listing Regulations'].
- The Group's operations comprise of only one segment viz. Networking equipment.
- Summary of key standalone financial results of the Company is as follows:

Particulars	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended	Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
Revenues from operations	85.76	160.56	205.61	246.32	441.02	894.03
Profit/(Loss) before tax	(6.39)	10.13	36.92	3.74	88.68	149.47
Profit/(Loss) after tax	(3.30)	5.77	34.01	2.47	79.16	146.69

Note: The 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 information above has been extracted from the published standalone financial results.

- In July, 2017, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act) and in March 2018, has also sent a show cause notice to the company under Section 276(C). The Company and its officials fully co-operated with the Income Tax Department. During the previous years, the Company and certain officers of the Company have received Summons under various sections of the IT Act from the Special Court for Economic Offences. The Company has responded appropriately in this matter. As on date, there is no demand raised by the Income Tax Department in respect of any of the matters under the aforesaid proceedings or summons. During the current quarter, the Company has received notices from the Income Tax Department u/s 142(1) of the IT Act to furnish accounts and documents in respect of assessment years 2012-13 to 2017-18. Post the ongoing proceedings initiated by the Income Tax department, certain other agencies sent notices as part of their preliminary inquiries, which was duly responded by the Company and its officials. The Company is of the view that the outcome of these proceedings/summons/notices will not have any material impact on the Company's financial results.
- In July, 2018, the Company has received an Order from Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') with respect to applicability of excise duty on the software used as part of the Multiplexer products sold during the financial years 2002-03 to 2009-10. The aforesaid Order (the 'Order') has dealt with an earlier Order received during the year 2010-11 with associated demand of Rs. 11.87 and various show cause notices on the similar matter received in different earlier financial years with associated demands aggregating to Rs. 24.88. The Order was a culmination of the various appeals filed by both the Company and the Department of Central Excise in respect of both the earlier order and the show cause notices mentioned above that were heard by the Commissioner of Central Excise and CESTAT. According to the Order, the value of software is to be included for the purpose of arriving at the assessable value for calculating the excise duty liability on the product. Accordingly, CESTAT has remanded the matter back to the adjudicating authority for quantifying the differential duty liability, interest and penalties. Based on Management's assessment of the CESTAT Order, supported by an external legal opinion, Management has concluded that the company has a strong case to defend its position in this matter and accordingly, no provision has been made in the financial results, for the financial impact if any, arising from the aforesaid CESTAT Order. The Company has filed a Miscellaneous Application with CESTAT on August 19, 2018 challenging the aforementioned Order. In addition, Company has also filed a Civil Application on September 24, 2018 under section 35L of the Central Excise Act, 1944 along with a stay application with the Supreme Court against the CESTAT Order. The Company has also received show cause notices from the Department of Central Excise in respect of financial years 2010-11 to 2013-14 on the similar matter amounting to Rs. 3.01 which are not part of the Order.
- 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 September 30, 2019, an amount of Rs. 3.52 (September 30, 2018: Rs. 1.97) has been recorded as employee share expenses based on accounting as per Ind AS 102, 'Share-based payments'. The RSUs granted and outstanding as at September 30, 2019, aggregates to 17,10,233 (September 30, 2018: 9,46,490).
 - The Company has, at various grant dates in the earlier years issued stock options under different Employee Stock Option Plans to its employees at different exercise prices. For the quarter ended September 30, 2019, an amount of Rs. 0.15 (September 30, 2018: Rs. 0.52) has been recorded as employee share expenses based on accounting as per Ind AS 102, 'Share-based payments'.
- The Company has from time to time in the normal course of business entered into factoring agreements with bankers for some of the trade receivables on a non-recourse basis. As at September 30, 2019 the trade receivables does not include receivables amounting to Rs. 56.73 (March 31, 2019: Rs. 57.85) which have been derecognised in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring arrangement entered in the current quarter.
- The Company and its overseas subsidiary has filed a claim against a vendor for recovery of outstanding amount (net), which comprises amount payable by the Company and amount receivable by the Company's overseas subsidiary. The Company has also received a counter claim from the said vendor. Based on management assessment, the counter claim is not tenable as it is not backed by reliable supporting documentation. There has been no business with this vendor for more than 3 years. The matter is sub-judice and is under mediation. The Company believes that the outcome of this litigation will have no material impact on this statement of financial results.
- Effective April 1, 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise Right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. The Company has used the 'modified retrospective approach' for transition from Ind AS 17, 'Leases'. Therefore, the comparative information for the prior periods have not been restated. On transition, the Company has recorded the lease liabilities at the present value of future lease payments discounted using the incremental borrowing rate. The adoption of Ind AS 116 has resulted in recognition of Right-of-use assets of Rs. 22.65 and lease liabilities of Rs. 29.09 on the transition date. Cumulative effect of adoption of Ind AS 116 has been recognised by debiting retained earnings by Rs. 4.69 (net of deferred tax impact). In the financial results for the quarter ended September 30, 2019, the nature of expense for leasing arrangements has changed from lease rent in previous periods to depreciation on the Right-of-use assets and finance cost on the corresponding lease liabilities. The adoption of Ind AS 116 did not have a material impact on the results for the quarter ended September 30, 2019.
- The comparative figures for cash flows for the six months ended September 30, 2018 included in the 'Unaudited Consolidated Statement of Cash flows for the six months ended September 30, 2019' have been reviewed by the Audit Committee of the Company and approved by the Company's Board of Directors at their respective meetings held on October 23, 2019, but have not been subjected to review by the statutory auditors as the mandatory requirement for limited review of cash flows has been made applicable for periods beginning April 1, 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- Previous period's figures have been regrouped/reclassified where necessary, to conform with the current period's presentation for the purpose of comparability.
- The above statement of consolidated financial results, statement of assets and liabilities and statement of cash flows 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 October 23, 2019.

