

**Tejas Networks Limited**

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

Consolidated Unaudited Balance Sheet as at	Notes	December 31, 2019	March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4(a)	31.05	30.68
Right-of-use assets	4(a)	22.61	-
Intangible assets	4(b)	63.01	68.44
Intangible assets under development	4(b)	64.88	41.38
Financial assets			
Investments	5(a)	0.00	0.00
Trade receivables	6	30.94	42.81
Loans	8	5.63	4.38
Other financial assets	9	0.04	0.12
Income Tax Asset (net)	10(a)	46.02	36.92
Deferred Tax Assets	10(b)	41.70	138.00
Other non-current assets	11	0.23	0.14
<b>Total non - current assets</b>		<b>306.11</b>	<b>362.87</b>
<b>Current assets</b>			
Inventories	12	245.01	181.39
Financial assets			
Investments	5(b)	102.54	86.55
Trade receivables	6	473.21	622.12
Cash and cash equivalents	7(i)	53.35	16.90
Bank balances other than above	7(ii)	79.72	106.15
Loans	8	1.75	0.95
Other financial assets	9	69.18	180.44
Other current assets	11	33.58	27.91
<b>Total current assets</b>		<b>1,058.34</b>	<b>1,222.41</b>
<b>Total assets</b>		<b>1,364.45</b>	<b>1,585.28</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	95.42	94.99
Other equity	14	1,111.74	1,225.25
<b>Total equity</b>		<b>1,207.16</b>	<b>1,320.24</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	-	-
Lease Liabilities	16	23.33	-
Provisions	17	0.59	1.75
<b>Total non - current liabilities</b>		<b>23.92</b>	<b>1.75</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		18.82	26.83
Total outstanding dues of creditors other than micro enterprises and small enterprises		48.62	136.70
Lease Liabilities	16	5.94	-
Other financial liabilities	19	44.29	81.72
Provisions	17	9.90	8.14
Other current liabilities	20	5.80	9.90
<b>Total current liabilities</b>		<b>133.37</b>	<b>263.29</b>
<b>Total liabilities</b>		<b>157.29</b>	<b>265.04</b>
<b>Total equity and liabilities</b>		<b>1,364.45</b>	<b>1,585.28</b>

## Tejas Networks Limited

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

Consolidated Unaudited Statement of Profit and Loss	Notes	Quarter ended		Period ended		Year ended	
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
I Revenue from operations	21	86.66	87.42	184.33	335.97	627.19	900.32
II Other Income	22	6.19	6.89	9.30	20.13	29.82	36.69
<b>III Total income (I + II)</b>		<b>92.85</b>	<b>94.31</b>	<b>193.63</b>	<b>356.10</b>	<b>657.01</b>	<b>937.01</b>
<b>IV Expenses</b>							
Cost of materials consumed	23	42.98	35.22	95.28	172.02	318.11	463.70
Employee benefit expense	24	25.83	22.57	27.60	74.86	89.97	123.66
Finance costs	25	0.70	2.51	4.54	6.65	11.93	17.00
Depreciation and amortization expense	4(c)	20.33	18.24	16.19	56.16	48.43	65.88
Other expenses	26	17.79	23.24	25.11	58.45	75.63	116.75
<b>Total expenses (IV)</b>		<b>107.63</b>	<b>101.78</b>	<b>168.72</b>	<b>368.14</b>	<b>544.07</b>	<b>786.99</b>
<b>V Profit/(Loss) before tax (III - IV)</b>		<b>(14.78)</b>	<b>(7.47)</b>	<b>24.91</b>	<b>(12.04)</b>	<b>112.94</b>	<b>150.02</b>
<b>VI Income tax expense</b>	27						
Current tax		(0.66)	(1.54)	(2.93)	-	16.59	19.63
Deferred tax expense/(benefit)		97.94	(1.55)	(5.00)	98.55	(15.00)	(16.85)
<b>Total tax expense (VI)</b>		<b>97.28</b>	<b>(3.09)</b>	<b>(7.93)</b>	<b>98.55</b>	<b>1.59</b>	<b>2.78</b>
<b>VII Profit/(Loss) after tax (V - VI)</b>		<b>(112.06)</b>	<b>(4.38)</b>	<b>32.84</b>	<b>(110.59)</b>	<b>111.35</b>	<b>147.24</b>
<b>VIII Other comprehensive income/(loss)</b>							
Items that will not be reclassified to profit or loss							
Remeasurements of the defined benefit obligation		0.03	0.240	(0.20)	0.22	(0.59)	(2.20)
Income tax relating to above		-	(0.01)	0.05	-	0.13	0.48
Items that will be reclassified to profit or loss							
Exchange differences on translation of foreign operations		0.04	0.39	(0.80)	0.40	0.84	0.77
<b>Other comprehensive income/(loss) for the period, net of tax (VIII)</b>		<b>0.07</b>	<b>0.62</b>	<b>(0.95)</b>	<b>0.62</b>	<b>0.38</b>	<b>(0.95)</b>
<b>IX Total comprehensive income/(loss) for the period (VII + VIII)</b>		<b>(111.99)</b>	<b>(3.76)</b>	<b>31.89</b>	<b>(109.97)</b>	<b>111.73</b>	<b>146.29</b>
<b>X Earnings/(Loss) per equity share</b>							
<b>Equity shares of par value Rs. 10 each</b>							
Basic		(12.16)	(0.47)	3.59	(12.02)	12.21	16.13
Diluted		(12.16)	(0.47)	3.41	(12.02)	11.58	15.39
Weighted average equity shares used in computing earning per equity share							
Basic		9,21,28,349	9,20,06,222	9,14,49,872	9,19,93,023	9,12,08,521	9,13,08,108
Diluted		9,21,28,349	9,20,06,222	9,64,16,160	9,19,93,023	9,61,74,809	9,56,67,708

