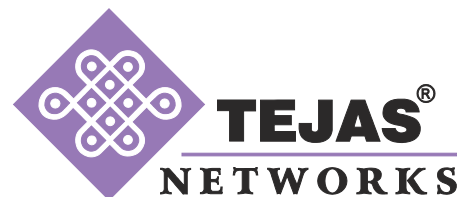


Tejas Networks Ltd.

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



April 22, 2019

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051
NSE Symbol: TEJASNET

The Secretary
BSE Limited
P J Towers, Dalal Street, Fort,
Mumbai – 400 001
BSE Scrip Code: 540595

Dear Sir/Madam,

Re: Outcome of Board Meeting

We refer to our letter dated April 9, 2019 informing about the Board Meeting scheduled on April 22, 2019.

In this connection, we wish to inform you that the Board of Directors of Tejas Networks Limited (“the Company”) at their meeting held on Monday, April 22, 2019 at Bangalore, have 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 Audited Financial results (Standalone and Consolidated) as per IND-AS for the quarter and year ended March 31, 2019 together with the Audit report of the Statutory Auditors – **Annexure - A**.

In this context, please note the following:

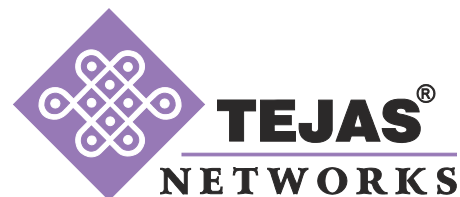
- a) M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016), Statutory Auditors of the Company has issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone and Consolidated) for the year ended March 31, 2019.
- b) Mr. Venkatesh Gadiyar, Chief Financial Officer of the Company issued a declaration in compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that the M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No.012754N/N500016), Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone and Consolidated) for the year ended March 31, 2019.

Dividend

2. Recommended a Final Dividend of Rs. 1/- per Equity Share of Rs. 10/- each for the financial year ended March 31, 2019, subject to the approval of the members at the ensuing 19th Annual General Meeting (AGM) of the Company. The said final dividend, if approved, by the members at the ensuing AGM shall be paid/dispatched within 30 days from the date of the AGM to those members whose name stand on the Register of Members as on July 18, 2019. Please note that the intimation on recommendation of final dividend was sent to the Stock Exchange(s) vide Letter dated April 15, 2019.

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



Director

3. Reappointment of Mr. Sanjay Nayak (DIN: 01049871), who is liable to retire by rotation at the ensuing AGM, as Director liable to retire by rotation. Further, Mr. Sanjay Nayak based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the members in the ensuing AGM, be re-appointed as Managing Director and Chief Executive Officer for a period of five (5) years with effect from January 1, 2020 till December 31, 2024.

Annual General Meeting and Book Closure

4. The 19th Annual General Meeting of the Members of the Company will be held on Thursday, July 25, 2019 at 3.00 P.M. at Bangalore.
5. Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 19th July, 2019 to Thursday, 25th July, 2019 (both days inclusive) for Annual General Meeting.

Other matters

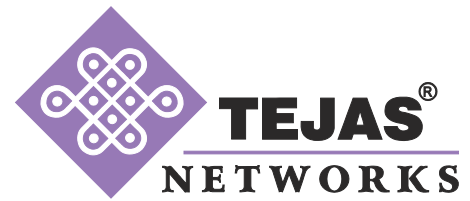
6. The Nomination and Remuneration Committee and the Board of Directors in its meeting held today, have approved the grant of 42,800 Restricted Stock Units with a four year vesting period at face value of Rs. 10/- each under Tejas Restricted Stock Unit Plan 2017 to the employees of the Company/ Subsidiary with the effective date of grant as of April 22, 2019.
7. Allotment of 1,33,297 Equity Shares of the Company pursuant to exercise of the Stock Options/ Restricted Stock Units by eligible employees of the Company/ Subsidiary including Senior Management/ Key Managerial Personnel under respective Stock Options Plan/ Tejas Restricted Stock Unit Plan 2017.
8. Took on record the amended Tejas Restricted Stock Unit Plan 2017.
9. Reconstitution of the Committees of the Board.