For and on behalf of the Board of Directors


 Sanjay Nayak
 CEO and Managing Director
 (DIN: 01049871)

Place: Bengaluru
 Date: October 23, 2019

09





Tejas Networks announces consolidated results for quarter ended September 30, 2019
Q2 revenue ₹85.1 crore and H1 revenue was ₹241.7 crore

Bengaluru, October 23, 2019: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the second quarter ended September 30, 2019. Tejas Networks designs, develops, manufactures and sells high-performance optical and data networking products, which are used to build high-speed communication networks over optical fiber.

Highlights for the quarter:

- India-Private segment grew 67% for H1 on YoY basis
- Added 5 new international customers in Q2, and closed techno-commercials on 6 new deals
- DSO (excluding BSNL) decreased by 24 days as compared to Q1
- Cash and cash equivalents increased by ₹ 59 Cr to ₹ 290 Cr as of September 30, 2019

For Q2, 2019, consolidated revenues (net of pass-through component sale) were ₹ 85.1 crore which was a year-on-year decline of 58.0%. The weak revenue during the quarter was primarily due to lower revenues from India Government segment, which had a year-on-year decline of 88% for H1 ended September 30, 2019, on account of BSNL and Bharatnet. On the other hand, India-Private segment was robust and grew by 67% year-on-year for the first six months. Decline in revenues resulted in a loss after tax of ₹ 4.4 crore for the quarter ended September 30, 2019, since a majority of costs such as R&D, are linked to manpower and are fixed in nature.

For the half year ended September 30, 2019, revenues (net of pass-through component sale) were ₹ 241.7 crore, which was a year-on-year decline of 44.4%. As a result, for H1 2019, profit after tax was ₹ 1.5 crore, a decline of 98.1% on year-on-year basis.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, "As we anticipated, there was a decline in India Government business which is lumpy in nature, and resulted in weak Q2 revenues. Our medium term goal is to increase our international revenue contribution to at least 50% of our total and we are on track to achieve it. Despite delay in collection from BSNL, our cash position continues to be strong, which will help us to invest and achieve our medium term goals. We see strong momentum in our international business, and during the quarter we added 5 new international customers. We also closed techno-commercial discussions for 6 new international customer deals, each of which are expected to result in multi-million orders during H2 of this year."

Mr. Venkatesh Gadiyar, CFO said, "During Q2, our cash position improved by ₹ 59 crore and our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, stood at ₹ 290 crore. During the quarter, our overall DSO marginally improved to 277 days and excluding BSNL, our DSO improved by 24 days to 173 days, as compared to June 30, 2019. We also started to receive some amount of long-overdue payments from BSNL during the quarter. We are practically debt-free and we have a strong balance sheet to support our growth plans."

As on date, the company has filed for 349 patents and during the quarter was granted 2 patents, bringing the cumulative grant to 109 patents. Tejas Networks recently launched a new product, TJ1600S/I, which is the world's largest disaggregated multi-terabit packet-optical switch optimized for 5G, cloud and broadband networks.