**Tejas Networks Limited**

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

Consolidated Unaudited Statement of Cash Flows	Notes	Period ended	
		December 31, 2019	Year ended March 31, 2019
<b>Cash flows from operating activities</b>			
Profit/(Loss) before tax for the year		(12.04)	150.02
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and amortization expense	4(c)	56.16	65.88
Provision for doubtful trade and other receivables (net)	26	2.62	5.24
Bad Debts written off	26	0.07	0.57
Provision for doubtful debts released	26	(0.02)	(0.57)
Focus Product Scheme receivable written off	26	-	4.45
Provision for Focus Product Scheme receivable released	26	-	(1.28)
Provision for doubtful advances	26	-	0.09
Interest Income	22	(9.36)	(27.74)
Gain on current investment carried at fair value through statement of profit and loss	22	0.07	(0.32)
Gain on sale of current investment carried at fair value through statement of profit and loss	22	(2.83)	(4.15)
Finance costs recognized in profit or loss	25	6.65	17.00
Unrealised Exchange Difference (Net)		(0.71)	2.08
Loss/ (profit) on sale of property, plant and equipment	26	(0.02)	0.03
Expense recognized in respect of equity-settled share-based payments	24	10.22	15.10
		50.81	226.40
Movements in working capital:			
(Increase)/decrease in inventories		(63.62)	9.50
(Increase)/decrease in trade receivables		160.63	(359.47)
(Increase)/decrease in loans		(1.95)	0.65
(Increase)/decrease in other financial assets		1.94	(8.36)
(Increase)/decrease in other assets		(5.65)	(6.65)
Increase/(decrease) in trade and other payables		(97.47)	57.09
Increase/(decrease) in provisions		0.49	(0.34)
Increase/(decrease) in other financial liabilities		(29.86)	24.09
Increase/(decrease) in other liabilities		(4.07)	(0.45)
<b>Cash generated from operations</b>		<b>11.25</b>	<b>(57.54)</b>
Income taxes paid		(9.10)	(24.05)
<b>a) Net cash generated by/ (used in) operating activities</b>		<b>2.15</b>	<b>(81.59)</b>
<b>Cash flows from investing activities</b>			
Expenditure on property, plant and equipment		(17.96)	(8.82)
Expenditure on intangible assets/including under development		(60.56)	(71.50)
Sale proceeds of property, plant and equipment		0.03	0.07
Investment in Deposits with banks and financial institutions not considered as cash and cash equivalents		(191.72)	(636.41)
Withdrawal in Deposits with banks and financial institutions not considered as cash and cash equivalent		318.23	596.94
Investment in liquid mutual funds and fixed maturity plan securities		(638.55)	(776.34)
Redemption of liquid mutual funds and fixed maturity plan securities		625.33	770.78
Interest received		18.58	20.89
<b>b) Net cash generated by/(used in) investing activities</b>		<b>53.38</b>	<b>(104.39)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of equity instruments of the Company		2.44	6.77
Dividend paid (including Tax on dividend)		(11.08)	-
Repayment of borrowings		-	(1.08)
Payment of lease liabilities		(6.32)	-
Interest paid		(4.12)	(17.00)
<b>c) Net cash generated by/ (used in) financing activities</b>		<b>(19.08)</b>	<b>(11.31)</b>
<b>d) Net increase/(decrease) in cash and cash equivalents</b>		<b>36.45</b>	<b>(197.29)</b>
Cash and cash equivalents at the beginning of the year		16.90	214.19
<b>Cash &amp; cash equivalents at the end of the year [Refer Note 7(i)]</b>		<b>53.35</b>	<b>16.90</b>

Tejas Networks Limited  
Consolidated Statement of Changes in Equity

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

**A. Equity Share Capital**

Particulars	Note	Amount
<b>As at April 1, 2018*</b>		<b>94.09</b>
Increase in equity share capital on account of exercise of ESOP and RSU	13	0.90
<b>As at March 31, 2019*</b>		<b>94.99</b>
Increase in equity share capital on account of exercise of ESOP and RSU	13	0.43
<b>As at December 31, 2019*</b>		<b>95.42</b>