We also enclose:

- a) Copy of the press release issued with respect of said financial results as **Annexure- B**.
- b) Extracts of the Audited financial results under IND-AS (Standalone and Consolidated) for the quarter and year ended March 31, 2019 being published in the newspapers as Annexure - **C**.
- c) Brief Profile of Mr. Sanjay Nayak who is proposed to be re-appointed, subject to the approval of the Shareholders, Director liable to retire by rotation as well as Managing Director and Chief Executive Officer of the Company as **Annexure - D**.

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



Please note that the Conference Call details to discuss the Company's performance on Tuesday, April 23, 2019 at 3.00 P.M (IST) has already been intimated to Stock Exchanges vide our letter dated April 19, 2019.

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



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

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
NSE Symbol: TEJASNET

The Secretary
BSE Limited
 P J Towers, Dalal Street, Fort,
 Mumbai – 400 001
BSE Scrip Code: 540595

April 22, 2019

Dear Sir/Madam,

Sub: Declaration pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Venkatesh Gadiyar, Chief Financial Officer of Tejas Networks Limited having its Registered Office at J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli Bangalore – 560100, hereby declare that, the Statutory Auditors of the Company, M/s. Price Waterhouse Chartered Accountants LLP, (Firm Registration No.012754N/N500016) have issued an Audit Report with unmodified opinion on the Annual Audited Financial Results of the Company (Standalone & Consolidated) for the year ended on March 31, 2019.

This Declaration is given in Compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take the above information on record.

**Yours sincerely,
 For Tejas Networks Limited**

**Venkatesh Gadiyar
 Chief Financial Officer**



Price Waterhouse Chartered Accountants LLP

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

Independent Auditor's Report on the Statement of standalone financial results

1. We have audited the accompanying Statement containing the annual audited standalone financial results of Tejas Networks Limited (the "Company") for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

Management's Responsibility for the standalone financial results

2. Management is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory standalone financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited standalone financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statement is free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor
Bangalore - 560 008

T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - (ii) the Annual audited standalone financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total comprehensive income (comprising of profit and other comprehensive income), and other financial information of the Company for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

Emphasis of Matter

7. We draw your attention to Note 14 of the Statement regarding the figures for the quarter ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

Other Matter

8. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges on which the Company's shares are listed. This Statement is based on and should be read with the Annual audited standalone financial statements of the Company for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 22, 2019.

Our opinion is not qualified in respect of this matter.

Restriction on Use

9. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 8 above. This report should not be otherwise used by any other party for any other purpose.

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



Pradip Kanakia
Partner
Membership No: 039985

Place: Bengaluru
Date: April 22, 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 Standalone Financial Results for the quarter and year ended March 31, 2019

(Rs. in crore except per share data)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Refer Note 14	Unaudited	Refer Note 14	Audited	Audited
I Revenue from operations*	271.91	181.10	98.25	894.03	761.07
II Other Income	6.97	9.15	9.38	36.64	27.22
III Total Income (I + II)	278.88	190.25	107.63	930.67	788.29
IV EXPENSES					
(a) Cost of materials consumed	145.50	95.36	42.92	463.70	382.30
(b) Excise duty	-	-	-	-	17.64
(c) Employee benefit expense	32.08	26.13	19.12	117.60	88.65
(d) Finance costs	5.03	4.78	1.62	16.88	13.45
(e) Depreciation and amortization expense	17.45	16.19	11.83	65.88	61.27
(f) Other expenses	41.77	24.05	26.67	117.14	118.34
Total expenses (IV)	241.83	166.51	102.16	781.20	681.65
V Profit before tax (III - IV)	37.05	23.74	5.47	149.47	106.64
VI Income tax expense					
(1) Current tax	3.04	(2.93)	2.61	19.63	23.78
(2) Deferred tax (benefit)	(1.85)	(5.00)	(24.26)	(16.85)	(24.26)
Total tax expense	1.19	(7.93)	(21.65)	2.78	(0.48)
VII Profit after tax (V - VI)	35.86	31.67	27.12	146.69	107.12
VIII Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit obligation	(1.61)	(0.20)	(0.05)	(2.20)	(2.05)
Income tax relating to above	0.35	0.05	0.44	0.48	0.44
IX Total comprehensive income for the period (VII + VIII)	34.60	31.52	27.51	144.97	105.51
X Earnings per equity share					
Equity shares of par value Rs. 10 each					
(1) Basic	3.91	3.46	3.00	16.07	12.48
(2) Diluted	3.78	3.29	2.84	15.33	11.79

