



Press Release

Tejas Networks announces consolidated results for quarter ended December 31, 2020
Q3 net revenue was Rs. 129.1 crore; Net Profit was Rs. 9.2 crore

Bengaluru, January 20, 2021: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the third quarter ended December 31, 2020. Tejas Networks designs, develops, manufactures and sells high-performance optical and data networking products, which are used to build high-speed communication networks.

For Q3 2021, consolidated net revenue was Rs. 129.1 crore, which was a YoY increase of 51.2%, resulting in a profit before tax of Rs. 9.2 crore as compared to a loss before tax of Rs. 14.8 crore for corresponding previous period. Profit after tax was Rs. 9.2 crore as compared to loss after tax of Rs. 112.1 crore for corresponding previous period.

For the nine months ended December 31, 2020, net revenue was Rs. 313.3 crore, which was a YoY decline of 4.2%, with a profit before tax of Rs. 4.0 crore as compared to a loss before tax of Rs. 12.0 crore for corresponding previous period. Profit after tax was Rs. 4.0 crore as compared to a loss after tax of Rs. 110.6 crore for corresponding previous period.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, "We continued to build on our momentum of revenue as well as profitability growth during Q3. We also had strong order inflows and new customer wins, resulting in order book of Rs. 672 crore, as on December 31, 2020. Our international business for the first nine months saw a YoY revenue growth of 26.9%, led by customers in Africa, Mid-east and South-East Asia. With increased demand for high-speed home broadband connections on optical fiber and the need for telecom operators to upgrade their backbone network capacity, we see a robust demand for our equipment globally."

Mr. Venkatesh Gadiyar, CFO said, "Our quarterly financial performance continues to improve, as we generated cash of Rs. 55 crore from operations and also reduced our working capital by Rs. 43 crore during Q3. Our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, improved to Rs. 335 crore as on December 31, 2020 and we continue to be a debt-free Company."

As on date, we have filed for 349 patents and during the quarter, we were granted 2 patents bringing our cumulative grant to 120 patents.

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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 75 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

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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.

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

(in Rs. crore, except share data)

	December 31, 2020	March 31, 2020
ASSETS		
Non-current assets		
Property, plant and equipment	30.78	30.55
Right-of-use assets	17.30	21.29
Intangible assets	49.67	26.81
Intangible assets under development	32.86	26.99
Financial assets		
Trade receivables	75.84	80.28
Loans	5.37	5.61
Other financial assets	1.60	1.11
Current tax asset (net)	61.34	47.80
Deferred Tax Asset	41.70	41.70
Other non-current assets	6.84	6.97
Total non - current assets	323.30	289.11
Current assets		
Inventories	229.20	251.99
Financial assets		
Investments	57.84	50.97
Trade receivables	326.62	375.63
Cash and cash equivalents	44.93	66.48
Other bank balances	122.32	76.71
Loans	0.90	1.17
Other financial assets	110.48	91.59
Other current assets	41.64	37.50
Total current assets	933.93	952.04
Total assets	1,257.23	1,241.15
EQUITY AND LIABILITIES		
Equity		
Equity share capital	96.07	95.48
Other equity	998.05	985.46
Total equity	1,094.12	1,080.94
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease Liabilities	18.36	21.91
Provisions	1.11	0.59
Total non - current liabilities	19.47	22.50
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	14.69	10.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	73.98	63.81
Lease liabilities	5.35	5.97
Other financial liabilities	36.42	42.27
Provisions	6.62	7.44
Other current liabilities	6.58	7.26
Total current liabilities	143.64	137.71
Total equity and liabilities	1,257.23	1,241.15

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Tejas Networks Limited and subsidiaries
Consolidated Statements of Comprehensive Income for

(in Rs. crore, except share data)

	Quarter ended Dec 31, 2020	Quarter ended Sep 30, 2020	Quarter ended Dec 31, 2019	Nine months ended Dec 31, 2020	Nine months ended Dec 31, 2019	Year ended March 31, 2020
Revenue from operations	134.88	110.06	86.66	325.05	335.97	390.54
Other Income	8.55	8.11	6.19	21.00	20.13	33.65
Total Income	143.43	118.17	92.85	346.05	356.10	424.19
Expenses						
Cost of materials consumed	74.40	58.97	42.98	168.55	172.02	203.58
Employee benefit expense	27.07	26.28	25.83	80.22	74.86	110.52
Finance costs	0.88	1.02	0.70	2.84	6.65	7.72
Depreciation and amortization expense	12.06	11.84	20.33	37.68	56.16	77.05
Impairment of non-current assets	-	-	-	-	-	69.87
Allowance for expected credit loss	1.80	(0.82)	(1.12)	5.00	2.62	20.03
Other expenses	17.99	16.35	18.91	47.77	55.83	73.99
Total Expenses	134.20	113.64	107.63	342.06	368.14	562.76
Profit/(Loss) before tax	9.23	4.53	(14.78)	3.99	(12.04)	(138.57)
Current tax	-	-	(0.66)	-	-	-
Deferred tax	-	-	97.94	-	98.55	98.55
Profit/(Loss) after tax	9.23	4.53	(112.06)	3.99	(110.59)	(237.12)
Other comprehensive income/(loss)	0.20	0.68	0.07	0.82	0.62	(0.43)
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit obligation	0.20	0.75	0.03	0.90	0.22	(1.07)
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	-	(0.07)	0.04	(0.08)	0.40	0.64
Total comprehensive income/(loss) for the period	9.43	5.21	(111.99)	4.81	(109.97)	(237.55)
Earnings/(Loss) per equity share of Rs. 10 each						
Basic (Rs.)	0.99	0.49	(12.16)	0.43	(12.02)	(25.76)
Diluted (Rs.)	0.97	0.49	(12.16)	0.43	(12.02)	(25.76)
Weighted average equity shares used in computing earnings per equity share						
Basic	9,26,71,398	9,23,60,935	9,21,28,349	9,24,31,355	9,19,93,023	9,20,38,454
Diluted	9,48,85,067	9,26,64,459	9,21,28,349	9,31,46,138	9,19,93,023	9,20,38,454

Supplementary Information

Particulars	Quarter ended Dec 31, 2020	Quarter ended Sep 30, 2020	Quarter ended Dec 31, 2019	Nine months ended Dec 31, 2020	Nine months ended Dec 31, 2019	Year ended March 31, 2020
Revenue from operations	134.88	110.06	86.66	325.05	335.97	390.54
Less: Sale of Components	5.77	3.27	1.25	11.78	8.86	10.75
Revenue (net of component sales)	129.11	106.79	85.41	313.27	327.11	379.79
Year on Year Growth/(decline)	51.2%			-4.2%		

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