\* Includes forfeited shares of Rs. 3.27

**B. Other Equity**

Particulars	Note	Reserves and Surplus			Foreign Currency Translation Reserve	Share application money pending allotment	Total
		Securities premium	Retained earnings	Employee stock compensation outstanding account			
<b>Balance as at April 1, 2018</b>		<b>922.08</b>	<b>120.97</b>	<b>15.14</b>	<b>(0.20)</b>	-	<b>1,057.99</b>
Profit for the year	14	-	147.24	-	-	-	147.24
Other comprehensive income	14	-	(1.72)	-	0.77	-	(0.95)
<b>Total comprehensive income for the year</b>		-	<b>145.52</b>	-	<b>0.77</b>	-	<b>146.29</b>
<b>Transaction with owners in their capacity as owners:</b>							
Premium on issue on account of exercise of ESOP	14	5.87	-	-	-	-	5.87
Share based payment expenses	24	-	-	15.10	-	-	15.10
Issue of equity shares, on exercise of ESOP/RSU	14	3.22	-	(3.22)	-	-	-
<b>Balance as at March 31, 2019</b>		<b>931.17</b>	<b>266.49</b>	<b>27.02</b>	<b>0.57</b>	-	<b>1,225.25</b>
<b>Balance as at April 1, 2019</b>		<b>931.17</b>	<b>266.49</b>	<b>27.02</b>	<b>0.57</b>	-	<b>1,225.25</b>
Profit/(Loss) for the year	14	-	(110.59)	-	-	-	(110.59)
Other comprehensive income	14	-	0.22	-	0.40	-	0.62
<b>Total comprehensive income for the year</b>		-	<b>(110.37)</b>	-	<b>0.40</b>	-	<b>(109.97)</b>
<b>Transaction with owners in their capacity as owners:</b>							
Premium on issue on account of exercise of ESOP	14	2.00	-	-	-	-	2.00
Share based payment expenses	24	-	-	10.22	-	-	10.22
Issue of equity shares, on exercise of ESOP/RSU	14	3.76	-	(3.76)	-	-	-
Share application money pending allotment	14	-	-	-	-	0.01	0.01
Impact on account of adoption of Ind AS 116	14	-	(4.69)	-	-	-	(4.69)
Dividend (including Tax on dividend)		-	(11.08)	-	-	-	(11.08)
<b>Balance as at December 31, 2019</b>		<b>936.93</b>	<b>140.35</b>	<b>33.48</b>	<b>0.97</b>	<b>0.01</b>	<b>1,111.74</b>

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

Particulars	Laboratory Equipment	Networking Equipment	Electrical Installation	Furniture and Fixtures	Office Equipment	Computing Equipment	Vehicles	Cards/Proto types	Servers	Total	Right-of-use asset*
<b>Gross carrying value as of April 1, 2018</b>	<b>16.81</b>	<b>0.52</b>	<b>6.29</b>	<b>5.54</b>	<b>0.73</b>	<b>4.60</b>	<b>0.23</b>	<b>19.48</b>	<b>1.20</b>	<b>55.40</b>	-
Additions	3.96	0.14	0.41	2.86	0.21	1.68	-	2.54	1.60	13.40	-
Deletions	-	-	0.38	0.31	0.04	0.02	0.09	-	-	0.84	-
<b>Gross carrying value as of March 31, 2019</b>	<b>20.77</b>	<b>0.66</b>	<b>6.32</b>	<b>8.09</b>	<b>0.90</b>	<b>6.26</b>	<b>0.14</b>	<b>22.02</b>	<b>2.80</b>	<b>67.96</b>	-
<b>Accumulated depreciation as of April 1, 2018</b>	<b>(2.56)</b>	<b>(0.26)</b>	<b>(1.61)</b>	<b>(2.18)</b>	<b>(0.34)</b>	<b>(1.86)</b>	<b>(0.03)</b>	<b>(10.29)</b>	<b>(0.29)</b>	<b>(19.42)</b>	-
Depreciation for the year	(6.25)	(0.21)	(3.64)	(2.78)	(0.21)	(1.71)	(0.07)	(3.31)	(0.42)	(18.60)	-
Accumulated depreciation on deletions	-	-	(0.34)	(0.26)	(0.04)	(0.01)	(0.09)	-	-	(0.74)	-
<b>Accumulated depreciation as of March 31, 2019</b>	<b>(8.81)</b>	<b>(0.47)</b>	<b>(4.91)</b>	<b>(4.70)</b>	<b>(0.51)</b>	<b>(3.56)</b>	<b>(0.01)</b>	<b>(13.60)</b>	<b>(0.71)</b>	<b>(37.28)</b>	-
<b>Carrying value as of March 31, 2019</b>	<b>11.96</b>	<b>0.19</b>	<b>1.41</b>	<b>3.39</b>	<b>0.39</b>	<b>2.70</b>	<b>0.13</b>	<b>8.42</b>	<b>2.09</b>	<b>30.68</b>	-
<b>Gross carrying value as of April 1, 2019</b>	<b>20.77</b>	<b>0.66</b>	<b>6.32</b>	<b>8.09</b>	<b>0.90</b>	<b>6.26</b>	<b>0.14</b>	<b>22.02</b>	<b>2.80</b>	<b>67.96</b>	-
Additions	1.32	0.21	0.32	1.33	0.68	0.95	-	4.45	0.86	10.12	26.53
Deletions	-	-	0.01	0.01	-	-	-	-	-	0.02	-
<b>Gross carrying value as of December 31, 2019</b>	<b>22.09</b>	<b>0.87</b>	<b>6.63</b>	<b>9.41</b>	<b>1.58</b>	<b>7.21</b>	<b>0.14</b>	<b>26.47</b>	<b>3.66</b>	<b>78.06</b>	<b>26.53</b>
<b>Accumulated depreciation as of April 1, 2019</b>	<b>(8.81)</b>	<b>(0.47)</b>	<b>(4.91)</b>	<b>(4.70)</b>	<b>(0.51)</b>	<b>(3.56)</b>	<b>(0.01)</b>	<b>(13.60)</b>	<b>(0.71)</b>	<b>(37.28)</b>	-
Depreciation for the year	(3.36)	(0.08)	(0.42)	(0.86)	(0.17)	(1.34)	(0.03)	(3.00)	(0.49)	(9.75)	(3.92)
Accumulated depreciation on deletions	-	-	(0.01)	(0.01)	-	-	-	-	-	(0.02)	-
<b>Accumulated depreciation as of December 31, 2019</b>	<b>(12.17)</b>	<b>(0.55)</b>	<b>(5.32)</b>	<b>(5.55)</b>	<b>(0.68)</b>	<b>(4.90)</b>	<b>(0.04)</b>	<b>(16.60)</b>	<b>(1.20)</b>	<b>(47.01)</b>	<b>(3.92)</b>
<b>Carrying value as of December 31, 2019</b>	<b>9.92</b>	<b>0.32</b>	<b>1.31</b>	<b>3.86</b>	<b>0.90</b>	<b>2.31</b>	<b>0.10</b>	<b>9.87</b>	<b>2.46</b>	<b>31.05</b>	<b>22.61</b>