* Refer Note 1

of Gtm





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 Assets and Liabilities as at March 31, 2019

(Rs. in crore except per share data)

Particulars	As at	
	March 31, 2019	March 31, 2018
ASSETS		
Non-current assets		
Property, plant and equipment	30.68	35.98
Intangible assets	68.44	38.75
Intangible assets under development	41.38	46.85
Investments in subsidiaries	10.87	10.87
Financial assets		
Investments*	0.00	0.00
Trade receivables	42.81	34.84
Loans	4.35	5.41
Other financial assets	0.12	0.04
Income Tax Asset (net)	36.93	32.02
Deferred Tax Assets	138.00	121.16
Other non-current assets	0.14	0.34
Total non-current assets	373.72	326.26
Current assets		
Inventories	181.39	190.89
Financial assets		
Investments	86.55	76.52
Trade receivables	607.39	259.48
Cash and cash equivalents	16.41	213.48
Bank balances other than above	106.15	21.76
Loans	0.79	0.58
Other financial assets	180.44	213.40
Other current assets	27.48	20.69
Total current assets	1,206.60	996.80
Total assets	1,580.32	1,323.06
EQUITY AND LIABILITIES		
Equity		
Equity share capital	94.99	94.09
Other equity	1,223.75	1,057.81
Total equity	1,318.74	1,151.90
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings		1.00
Provisions	1.75	1.14
Total non-current liabilities	1.75	2.14
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	26.83	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	137.03	105.09
Other financial liabilities	78.41	47.36
Provisions	8.14	6.89
Other current liabilities	9.42	9.68
Total current liabilities	259.83	169.02
Total liabilities	261.58	171.16
Total equity and liabilities	1,580.32	1,323.06

* Amount below the rounding off norm adopted by the Company.

9 Gh





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

Notes

(Rs. in crore except share data)

- 1 Revenue from operations for quarter ended June 30, 2017 was inclusive of excise duty. Post introduction of Goods and Services Tax (GST), effective July 1, 2017 revenue from operations for the periods post June 30, 2017 is net of the related GST. Accordingly, the revenue for the year ended March 31, 2019 and the corresponding previous year are not strictly comparable. On a comparable basis, revenue, net of such taxes is given below:

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Refer Note 14	Unaudited	Refer Note 14	Audited	Audited
Revenue from operations	271.91	181.10	98.25	894.03	761.07
Less: Excise Duty	-	-	-	-	17.64
Revenue from operations (net of excise duty)	271.91	181.10	98.25	894.03	743.43
Comparable revenue increase for the year (in %)				20%	

