



Press Release

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

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

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

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

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

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



About Tejas Networks Limited

Tejas Networks Ltd. designs and manufactures high-performance wireline and wireless networking products for telecommunications service providers, internet service providers, utilities, defence and government entities in over 75 countries. Tejas Networks Ltd. is a part of the Tata Group, with Panatone Finvest Ltd. (a subsidiary of Tata Sons Pvt. Ltd.) being the majority shareholder.

For more information, visit Tejas Networks Ltd. at <http://www.tejasnetworks.com> or contact Investor Relations: ir@india.tejasnetworks.com
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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.



Tejas Networks Limited and subsidiaries		
Abstract of Unaudited Consolidated Balance Sheet as at		
	(in Rs. crore)	
	June 30, 2023	March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	103.60	85.05
Right-of-use assets	41.91	44.29
Goodwill	211.81	211.81
Intangible assets	307.66	305.67
Intangible assets under development	193.52	153.58
Financial assets		
Trade receivables	21.79	19.10
Other financial assets	7.93	7.04
Current tax asset (net)	50.05	31.71
Deferred Tax Asset (net)	71.84	42.09
Other non-current assets	37.94	34.37
Total non - current assets	1,048.05	934.71
Current assets		
Inventories	872.32	646.86
Financial assets		
Investments ¹	117.01	262.24
Trade receivables	479.43	498.93
Cash and cash equivalents ²	49.41	85.39
Other bank balances ³	474.55	656.42
Other financial assets ^{4,5}	343.09	337.14
Other current assets	219.99	180.34
Total current assets	2,555.80	2,667.32
Total assets	3,603.85	3,602.03
EQUITY AND LIABILITIES		
Equity		
Equity share capital	172.84	171.64
Other equity	2,811.53	2,801.32
Total equity	2,984.37	2,972.96
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease Liabilities	43.02	43.90
Other financial liabilities	159.76	156.68
Provisions	2.35	2.12
Total non - current liabilities	205.13	202.70
Current liabilities		
Financial liabilities		
Lease Liabilities	4.85	5.92
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	20.68	26.00
Total outstanding dues of creditors other than micro enterprises and small enterprises	286.01	275.02
Other financial liabilities	38.70	67.77
Provisions	18.10	12.11
Other current liabilities	46.01	39.55
Total current liabilities	414.35	426.37
Total equity and liabilities	3,603.85	3,602.03
Supplementary Information	(in Rs. crore)	
Cash and Cash Equivalents as at	June 30, 2023	March 31, 2023
¹ Investments includes Investment in mutual funds	117.01	262.24
² Cash and cash equivalents	49.41	85.39
³ Other bank balances	474.55	656.42
⁴ Other current financial asset includes Deposits with financials institutions	300.00	300.00
⁵ Other current financial asset includes Fixed Deposits with banks with original maturity of more than twelve months but remaining maturity of less than twelve months	2.36	2.31
Total	943.33	1,306.36



Tejas Networks Limited and subsidiaries				
Unaudited Consolidated Statement of Comprehensive Income for				
<i>(in Rs. crore, except share data)</i>				
	Quarter ended June 30, 2023	Quarter ended Mar 31, 2023	Quarter ended June 30, 2022	Year ended Mar 31, 2023
Revenue from operations	187.89	299.32	125.76	919.57
Other Income	19.48	21.27	18.69	81.01
Total Income	207.37	320.59	144.45	1,000.58
Expenses				
Cost of materials consumed	117.57	177.32	70.46	532.73
Purchases of stock in trade	4.40	5.99	8.93	31.82
Changes in inventories of stock in trade, work in progress and finished goods	(2.63)	13.93	(2.78)	(3.85)
Employee benefit expense	77.05	77.52	37.96	232.65
Finance costs	4.67	4.65	0.94	15.20
Depreciation and amortization expense	34.42	35.47	23.37	122.50
Allowance for expected credit loss	(2.26)	(7.60)	(4.71)	(32.97)
Other expenses	40.03	40.35	23.22	145.15
Total Expenses	273.25	347.63	157.39	1,043.23
Profit/(Loss) before tax	(65.88)	(27.04)	(12.94)	(42.65)
Current tax	(9.85)	(0.32)	(0.89)	(0.32)
Deferred tax	(29.74)	(15.25)	(5.41)	(5.92)
Profit/(Loss) after tax	(26.29)	(11.47)	(6.64)	(36.41)
Other comprehensive income/(loss)	(0.69)	1.45	0.17	(2.42)
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit obligation (Net of tax)	(0.73)	1.00	(0.05)	(3.15)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	0.04	0.45	0.22	0.73
Total comprehensive income/(loss) for the period	(26.98)	(10.02)	(6.47)	(38.83)
Earnings/(Loss) per equity share of Rs. 10 each				
Basic (Rs.)	(1.56)	(0.70)	(0.45)	(2.46)
Diluted (Rs.)	(1.56)	(0.70)	(0.45)	(2.46)
Weighted average equity shares used in computing earnings per equity share				
Basic	16,88,46,812	16,21,20,609	14,86,17,496	15,36,77,077
Diluted	16,88,46,812	16,21,20,609	14,86,17,496	15,36,77,077
As a result of acquisition of controlling interest by the Company in Saankhya and by Saankhya Labs in SSE with effect from July 1, 2022 and July 8, 2022 respectively, the consolidated results for the quarter ended June 30, 2023 includes the contribution from those entities as below:				
Particulars	Quarter ended June 30, 2023	Quarter ended Mar 31, 2023	Year ended Mar 31, 2023	
Revenue from Operations		20.70	14.67	49.48
Profit / (Loss) before Tax		(7.57)	(14.48)	(33.25)
Profit / (Loss) after Tax		(5.86)	(4.50)	(23.23)