\* Right-of-use asset pertains to buildings on account of adoption of Ind AS 116 effective April 01, 2019.

**Tejas Networks Limited**

**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 4(b): Intangible Assets**

Particulars	Computer Software	Product Development	Total	Intangible Assets under development <sup>1</sup>
<b>Gross carrying value as of April 1, 2018</b>	<b>7.81</b>	<b>129.14</b>	<b>136.95</b>	<b>46.85</b>
Additions	6.58	70.39	76.97	64.92
Deletions/Transfers	-	-	-	70.39
<b>Gross carrying value as of March 31, 2019</b>	<b>14.39</b>	<b>199.53</b>	<b>213.92</b>	<b>41.38</b>
<b>Accumulated amortization as of April 1,2018</b>	<b>(5.19)</b>	<b>(93.01)</b>	<b>(98.20)</b>	-
Amortization expenses for the year	(6.06)	(41.22)	(47.28)	-
<b>Accumulated amortization as of March 31, 2019</b>	<b>(11.25)</b>	<b>(134.23)</b>	<b>(145.48)</b>	-
<b>Carrying value as of March 31, 2019</b>	<b>3.14</b>	<b>65.30</b>	<b>68.44</b>	<b>41.38</b>
<b>Gross carrying value as of April 1, 2019</b>	<b>14.39</b>	<b>199.53</b>	<b>213.92</b>	<b>41.38</b>
Additions	4.71	32.35	37.06	55.85
Deletions/Transfers	-	-	-	32.35
<b>Gross carrying value as of December 31, 2019</b>	<b>19.10</b>	<b>231.88</b>	<b>250.98</b>	<b>64.88</b>
<b>Accumulated amortization as of April 1,2019</b>	<b>(11.25)</b>	<b>(134.23)</b>	<b>(145.48)</b>	-
Amortization expenses for the year	(5.55)	(36.94)	(42.49)	-
<b>Accumulated amortization as of December 31, 2019</b>	<b>(16.80)</b>	<b>(171.17)</b>	<b>(187.97)</b>	-
<b>Carrying value as of December 31, 2019</b>	<b>2.30</b>	<b>60.71</b>	<b>63.01</b>	<b>64.88</b>

<sup>1</sup> Additions to Intangible Assets under development pertains to capitalization of employee benefit expense and other expenses (Refer Note 24 and Note 26).

**Note No. 4(c): Depreciation and amortization expenses**

Particulars	Period ended December 31, 2019	Year ended March 31, 2019
Depreciation on property, plant and equipment [Refer Note 4(a)]	13.67	18.60
Amortization of intangible assets [Refer Note 4(b)]	42.49	47.28
<b>Total depreciation and amortization expenses</b>	<b>56.16</b>	<b>65.88</b>

Tejas Networks Limited

Notes to the unaudited consolidated financial statements for the period ended December 31, 2019

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

**Note No. 5: Investments**

Particulars	As at			
	December 31, 2019		March 31, 2019	
<b>5(a) Non-Current investments (Quoted) {FVTPL}</b>				
<b>Equity instruments</b>				
<i>Investment in ELCIA ESDM Cluster ( No. of shares 1100)</i>		0.00		0.00
<b>Total Non-Current investments</b>		<b>0.00</b>		<b>0.00</b>
<b>5(b) Current investments (Quoted) {FVTPL}</b>				
<b>Investment in Mutual funds</b>	<b>Number of units</b>	<b>Amount</b>	<b>Number of units</b>	<b>Amount</b>
Aditya Birla Sun Life Savings Fund - Growth Direct Plan	8,68,747	27.37	-	-
Axis liquid fund Direct Growth - CFDG	1,31,811	28.64	76,780	15.92
ICICI Prudential Liquid Fund Direct Plan Growth	6,88,656	19.94	9,31,076	25.74
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (Formerly known as Reliance Liquid Fund Direct Plan Growth Plan-Growth Option-LFAG)	29,430	14.08	76,779	35.02
Tata Liquid Fund Direct Plan Growth	40,535	12.51	33,526	9.87
<b>Total current investments</b>		<b>102.54</b>		<b>86.55</b>

**Tejas Networks Limited**

**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 6: Trade Receivables**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Non-Current</b>		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	30.94	42.81
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
<b>Total non current</b>	<b>30.94</b>	<b>42.81</b>
<b>Current</b>		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	491.05	637.22
Receivables from related parties considered good - unsecured	-	-
Less: Loss allowance as per Expected Credit Loss model	(17.84)	(15.10)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
<b>Total current</b>	<b>473.21</b>	<b>622.12</b>

**Note No. 7: Cash and Bank Balances**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>(i) Cash and Cash Equivalents</b>		
<i>(a) Balances with banks</i>		
(i) In current accounts*	29.93	8.74
(ii) In EEFC accounts	23.42	8.16
<i>(b) Deposits with original maturity of less than three months</i>	-	-
<b>Total cash and cash equivalents</b>	<b>53.35</b>	<b>16.90</b>
<b>(ii) Other Bank Balances</b>		
Deposits with original maturity of more than three months but less than twelve months	79.70	106.11
Balances held as margin money or security against borrowings or guarantees	0.02	0.04
<b>Total other bank balances</b>	<b>79.72</b>	<b>106.15</b>

\* includes Rs. 0.31 (March 31, 2019 - Rs. 0.31) which is subject to repatriation restriction.