- 2 These financial results have been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 ('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 ('Listing Regulations'), as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('SEBI Circular').
- 3 The Company's operations comprise of only one segment viz. Networking equipment.
- 4 During the quarter ended June 30, 2017, the Company completed an Initial Public Offer ('IPO') and allotted 1,75,09,727 equity shares of Rs. 10/- each at a premium of Rs 247/- per share. The equity shares of the Company were listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from June 27, 2017. Cumulatively 100% of the proceeds have been utilised during the quarter ended June 30, 2018. There was no deviation in use of proceeds from the objects stated in the offer document.
- 5 In July, 2017, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act). The Company and its officials fully co-operated with the Income Tax Department. During the year, 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. The Company is of the view that the outcome of these proceedings/summons will not have any material impact on the Company's financial results.
- 6 During the year, the Company has received an Order from CESTAT with respect to applicability of excise duty on the software used as part of the Multiplexer products 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 (Rs. 11.87 crores) and various show cause notices on the similar matter received in different earlier financial years (aggregating Rs. 24.88 crores). The earlier order was disclosed as a contingent liability and the aforesaid show cause notices were disclosed under the contingent liabilities note as additional information for the year ended March 31, 2018. 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.
- 7 The Company has with effect from April 01, 2018 revised the estimated useful lives of Laboratory Equipment, Electrical Installation and Furniture and Fixtures from 10 years to 5 years, Vehicles from 8 years to 5 years and Servers and Networking Equipment from 6 years to 5 years, based on a periodic technical evaluation carried out during the year. Accordingly, additional depreciation of Rs. 0.72 and Rs. 8.89 has been charged for the quarter and year ended March 31, 2019 respectively on a prospective basis in this statement of financial results.
- 8 a) The Company has, at various grant dates during the year issued 10,43,340 Restricted Stock Units (RSU) 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. An amount of Rs. 2.99 and Rs. 13.22 representing the fair value of such RSU's has been charged for the quarter and year ended March 31, 2019 respectively (Rs. 0.09 and Rs. 0.16 for the quarter and year ended March 31, 2018 respectively) in this statement of financial results.
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 price. An amount of Rs. 0.30 and Rs. 1.78 representing the fair value of such stock options has been charged for the quarter and year ended March 31, 2019 respectively (Rs. 0.90 and Rs. 5.53 for the quarter and year ended March 31, 2018 respectively) in this statement of financial results.
- 9 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 March 31, 2019 the trade receivables does not include receivables amounting to Rs. 57.85 (March 31, 2018: Rs. 72.86) which have been derecognised in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring agreements.
- 10 The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" with effect from April 01, 2018 by applying the modified retrospective approach. The impact on account of adoption of Ind AS 115 as compared with Ind AS 18 on the Statement of Assets and Liabilities as at March 31, 2019 and Statement of Standalone Financial Results for the year ended March 31, 2019 is as follows:
- Retention money is no longer been discounted and the variable consideration as envisaged in certain contracts have been netted off with the Revenue.
- The impact of the said changes on the Statement of Assets and Liabilities and Statement of Standalone Financial Results is not considered to be material.
- 11 During the year, Tejas Israel Limited, a wholly owned non-operating foreign subsidiary has been liquidated with effect from November 25, 2018 pursuant to receiving approval from the Registrar of Companies and Partnerships, Israel.
- 12 During the year, vSave Energy Private Limited, a wholly owned non-operating Indian subsidiary has been dissolved with effect from July 28, 2018 pursuant to receiving approval from the Registrar of Companies, Karnataka for dissolution, and for striking off the name of this entity.
- 13 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. During the year Company has 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 in the past 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.
- 14 The figures for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the respective financial years which were subjected to review by the statutory auditors.
- 15 After the year end the Board of Directors in their meeting held on April 22, 2019 have recommended the payment of final dividend of Re. 1 per fully paid equity share. (March 31, 2018 : Nil). This proposed final dividend is subject to the approval of shareholders in the ensuing general meeting.
- 16 Previous period's figures have been regrouped/reclassified where necessary, to conform with the current period's presentation for the purpose of comparability.
- 17 The above statement of standalone financial results and statement of assets and liabilities 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 April 22, 2019.



For and on behalf of the Board of Directors

Sanjay Nayak
CEO and Managing Director
(DIN: 01049871)

Price Waterhouse Chartered Accountants LLP

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

Independent Auditor's Report on the Statement of consolidated financial results

1. We have audited the accompanying Statement containing the annual audited consolidated financial results of Tejas Networks Limited ("hereinafter referred to as the Holding Company") and its subsidiaries/ step down subsidiary (the Holding Company and its subsidiaries/ step down subsidiary together referred to as "the Group"), (refer Note 2 to the Statement of consolidated financial results) for the year ended March 31, 2019 together with the notes thereon (hereinafter referred to as the "Statement"), which we have signed under reference to this report.

Management's Responsibility for the consolidated financial results

2. Management of the Holding Company is responsible for the preparation of the accompanying Statement. The Management is also responsible for the preparation of the annual statutory consolidated financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India"), basis which the above Statement containing the annual audited consolidated financial results has been prepared. The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Statement based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statement is free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Statement.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Price Waterhouse Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road, Ulsoor
Bangalore - 560 008

T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

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/IN500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Statement, together with the notes thereon are presented in the format prescribed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - (ii) the Annual audited consolidated financial results for the year ended March 31, 2019 as set out in the Statement gives a true and fair view of the total consolidated comprehensive income (comprising of consolidated profit and consolidated other comprehensive income) and other financial information of the Group, for the year ended March 31, 2019 in accordance with the accounting principles generally accepted in India.