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About Tejas Networks Limited

Tejas Networks designs, develops and sells high-performance and cost-competitive networking products to telecommunications service providers, internet service providers, utilities, defence and government entities in over 70 countries. Tejas products utilize programmable, software-defined hardware architecture with a common software code-base that delivers seamless upgrades of new features and technology standards. Tejas Networks is ranked among top-10 suppliers in the global optical aggregation segment and has filed 349 patents.

For more information, visit Tejas Networks 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.

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Tejas Networks Limited and subsidiaries
Consolidated Balance Sheet as at

(in ₹ crore, except share data)

	September 30, 2019	March 31, 2019
ASSETS		
Non-current assets		
Property, plant and equipment	29.19	30.68
Right-of-use assets	23.94	-
Intangible assets	63.35	68.44
Intangible assets under development	60.31	41.38
Financial assets		
Trade receivables	41.28	42.81
Loans	5.56	4.38
Other financial assets	0.04	0.12
Income tax asset (net)	43.70	36.92
Deferred Tax Asset	139.64	138.00
Other non-current assets	0.05	0.14
Total non - current assets	407.06	362.87
Current assets		
Inventories	258.22	181.39
Financial assets		
Investments	76.50	86.55
Trade receivables	565.77	622.12
Cash and cash equivalents	101.44	16.90
Bank deposits with maturity of more than 3 months but less than 12 months	56.70	106.11
Balance held as margin money	0.02	0.04
Loans	1.38	0.95
Other financial assets	68.96	180.44
Other current assets	34.89	27.91
Total current assets	1,163.88	1,222.41
Total assets	1,570.94	1,585.28
EQUITY AND LIABILITIES		
Equity		
Equity share capital	95.39	94.99
Other equity	1,220.26	1,225.25
Total equity	1,315.65	1,320.24
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease Liabilities	24.89	-
Provisions	0.91	1.75
Total non - current liabilities	25.80	1.75
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	25.19	26.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	131.75	136.70
Lease liabilities	5.73	-
Other financial liabilities	51.14	81.72
Provisions	9.72	8.14
Other current liabilities	5.96	9.90
Total current liabilities	229.49	263.29
Total equity and liabilities	1,570.94	1,585.28

of



Tejas Networks Limited and subsidiaries
Consolidated Statements of Comprehensive Income for

(In ₹ crore, except share data)

	Quarter ended Sep 30, 2019	Quarter ended Jun 30, 2019	Quarter ended Sep 30, 2018	Six months ended Sep 30, 2019	Six months ended Sep 30, 2018	Year ended March 31, 2019
Revenue from operations	87.42	161.89	207.03	249.31	442.86	900.32
Other Income	6.89	7.05	10.87	13.94	20.52	36.69
Total Income	94.31	168.94	217.90	263.25	463.38	937.01
Expenses						
Cost of materials consumed	35.22	93.82	111.19	129.04	222.83	463.70
Employee benefit expense	22.57	26.46	29.81	49.03	62.37	123.66
Finance costs	2.51	3.44	4.07	5.95	7.39	17.00
Depreciation and amortization expense	18.24	17.59	15.04	35.83	32.24	65.88
Other expenses	23.24	17.42	21.40	40.66	50.52	116.75
Total Expenses	101.78	158.73	181.51	260.51	375.35	786.99
Profit/(Loss) before tax	(7.47)	10.21	36.39	2.74	88.03	150.02
Current tax	(1.54)	2.20	7.91	0.66	19.52	19.63
Deferred tax	(1.55)	2.16	(5.00)	0.61	(10.00)	(16.85)
Profit/(Loss) after tax	(4.38)	5.85	33.48	1.47	78.51	147.24
Other comprehensive income/(loss)	0.62	(0.07)	2.15	0.55	1.33	(0.95)
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation	0.23	(0.04)	(0.26)	0.19	(0.31)	(1.72)
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	0.39	(0.03)	2.41	0.36	1.64	0.77
Total comprehensive income/(loss) for the period	(3.76)	5.78	35.63	2.02	79.84	146.29
Earnings per equity share of ₹ 10 each						
Basic (₹)	(0.47)	0.64	3.67	0.16	8.62	16.13
Diluted (₹)	(0.47)	0.61	3.48	0.16	8.17	15.39
Weighted average equity shares used in computing earnings per equity share						
Basic	9,20,06,222	9,18,42,866	9,12,68,735	9,19,24,991	9,10,87,186	9,13,08,108
Diluted	9,20,06,222	9,53,29,314	9,62,64,598	9,43,51,737	9,60,83,049	9,56,67,708