**Tejas Networks Limited**

**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

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

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>a) Current Accounts</b>		
Axis Bank	0.06	-
Citibank	0.04	-
Citibank, Dubai	-	0.38
Citibank, USA	0.36	
Fleet Bank, USA	0.73	0.23
HDFC Bank	0.02	1.61
HSBC Bank	-	0.01
HSBC Bank, Bangladesh	0.31	0.31
HSBC Bank, Singapore	0.12	0.17
ICICI Bank	0.03	-
Indian Bank	-	0.01
Kotak Mahindra Bank	0.68	2.32
RBL Bank	10.13	0.05
Standard Chartered Bank	16.39	2.80
Standard Chartered Bank, Nairobi	0.08	0.10
Standard Chartered Bank, Singapore	0.69	0.30
Standard Chartered Bank, Kuala Lumpur	0.11	0.02
State Bank of India	0.18	0.43
	<b>29.93</b>	<b>8.74</b>
<b>b) EEFC Accounts</b>		
Axis Bank	-	6.14
Citibank	20.35	0.27
Standard Chartered Bank	3.07	1.75
	<b>23.42</b>	<b>8.16</b>
<b>c) Deposits with original maturity of more than three months but less than twelve months</b>		
HDFC Bank	33.70	25.00
IndusInd Bank	10.00	55.00
RBL Bank	36.00	26.11
	<b>79.70</b>	<b>106.11</b>
<b>d) Balances held as margin money or security against borrowings or guarantees for less than twelve months</b>		
Indian Bank	0.02	0.04
	<b>0.02</b>	<b>0.04</b>
<b>e) Balances held as margin money or security against guarantees for more than twelve months (Refer Note 9)</b>		
Citibank	0.04	0.04
Kotak Mahindra Bank	-	0.08
	<b>0.04</b>	<b>0.12</b>
<b>f) Deposits with financial institutions (Refer Note 9)</b>		
Bajaj Finance Limited	60.00	55.00
HDFC Limited	-	105.00
	<b>60.00</b>	<b>160.00</b>
<b>g) Total cash and cash equivalent (a+b)</b>	<b>53.35</b>	<b>16.90</b>
<b>h) Total other bank balances with maturity more than three months but less than twelve months (c+d)</b>	<b>79.72</b>	<b>106.15</b>

Tejas Networks Limited

Notes to the unaudited consolidated financial statements for the period ended December 31, 2019

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

**Note No. 8: Loans**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Non-current</b>		
<i>At amortised cost</i>		
Loans considered good - secured	-	-
Loans considered good - unsecured		
Security deposits	5.72	4.47
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	<u>5.72</u>	<u>4.47</u>
Less: Provision	(0.09)	(0.09)
<b>Total non-current loans</b>	<b><u>5.63</u></b>	<b><u>4.38</u></b>
<b>Current</b>		
<i>At amortised cost</i>		
Loans considered good - secured	-	-
Loans considered good - unsecured		
Security deposits	-	0.08
Loans to employees	1.75	0.87
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	<u>1.75</u>	<u>0.95</u>

**Note No. 9: Other Financial Assets**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Non-current financial assets</b>		
Deposits with original maturity of more than twelve months		
Balances held as margin money or security against guarantees	0.04	0.12
<b>Total non-current financial assets</b>	<b><u>0.04</u></b>	<b><u>0.12</u></b>
<b>Current financial assets</b>		
Deposits with financial institutions	60.00	160.00
Unbilled Revenue	8.64	10.58
Interest accrued but not due	0.54	9.86
<b>Total current financial assets</b>	<b><u>69.18</u></b>	<b><u>180.44</u></b>

**Tejas Networks Limited****Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 10: Tax assets**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>10(a) Income Tax Asset</b>		
Advance Income Tax (net)	46.02	36.92
	<b>46.02</b>	<b>36.92</b>
<b>10(b) Deferred Tax Assets</b>		
The balance comprises temporary differences attributable to:		
Provisions allowable on payment basis	4.73	4.73
Difference between carrying amount of property, plant and equipment in books and the income tax return	6.25	6.25
Difference on account of adoption of Ind AS 116	2.06	-
Unabsorbed depreciation	16.95	16.95
Unutilised accumulated expenditure on Scientific research u/s 35 (2AB) ('Accumulated 35 (2AB) expenditure')	11.71	110.07
<b>Total</b>	<b>41.70</b>	<b>138.00</b>

**Note No. 11: Other assets**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Other non-current assets</b>		
Prepaid expenses	0.02	0.14
Capital Advances	0.21	-
<b>Total other non-current assets</b>	<b>0.23</b>	<b>0.14</b>
<b>Other current assets</b>		
Advances to suppliers	14.36	19.25
Advances others	0.18	0.01
Balances with government authorities (other than income taxes)	18.18	5.97
Prepaid expenses	0.86	2.68
<b>Total other current assets</b>	<b>33.58</b>	<b>27.91</b>