Emphasis of Matter

7. We draw your attention to Note 16 of the Statement regarding the figures for the quarter ended March 31, 2019, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year. Our opinion is not qualified in respect of this matter.

Other Matter

8. We did not audit the financial information of 1 subsidiary and 1 step down subsidiary which reflect total assets of Rs 25.59 Crores and net assets of Rs 14.08 Crores as at March 31, 2019, total revenue of Rs. 28.14 Crores, total comprehensive income [comprising of profit and other comprehensive income] of Rs. 0.43 Crores for the year ended on that date, as considered in the Statement of consolidated financial results. Such financial information is unaudited and has been furnished to us by the Management, and our opinion on the Statement of consolidated financial results insofar as it relates to the amounts is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, such financial information is not material to the Group.
9. The Statement dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges on which the Company's shares are listed. This Statement is based on and should be read with the Annual audited consolidated financial statements of the Group for the year ended March 31, 2019 on which we issued an unmodified audit opinion vide our report dated April 22, 2019.

Our opinion is not qualified in respect of these matters.

Restriction on Use

10. This report is addressed to the Board of Directors of the Holding Company and has been prepared for and only for the purposes set out in paragraph 9 above. This report should not be otherwise used by any other party for any other purpose.

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



Pradip Kanakia
Partner
Membership No: 039985

Place: Bengaluru
Date: April 22, 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 Consolidated Financial Results for the quarter and year ended March 31, 2019

(Rs. in crore except per share data)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
	Refer Note 16	Unaudited	Refer Note 16	Audited	Audited
I Revenue from operations*	273.13	184.33	102.13	900.32	767.44
II Other Income	6.87	9.30	10.06	36.69	27.83
III Total income (I + II)	280.00	193.63	112.19	937.01	795.27
IV EXPENSES					
(a) Cost of materials consumed	145.59	95.28	43.00	463.70	382.42
(b) Excise duty	-	-	-	-	17.64
(c) Employee benefit expense	33.69	27.60	20.48	123.66	92.26
(d) Finance costs	5.07	4.54	1.55	17.00	13.40
(e) Depreciation and amortization expense	17.45	16.19	11.83	65.88	61.27
(f) Other expenses	41.12	25.11	27.91	116.75	122.24
Total Expenses (IV)	242.92	168.72	104.77	786.99	689.23
V Profit before tax (III - IV)	37.08	24.91	7.42	150.02	106.04
VI Income tax expense					
(1) Current tax	3.04	(2.93)	2.61	19.63	23.78
(2) Deferred tax (benefit)	(1.85)	(5.00)	(24.26)	(16.85)	(24.26)
Total tax expense	1.19	(7.93)	(21.65)	2.78	(0.48)
VII Profit after tax (V - VI)	35.89	32.84	29.07	147.24	106.52
VIII Other comprehensive income					
a Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit obligation	(1.61)	(0.20)	(0.05)	(2.20)	(2.05)
Income tax relating to above	0.35	0.05	0.44	0.48	0.44
b Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations	(0.07)	(0.80)	(0.30)	0.77	(0.15)
IX Total comprehensive income for the period (VII + VIII)	34.56	31.89	29.16	146.29	104.76
X Earnings per equity share					
Equity shares of par value Rs. 10 each					
(1) Basic	3.92	3.59	3.21	16.13	12.41
(2) Diluted	3.79	3.41	3.04	15.39	11.73

* Refer Note 1

04 Gm





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

Consolidated Statement of Assets and Liabilities as at March 31, 2019

(Rs. In crore except per share data)