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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

Extract of Unaudited Consolidated Results for quarter and six months ended September 30, 2019

Sl. No.	Particulars	(₹ in crore except per share data)		
		Quarter ended September 30, 2019	Six months ended September 30, 2019	Quarter ended September 30, 2018
1	Total Income from operations*	87.42	249.31	207.03
2	Net Profit/(Loss) before tax	(7.47)	2.74	36.39
3	Net Profit/(Loss) after tax	(4.38)	1.47	33.48
4	Total Comprehensive Income/(Loss) for the period [Comprising Profit/(Loss) for the period after tax and Other Comprehensive Income/(Loss) after tax]	(3.76)	2.02	35.63
5	Equity Share Capital (Face value of ₹ 10/- each)	95.39	95.39	94.67
6	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	1,225.25	1,225.25	1,057.99
7	Earnings/(Loss) per Share (of ₹ 10/- each)			
	(i) Basic ₹	(0.47)	0.16	3.67
	(ii) Diluted ₹	(0.47)	0.16	3.48

Notes

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

Particulars	Quarter ended	Six months ended	Quarter ended
	September 30, 2019	September 30, 2019	September 30, 2018
Total Income from operations*	85.76	246.32	205.61
Net Profit/(Loss) before tax	(6.39)	3.74	36.92
Net Profit/(Loss) after tax	(3.30)	2.47	34.01

- 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 Disclosures Requirements) Regulations, 2015. The full format of the Quarterly Results are available on the website of the Stock Exchange(s) and the Company (www.tejasnetworks.com).
- 3 In July, 2017, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act) and in March 2018, has also sent a show cause notice to the company under Section 276(C). The Company and its officials fully co-operated with the Income Tax Department. During the previous years, the Company and certain officers of the Company have received Summons under various sections of the IT Act from the Special Court for Economic Offences. The Company has responded appropriately in this matter. As on date, there is no demand raised by the Income Tax Department in respect of any of the matters under the aforesaid proceedings or summons. During the current quarter, the Company has received notices from the Income Tax Department u/s 142(1) of the IT Act to furnish accounts and documents in respect of assessment years 2012-13 to 2017-18. Post the ongoing proceedings initiated by the Income Tax department, certain other agencies sent notices as part of their preliminary inquiries, which was duly responded by the Company and its officials. The Company is of the view that the outcome of these proceedings/summons/notices will not have any material impact on the Company's financial results.
- 4 In July, 2018, the Company has received an Order from Customs, Excise and Service Tax Appellate Tribunal ('CESTAT') with respect to applicability of excise duty on the software used as part of the Multiplexer products sold during the financial years 2002-03 to 2009-10. The aforesaid Order (the 'Order') has dealt with an earlier Order received during the year 2010-11 with associated demand of Rs. 11.87 and various show cause notices on the similar matter received in different earlier financial years with associated demands aggregating to Rs. 24.88. The Order was a culmination of the various appeals filed by both the Company and the Department of Central Excise in respect of both the earlier order and the show cause notices mentioned above that were heard by the Commissioner of Central Excise and CESTAT. According to the Order, the value of software is to be included for the purpose of arriving at the assessable value for calculating the excise duty liability on the product. Accordingly, CESTAT has remanded the matter back to the adjudicating authority for quantifying the differential duty liability, interest and penalties. Based on Management's assessment of the CESTAT Order, supported by an external legal opinion, Management has concluded that the company has a strong case to defend its position in this matter and accordingly, no provision has been made in the financial results, for the financial impact if any, arising from the aforesaid CESTAT Order. The Company has filed a Miscellaneous Application with CESTAT on August 19, 2018 challenging the aforementioned Order. In addition, Company has also filed a Civil Application on September 24, 2018 under section 35L of the Central Excise Act, 1944 along with a stay application with the Supreme Court against the CESTAT Order. The Company has also received show cause notices from the Department of Central Excise in respect of financial years 2010-11 to 2013-14 on the similar matter amounting to Rs. 3.01 which are not part of the Order.

* excludes other income.

For and on behalf of the Board of Directors

Sanjay Nayak
CEO and Managing Director
(DIN: 01049871)

Place: Bengaluru
Date: October 23, 2019