**Note No. 12: Inventories**

Particulars	As at	
	December 31, 2019	March 31, 2019
Raw material - components including assemblies and sub-assemblies (including goods in transit Rs. 1.46 (March 31, 2019: Rs. 1.64)	245.01	181.39
<b>Total Inventories</b>	<b>245.01</b>	<b>181.39</b>

**Tejas Networks Limited**

**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 13: Equity Share Capital**

Particulars	Number of Shares	Equity share capital
<b>Authorised Capital</b>		
Equity Share Capital of Rs. 10/- each		
<b>As at April 01, 2018</b>	<b>17,64,52,000</b>	<b>176.45</b>
Changes in equity share capital during the year		
Increase during the year	-	-
<b>As at March 31, 2019</b>	<b>17,64,52,000</b>	<b>176.45</b>
Changes in equity share capital during the year		
Increase during the year	-	-
<b>As at December 31, 2019</b>	<b>17,64,52,000</b>	<b>176.45</b>
<b>Issued, Subscribed and Paid up Capital</b>		
Equity Share Capital of Rs. 10/- each		
<b>Fully paid shares</b>		
<b>As at April 1, 2018</b>	<b>9,08,18,760</b>	<b>90.82</b>
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan	9,00,819	0.90
<b>As at March 31, 2019</b>	<b>9,17,19,579</b>	<b>91.72</b>
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan	4,27,728	0.43
<b>As at December 31, 2019</b>	<b>9,21,47,307</b>	<b>92.15</b>
<b>Forfeited shares (to the extent of amount paid up)*</b>		
<b>As at April 1, 2018</b>	<b>3,27,27,930</b>	<b>3.27</b>
Transaction during the year	-	-
<b>As at March 31, 2019</b>	<b>3,27,27,930</b>	<b>3.27</b>
Transaction during the year	-	-
<b>As at December 31, 2019</b>	<b>3,27,27,930</b>	<b>3.27</b>
	<b>As at</b>	
	<b>December 31, 2019</b>	<b>March 31, 2019</b>
<b>Total Equity Share Capital</b>	<b>95.42</b>	<b>94.99</b>

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

**Tejas Networks Limited**

**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 14: Other Equity**

Particulars	As at	
	December 31, 2019	March 31, 2019
Securities premium	936.93	931.17
Retained earnings	140.35	266.49
Employee stock compensation outstanding account	33.48	27.02
Foreign Currency Translation Reserve	0.97	0.57
Share application money pending allotment	0.01	-
<b>Total Other Equity</b>	<b>1,111.74</b>	<b>1,225.25</b>

**(i) Securities premium**

Particulars	As at	
	December 31, 2019	March 31, 2019
Opening Balance	931.17	922.08
Premium received upon exercise of ESOP	2.00	5.87
Premium recognised on exercise of ESOP/RSU	3.76	3.22
<b>Closing Balance</b>	<b>936.93</b>	<b>931.17</b>

**(ii) Retained earnings**

Particulars	As at	
	December 31, 2019	March 31, 2019
Opening Balance	266.49	120.97
Profit for the year	(110.59)	147.24
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
Remeasurements of the post employment benefit obligation	0.22	(1.72)
Impact on account of adoption of Ind AS 116	(4.69)	-
Dividend (including Tax on dividend)	(11.08)	-
<b>Closing Balance</b>	<b>140.35</b>	<b>266.49</b>

**(iii) Employee stock compensation outstanding account**

Particulars	As at	
	December 31, 2019	March 31, 2019
Opening Balance	27.02	15.14
Share based payment expenses	10.22	15.10
Transferred to securities premium on exercise of ESOP/RSU	(3.76)	(3.22)
<b>Closing Balance</b>	<b>33.48</b>	<b>27.02</b>

**(iv) Foreign Currency Translation Reserve**

Particulars	As at	
	December 31, 2019	March 31, 2019
Opening Balance	0.57	(0.20)
Transaction during the period	0.40	0.77
<b>Closing Balance</b>	<b>0.97</b>	<b>0.57</b>

**(v) Share application money pending allotment**

Particulars	As at	
	December 31, 2019	March 31, 2019
Opening Balance	-	-
Transaction during the period	0.01	-
<b>Closing Balance</b>	<b>0.01</b>	<b>-</b>

**Tejas Networks Limited**

**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 15: Non-current Borrowings**

Particulars	As at	
	December 31, 2019	March 31, 2019
Unsecured Financial support under Technology Development & Demonstration Programme (TDDP) of DSIR Repayable in the form of annual Royalties @ 26% of total grant received for a period of 5 years from the date of commercialization.	1.27	1.19
Less: Current maturities of long term debt (Refer Note 19)	1.27	1.19
<b>Total borrowings</b>	<b>-</b>	<b>-</b>

**Note No. 16: Lease Liabilities**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Non-Current</b>		
Lease Liabilities	23.33	-
<b>Total non-current</b>	<b>23.33</b>	<b>-</b>
<b>Current</b>		
Lease Liabilities	5.94	-
<b>Total current</b>	<b>5.94</b>	<b>-</b>

**Note No. 17: Provisions**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Non-current provisions</b>		
Other provisions		
Warranty	0.59	1.75
<b>Total non-current provisions</b>	<b>0.59</b>	<b>1.75</b>
<b>Current provisions</b>		
Provision for employee benefits		
Compensated absences*	5.50	4.91
Gratuity	0.87	-
Other provisions		
Warranty	3.53	3.23
<b>Total current provisions</b>	<b>9.90</b>	<b>8.14</b>

\* The amount of provision of Rs. 5.50 (March 31, 2019 Rs. 4.91) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

**Movement in Warranty**

Provision for warranty has been estimated based on historical quantum of replacements absorbed in cost of sales.