Particulars	As at	
	March 31, 2019	March 31, 2018
ASSETS		
Non-current assets		
Property, plant and equipment	30.68	35.98
Intangible assets	68.44	38.75
Intangible assets under development	41.38	46.85
Financial assets		
Investments*	0.00	0.00
Trade receivables	42.81	34.84
Loans	4.38	5.44
Other financial assets	0.12	0.04
Income Tax Asset (net)	36.92	32.01
Deferred Tax Assets	138.00	121.16
Other non-current assets	0.14	0.34
Total non-current assets	362.87	315.41
Current assets		
Inventories	181.39	190.89
Financial assets		
Investments	86.55	76.52
Trade receivables	622.12	275.71
Cash and cash equivalents	16.90	214.19
Bank balances other than above	106.15	21.76
Loans	0.95	0.62
Other financial assets	180.44	213.40
Other current assets	27.91	21.27
Total current assets	1,222.41	1,014.36
Total assets	1,585.28	1,329.77
EQUITY AND LIABILITIES		
Equity		
Equity share capital	94.99	94.09
Other equity	1,225.25	1,057.99
Total equity	1,320.24	1,152.08
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	1.00
Provisions	1.75	1.14
Total non-current liabilities	1.75	2.14
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	26.83	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	136.70	105.03
Other financial liabilities	81.72	53.30
Provisions	8.14	6.89
Other current liabilities	9.90	10.33
Total current liabilities	263.29	175.55
Total liabilities	265.04	177.69
Total equity and liabilities	1,585.28	1,329.77

* Amount below the rounding off norm adopted by the Company.

af Gh





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

(Rs. in crore except share data)

Notes

- 1 Revenue from operations for quarter ended June 30, 2017 was inclusive of excise duty. Post introduction of Goods and Services Tax (GST), effective July 1, 2017 revenue from operations for the periods post June 30, 2017 is net of the related GST. Accordingly, the revenue for the year ended March 31, 2019 and the corresponding previous year are not strictly comparable. On a comparable basis, revenue, net of such taxes is given below:

Particulars	Quarter ended		Quarter ended		Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	Year ended
	Refer Note 16	Unaudited	Refer Note 16	Audited	Audited	Audited
Revenue from operations	273.13	184.33	102.13	900.32	767.44	767.44
Less: Excise Duty					17.64	17.64
Revenue from operations (net of excise duty)	273.13	184.33	102.13	900.32	749.80	749.80
Comparable revenue increase for the year (in %)				20%		

- 2 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' hereinunder):
- Tejas Communication Pte. Limited, Singapore
 - Tejas Israel Limited (upto November 25, 2018) [Refer Note 4],
 - Tejas Communication (Nigeria) Limited and
 - vSave Energy Private Limited (upto July 28, 2018) [Refer Note 3]
- 3 During the year, vSave Energy Private Limited, a wholly owned non-operating Indian subsidiary has been dissolved with effect from July 28, 2018 pursuant to receiving approval from the Registrar of Companies, Karnataka for dissolution, and for striking off the name of this entity.
- 4 During the year, Tejas Israel Limited, a wholly owned non-operating foreign subsidiary has been liquidated with effect from November 25, 2018 pursuant to receiving approval from the Registrar of Companies and Partnerships, Israel.
- 5 These consolidated financial results of the Group have been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 ('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 ('Listing Regulations'), as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('SEBI Circular').
- 6 The Group's operations comprise of only one segment viz. Networking equipment.
- 7 During the quarter ended June 30, 2017, the Company completed an Initial Public Offer ('IPO') and allotted 1,75,09,727 equity shares of Rs. 10/- each at a premium of Rs 247/- per share. The equity shares of the Company were listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from June 27, 2017. Cumulatively 100% of the proceeds have been utilised during the quarter ended June 30, 2018. There was no deviation in use of proceeds from the objects stated in the offer document.

- 8 Summary of key standalone financial results of the Company is as follows:

Particulars	Quarter ended		Quarter ended		Year ended	
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018	Year ended
Revenues from operations	271.91	181.10	98.25	894.03	761.07	761.07
Profit before tax	37.05	23.74	5.47	149.47	105.64	105.64
Profit after tax	35.86	31.67	27.12	146.69	107.12	107.12

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.

