

Press Release

**Tejas Networks announces consolidated results for quarter ending, June 30, 2017**

*Revenues grew by 49.0% year-on-year*

*Operating profit grew 251.6% year-on-year*

*Net profit grew to 20.09 crore from loss of 1.75 crore year-on-year*

**Bangalore, August 3, 2017:** Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the first quarter ending June 30, 2017.

Tejas Networks designs, develops, manufactures and sells high-performance and cost-competitive optical and data networking products, which are used to build high-speed communication networks over optical fiber.

The consolidated revenues for the quarter grew by 49.0% year-on-year led by strong growth in domestic business. Our operating margins grew by 251.6% year-on-year. Our operating margin was 12.8% in Q1'18 compared to 5.4% in Q1'17. Our net profit after tax in Q1'18 was 9.2% as compared to net loss of 1.2% in Q1'17.

Mr. Sanjay Nayak, CEO and MD of Tejas Networks said, "with exponential increase in data traffic in mobile as well as fixed-line broadband networks, we are witnessing a strong demand for our optical transmission equipment. During the quarter, we saw strong revenue growth especially from our Indian customers".

During the quarter we completed our Initial Public Offer (IPO) of shares, raising Rs. 450 crore by issuance of 1,75,09,727 shares to retail and institutional shareholders. The primary object of the issue is to fund our R&D, increased working capital needs and general corporate purposes.

As of June 30, 2017, our cash and cash equivalents amounted to Rs.304.83 crore. Our debt as on that date was Rs 15.22 crore.

Mr. Venkatesh Gadiyar, CFO said, "our strong balance sheet provides us a perfect platform to seize any growth opportunity in the market place. We continue to invest heavily in R&D and sales. During the quarter we also saw significant expansion in operating and net profits of the company".

During Q1'18, Tejas supplied a large portion of GPON products for Government of India's flagship Bharatnet project for providing broadband to villages. Mr. Arnob Roy, President, Optical Products said, "we are pleased to partner with the Indian government to execute the prestigious BharatNet project using our leading-edge GPON product."

Tejas has filed 337 patents to date and during Q1'18, Tejas won the award for "Top Indian Private Company (MSME) for Patent & Commercialization" from the Department of Industrial





Policy and Intellectual Property Office, Government of India. Tejas also won the Clarivate Analytics "India Innovation Award– Top 50".

### **About Tejas Networks Limited**

Tejas Networks designs, develops and sells high-performance and cost-competitive products to telecommunications service providers, internet service providers, utilities, defence and government entities in over 60 countries. Tejas products utilize a programmable, software-defined hardware architecture with a common software code-base, that delivers an app-like ease of development and upgrades of new features and technology standards. Tejas is ranked amongst top-10 suppliers in the global optical aggregation segment.

For more information, visit Tejas Networks Ltd. at <http://www.tejasnetworks.com>

For any further clarifications, please contact

Investor Relations: [ir@india.tejasnetworks.com](mailto:ir@india.tejasnetworks.com)

or

Mr. Santosh Kesavan: [skeshavan@india.tejasnetworks.com](mailto:skeshavan@india.tejasnetworks.com) Phone: +91 80 41794600

### **SAFE HARBOUR**

*Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the industry in which the Company operates. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.*

A handwritten signature in blue ink, appearing to be the initials "SK" or similar, located to the left of the circular stamp.



**Tejas Networks Limited and subsidiaries**  
**Consolidated Unaudited Balance Sheet as at**
*(in ₹ crore, except share data)*

	June 30, 2017	June 30, 2016
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	27.27	28.37
Other Intangible assets	50.14	53.94
Intangible assets under development	31.38	60.27
<b>Financial Assets</b>		
Trade receivables	24.79	6.49
Bank balances	15.31	26.49
Other financial asset	4.96	4.38
Income tax assets (net)	23.05	18.17
Other non-current assets	0.70	0.27
<b>Total Non - Current Assets</b>	<b>177.60</b>	<b>198.38</b>
<b>Current assets</b>		
Inventories	184.99	231.38
<b>Financial Assets</b>		
Trade receivables	456.61	296.17
Cash and cash equivalents	200.40	7.73
Bank deposits with maturity of more than 3months but less than 12months	89.12	20.51
Loans	11.43	0.92
Other financial asset	4.70	1.03
Other current assets	27.00	41.72
<b>Total Current Assets</b>	<b>974.25</b>	<b>599.46</b>
<b>Total Assets</b>	<b>1,151.85</b>	<b>797.84</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	89.55	56.89
Other Equity	865.17	268.33
<b>Total Equity</b>	<b>954.72</b>	<b>325.22</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	2.27	4.12
Provisions	2.95	2.81
<b>Total Non - Current Liabilities</b>	<b>5.22</b>	<b>6.93</b>
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	11.95	282.65
Trade payables	157.35	138.66
Other financial liabilities	1.45	26.55
Provisions	4.46	2.11
Current Tax Liabilities (Net)	0.19	0.18
Other current liabilities	16.51	15.54
<b>Total Current Liabilities</b>	<b>191.91</b>	<b>465.69</b>
<b>Total Equity and Liabilities</b>	<b>1,151.85</b>	<b>797.84</b>




Tejas Networks Limited and subsidiaries  
Consolidated Unaudited Statements of Comprehensive Income for

(in ₹ crore, except share data)

	Three months ended June 30, 2017	Three months ended June 30, 2016
<b>Revenue from operations</b>	<b>219.31</b>	<b>147.23</b>
Other Income	4.50	2.69
<b>Total Revenue</b>	<b>223.81</b>	<b>149.92</b>
<b>Expenses</b>		
Cost of materials consumed	125.94	83.87
Employee benefit expense	22.78	17.34
Finance costs	6.82	12.45
Depreciation and amortisation expense	16.86	14.62
Other expenses	25.60	23.40
<b>Total Expenses</b>	<b>198.00</b>	<b>151.68</b>
<b>Profit/(loss) before tax</b>	<b>25.81</b>	<b>(1.76)</b>
Tax Expense	5.37	-
<b>Profit/(loss) after tax</b>	<b>20.44</b>	<b>(1.76)</b>
<b>Other comprehensive income</b>	<b>(0.35)</b>	<b>0.01</b>
Items that will not be recycled to profit or loss		
Remeasurements of the defined benefit liabilities / (asset)	(0.38)	-
Items that may be reclassified to profit or loss		
Exchange differences in translating the financial statements of foreign operations	0.03	0.01
<b>Total comprehensive income for the period</b>	<b>20.09</b>	<b>(1.75)</b>
<b>Earnings per equity share</b>		
<b>Basic (₹)</b>	<b>2.78</b>	<b>(0.31)</b>
<b>Diluted (₹)</b>	<b>2.65</b>	<b>(0.31)</b>
<b>Weighted average equity shares used in computing earnings per equity share</b>		
<b>Basic</b>	<b>73,369,609</b>	<b>56,200,382</b>
<b>Diluted</b>	<b>76,965,392</b>	<b>56,200,382</b>