Particulars	As at	
	December 31, 2019	March 31, 2019
Opening balance	4.98	5.41
Unwinding of interest on provisions	0.33	0.46
Additions	0.11	0.92
Discounting of provision	(0.15)	(0.52)
Utilisation	(1.15)	(1.29)
<b>Closing balance</b>	<b>4.12</b>	<b>4.98</b>

**Disclosed as:**

Non-current	0.59	1.75
Current	3.53	3.23
	<b>4.12</b>	<b>4.98</b>

**Tejas Networks Limited****Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 18: Trade Payables**

Particulars	As at	
	December 31, 2019	March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	18.82	26.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	48.62	136.70
<b>Total trade payables</b>	<b>67.44</b>	<b>163.53</b>

**Note No. 19: Other Financial Liabilities**

Particulars	As at	
	December 31, 2019	March 31, 2019
<b>Current</b>		
Current maturities of long-term debt (Refer Note 15)	1.27	1.19
Due to employees	10.73	32.74
Capital Creditors	1.00	8.62
Accrual for expenses	31.17	38.97
Unpaid dividend	0.03	-
Other liabilities	0.09	0.20
<b>Total other financial liabilities</b>	<b>44.29</b>	<b>81.72</b>

**Note No. 20: Other Current Liabilities**

Particulars	As at	
	December 31, 2019	March 31, 2019
Advances received from customers	1.45	0.58
Deferred revenue	1.13	3.39
Statutory dues	3.22	5.93
<b>Total other current liabilities</b>	<b>5.80</b>	<b>9.90</b>

**Note No. 21: Revenue from Operations**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
<b>Revenue from contract with customers</b>						
Sale of goods (including excise duty where applicable)						
Manufactured goods - Optical and Data Networking products including multiplexers	73.35	68.32	164.13	288.45	571.34	817.45
Component sales	1.25	2.33	8.17	8.86	16.30	23.59
	74.60	70.65	172.30	297.31	587.64	841.04
Rendering of services						
Installation and commissioning revenue	2.42	7.46	2.09	12.53	6.16	15.75
Annual maintenance revenue	8.06	7.30	7.13	22.29	25.39	33.52
Other service revenue	1.58	2.01	2.33	3.84	6.57	7.60
	12.06	16.77	11.55	38.66	38.12	56.87
Other operating income						
Export Incentive	-	-	0.48	-	1.43	2.41
	-	-	0.48	-	1.43	2.41
<b>Total revenue from operations</b>	<b>86.66</b>	<b>87.42</b>	<b>184.33</b>	<b>335.97</b>	<b>627.19</b>	<b>900.32</b>

**Note No. 22: Other Income**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
Interest income from banks on deposits	2.95	2.80	5.68	9.25	19.69	24.15
Gain on current investment carried at fair value through statement of profit and loss	0.11	(0.01)	0.40	(0.07)	0.49	0.32
Gain on sale of current investment carried at fair value through statement of profit and loss	0.62	0.39	0.77	2.83	2.34	4.15
Unwinding of discount on fair valuation of financial assets	0.02	0.02	0.89	0.11	2.75	3.59
Net gain on foreign currency transactions and translation (other than considered as finance cost)	1.22	0.85	-	2.07	0.92	0.56
Export Incentive	1.25	1.37	-	3.74	-	-
Other non-operating income						
Recovery of Focus Product Scheme (FPS) Receivable earlier written off as not recoverable	-	-	1.15	-	2.71	3.00
Bad debts recovered	-	-	-	0.20	-	-
Profit on sale of property, plant and equipment	-	-	0.01	0.02	0.04	-
Miscellaneous income	0.02	1.47	0.40	1.98	0.88	0.92
<b>Total other income</b>	<b>6.19</b>	<b>6.89</b>	<b>9.30</b>	<b>20.13</b>	<b>29.82</b>	<b>36.69</b>

**Note No. 23: Cost of Materials Consumed**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
Opening stock	258.22	221.51	165.40	181.39	190.89	190.89
Add: Purchases	29.77	71.93	104.73	235.64	302.07	454.20
	287.99	293.44	270.13	417.03	492.96	645.09
Less: Closing stock	245.01	258.22	174.85	245.01	174.85	181.39
<b>Cost of materials consumed</b>	<b>42.98</b>	<b>35.22</b>	<b>95.28</b>	<b>172.02</b>	<b>318.11</b>	<b>463.70</b>

**Note No. 24: Employee Benefit Expense**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
Salaries and wages, including performance incentives	38.04	33.27	36.16	109.33	113.77	158.17
Contribution to provident and pension funds	1.73	1.71	1.54	5.13	4.51	6.06
Gratuity expenses	0.16	0.56	0.30	1.09	1.13	1.72
Employee share based payment expenses	3.39	3.67	4.01	10.22	11.81	15.10
Staff welfare expenses	1.27	1.05	1.14	3.55	3.68	5.04
	44.59	40.26	43.15	129.32	134.90	186.09
Less: Capitalized during the year [Refer Note 4(b)]	18.76	17.69	15.55	54.46	44.93	62.43
<b>Total employee benefit expenses</b>	<b>25.83</b>	<b>22.57</b>	<b>27.60</b>	<b>74.86</b>	<b>89.97</b>	<b>123.66</b>