- 9 In July, 2017, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 (IT Act). The Company and its officials fully co-operated with the Income Tax Department. During the year, 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. The Company is of the view that the outcome of these proceedings/summons will not have any material impact on the Company's consolidated financial results.
- 10 During the year, the Company has received an Order from CESTAT with respect to applicability of excise duty on the software used as part of the Multiplexer products 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 (Rs. 11.87 crores) and various show cause notices on the similar matter received in different earlier financial years (aggregating Rs. 24.88 crores). The earlier order was disclosed as a contingent liability and the aforesaid show cause notices were disclosed under the contingent liabilities note as additional information for the year ended March 31, 2018. 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.
- 11 The Group has with effect from April 01, 2018 revised the estimated useful lives of Laboratory Equipment, Electrical Installation and Furniture and Fixtures from 10 years to 5 years, Vehicles from 8 years to 5 years and Servers and Networking Equipment from 6 years to 5 years, based on a periodic technical evaluation carried out during the year. Accordingly, additional depreciation of Rs. 0.72 and Rs. 8.89 has been charged for the quarter and year ended March 31, 2019 respectively on a prospective basis in this statement of consolidated financial results.
- 12 a) The Company has, at various grant dates during the year issued 10,43,340 Restricted Stock Units (RSU) to its employees and certain employees of a foreign subsidiary at face value of the Company's share, which were approved by the Nomination and Remuneration Committee and the Board of Directors. An amount of Rs. 2.99 and Rs. 13.32 representing the fair value of such RSU's has been charged for the quarter and year ended March 31, 2019 respectively (Rs. 0.09 and Rs. 0.16 for the quarter and year ended March 31, 2018 respectively) in this statement of consolidated financial results.
- b) The Company has, at various grant dates in the earlier years issued stock options under different Employee Stock Option Plans to its employees and certain employees of a foreign subsidiary at different exercise price. An amount of Rs. 0.30 and Rs. 1.78 representing the fair value of such stock options has been charged for the quarter and year ended March 31, 2019 respectively (Rs. 0.90 and Rs. 5.53 for the quarter and year ended March 31, 2018 respectively) in this statement of consolidated financial results.
- 13 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 March 31, 2019 the trade receivables does not include receivables amounting to Rs. 57.85 (March 31, 2018: Rs. 72.86) which have been derecognised in accordance with Ind AS 109 - Financial Instruments, pursuant to such factoring agreements.

of Gm





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

- 14 The Group has adopted Ind AS 115 "Revenue from Contracts with Customers" with effect from April 01, 2018 by applying the modified retrospective approach. The impact on account of adoption of Ind AS 115 as compared with Ind AS 18 on the Consolidated Statement of Assets and Liabilities as at March 31, 2019 and Statement of Consolidated Financial Results for the year ended March 31, 2019 is as follows:
- Retention money is no longer been discounted and the variable consideration as envisaged in certain contracts have been netted off with the Revenue.
 - The impact of the said changes on the Consolidated Statement of Assets and Liabilities and Statement of Consolidated Financial Results is not considered to be material.
- 15 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. During the year Company has 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 in the past 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.
- 16 The figures for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the respective financial years which were subjected to review by the statutory auditors.
- 17 After the year end the Board of Directors in their meeting held on April 22, 2019 have recommended the payment of final dividend of Re. 1 per fully paid equity share. (March 31, 2018 : Nil). This proposed final dividend is subject to the approval of shareholders in the ensuing general meeting.
- 18 Previous period's figures have been regrouped/reclassified where necessary, to conform with the current period's presentation for the purpose of comparability.
- 19 The above statement of consolidated financial results and consolidated statement of assets and liabilities 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 April 22, 2019.

For and on behalf of the Board of Directors

CEO and Managing Director
(DIN: 01049871)

Place: Bengaluru
Date: April 22, 2019





Press Release

Tejas Networks announces consolidated results for quarter and year ended March 31, 2019

***FY 19 Revenues (net of taxes and pass-through component sale) was 876.7 Cr (YoY growth of 18.5%)
and Net profit before tax was 150 Cr (YoY growth of 41.5%)***

***Q4 Revenues (net of taxes and pass-through component sale) was 265.8 Cr
and Net profit before tax was 37.1Cr***

Bengaluru, April 22, 2019: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the fourth quarter and year ended March 31, 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.

For the year ended Mar 31, 2019, our revenues (net of taxes and pass-through component sale) were ₹ 876.7 crore, which was a year-on-year increase of 18.5%. Our operating profit was ₹ 130.3 crore, year-on-year increase of 42.3%. Our profit before tax grew by 41.5% to ₹ 150 crore and profit after tax grew by 38.2% on year-on-year basis.