**Note No. 25: Finance Cost**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
Interest expense						
(i) Borrowings	-	-	0.42	-	1.47	3.49
(ii) Unwinding of discount on fair valuation of financial liabilities	0.83	0.91	0.16	2.54	0.50	0.68
Other finance cost	(0.13)	1.60	3.96	4.11	9.96	12.83
<b>Total finance cost</b>	<b>0.70</b>	<b>2.51</b>	<b>4.54</b>	<b>6.65</b>	<b>11.93</b>	<b>17.00</b>



**Tejas Networks Limited**
**Notes to the unaudited consolidated financial statements for the period ended December 31, 2019**

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

**Note No. 26: Other Expenses**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31,	September 30,	December 31,	December 31,	December 31,	
	2019	2019	2018	2019	2018	
Installation and commissioning expenses	0.61	3.50	1.81	5.35	6.62	18.05
Other processing charges	0.25	0.39	0.28	1.40	1.74	3.02
Power and fuel	1.19	1.40	1.17	3.92	3.75	5.02
Housekeeping and security	0.69	0.69	0.54	1.91	1.71	2.23
Lease rentals	0.42	0.66	2.20	1.65	6.18	8.52
Repairs and maintenance - machinery	0.07	0.09	0.11	0.23	0.39	0.47
Repairs and maintenance - others	0.62	0.44	0.56	1.34	1.32	2.37
Sub-contractor charges	2.92	2.97	3.04	9.01	7.92	11.08
Insurance	0.16	0.19	0.13	0.55	0.32	0.48
Rates and taxes	0.02	(0.01)	0.07	0.01	0.30	(0.50)
Communication	0.29	0.34	0.31	0.92	0.93	1.25
Royalty	-	0.02	0.02	0.06	0.64	0.61
Travelling and conveyance	3.67	3.59	4.62	10.93	12.71	18.26
Printing and stationery	0.09	0.10	0.06	0.29	0.22	0.32
Freight and forwarding	0.71	0.68	0.78	1.78	0.13	1.45
Sales expenses	0.03	0.01	0.21	0.05	1.08	1.28
Sales commission	2.79	2.35	3.08	6.58	7.45	13.19
Business promotion	1.63	0.59	0.78	2.50	1.63	2.25
Director sitting fees	0.05	0.04	0.02	0.11	0.08	0.12
Director commission	-	-	-	-	-	0.38
Legal and professional	1.78	2.21	3.56	5.81	10.55	14.70
Auditors remuneration and out-of-pocket expenses						
As auditors	0.09	0.18	0.07	0.51	0.25	0.70
For taxation matters and other attestation services	0.03	-	-	0.03	-	-
Auditors out-of-pocket expenses	0.05	-	0.03	0.05	0.06	0.06
Net loss on foreign currency transactions and translation (other than considered as finance cost)	0.02	(0.69)	1.24	0.06	1.98	-
Focus Product Scheme (FPS) receivable written off	-	-	-	-	-	4.45
Less: Provision for FPS receivable released	-	-	-	-	-	(1.28)
Provision for doubtful advances	-	-	-	-	-	0.09
Bad Debts written off	0.07	-	0.57	0.07	5.02	0.57
Less: Provision for doubtful debts released	(0.02)	-	(0.57)	(0.02)	(1.85)	(0.57)
Provision for doubtful trade and other receivables (net)	(1.12)	2.88	(0.57)	2.62	2.68	5.24
Provision for warranty	(0.23)	0.29	0.03	(0.04)	(0.11)	0.40
Loss on sale of property, plant and equipment (net)	-	-	-	-	0.07	0.03
Expenditure on corporate social responsibility	-	-	-	-	-	0.98
Miscellaneous expenses	1.16	0.71	1.23	2.15	3.09	4.02
Less: Capitalized during the year [Refer Note 4(b)]	18.04	23.62	25.38	59.83	76.86	119.24
	0.25	0.38	0.27	1.38	1.23	2.49
<b>Total other expenses</b>	<b>17.79</b>	<b>23.24</b>	<b>25.11</b>	<b>58.45</b>	<b>75.63</b>	<b>116.75</b>

**Note No. 27: Income Tax Expense**

Particulars	Quarter ended			Period ended		Year ended March 31, 2019
	December 31,	September 30,	December 31,	December 31,	December 31,	
	2019	2019	2018	2019	2018	
a. Current tax						
Tax on profits for the year	(0.66)	(1.54)	(2.93)	-	16.59	20.61
Adjustments for tax of prior periods	-	-	-	-	-	(0.98)
Total current tax expense	(0.66)	(1.54)	(2.93)	-	16.59	19.63
b. Deferred tax						
Decrease/(increase) in deferred tax assets	97.94	(1.55)	(5.00)	98.55	(15.00)	(16.85)
Total deferred tax expense/(benefit)	97.94	(1.55)	(5.00)	98.55	(15.00)	(16.85)
<b>Total Income tax</b>	<b>97.28</b>	<b>(3.09)</b>	<b>(7.93)</b>	<b>98.55</b>	<b>1.59</b>	<b>2.78</b>