For the quarter ended Mar 31, 2019, our consolidated revenues (net of taxes and pass-through component sale) was ₹ 265.8 crore, QoQ increase of 50.9%. Our operating profit was ₹ 35.3 crore and our profit before tax was ₹ 37.1 crore, QoQ growth of 48.9%

Mr. Sanjay Nayak, Managing Director and CEO said, "We had a strong revenue growth on year-on-year basis, while continuing to expand our profitability. Our international sales investments are yielding positive results and we saw a 70% year-on-year increase in our international-direct revenues. Our non-Government revenues grew by 33%, indicating a reduced dependency on India-Government business, which is inherently lumpy in nature. We believe that the growth drivers of our business continue to be strong, although we will see quarterly volatility. Our focus is to invest and grow our international business which we expect to be around 50% of our total revenues in the medium term. We are pleased to inform that our Board has recommended a maiden dividend (final) of ₹ 1/- per share to our shareholders."

Mr. Venkatesh Gadiyar, CFO said, "On year-on-year basis, we have improved our operating profit by over 240 bps on account of higher gross margins and operating leverage. During the year, our DSO increased by 101 days, primarily due to delays in payment from a Public Sector operator in India. We believe there is no collection risk since the dues pertain to Government's BharatNet project, for which specific funds have been set aside from the Universal Services Obligations (USO) fund. During Q4 we have partially collected the amount and expect to collect the overdue amount and normalize our working capital cycle in the near future. We are practically a debt free Company and as of March 31, 2019 our cash and cash equivalents (including investment in mutual funds) were about ₹ 369.7 crore."

During the quarter, we were granted 6 patents bringing our cumulative grant to 106 patents. As on date, we have filed for 349 patents.

of Gm





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 over 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.

09 





Tejas Networks Limited and subsidiaries
Consolidated Statements of Comprehensive Income for

(in ₹ crore, except share data)

	Quarter ended Mar 31, 2019	Quarter ended Dec 31, 2018	Quarter ended Mar 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations*	273.13	184.33	102.13	900.32	767.44
Other Income	6.87	9.30	10.06	36.69	27.83
Total Revenue	280.00	193.63	112.19	937.01	795.27
Expenses					
Cost of materials consumed	145.59	95.28	43.00	463.70	400.06
Employee benefit expense	33.69	27.60	20.48	123.66	92.26
Finance costs	5.07	4.54	1.55	17.00	13.40
Depreciation and amortization expense	17.45	16.19	11.83	65.88	61.27
Other expenses	41.12	25.11	27.91	116.75	122.24
Total Expenses	242.92	168.72	104.77	786.99	689.23
Profit before tax	37.08	24.91	7.42	150.02	106.04
Current tax	3.04	(2.93)	2.61	19.63	23.78
Deferred tax	(1.85)	(5.00)	(24.26)	(16.85)	(24.26)
Profit after tax	35.89	32.84	29.07	147.24	106.52
Other comprehensive income	(1.33)	(0.95)	0.09	(0.95)	(1.76)
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit obligation	(1.26)	(0.15)	0.39	(1.72)	(1.61)
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations	(0.07)	(0.80)	(0.30)	0.77	(0.15)
Total comprehensive income for the period	34.56	31.89	29.16	146.29	104.76
Earnings per equity share of Rs. 10 each					
Basic (₹)	3.92	3.59	3.21	16.13	12.41
Diluted (₹)	3.79	3.41	3.04	15.39	11.73
Weighted average equity shares used in computing earnings per equity share					
Basic	9,16,12,403	9,14,49,872	9,04,73,874	9,13,08,108	8,58,58,425
Diluted	9,47,91,242	9,64,45,735	9,54,43,272	9,56,67,708	9,08,27,823

*Revenue from operations for quarter ended June 30, 2017 was inclusive of excise duty. Post introduction of Goods and Services Tax (GST), effective July 1, 2017 are net of the related GST. Accordingly, the revenue for the current year and the previous year are not strictly comparable.

Supplementary Information

Particulars	Quarter ended Mar 31, 2019	Quarter ended Dec 31, 2018	Quarter ended Mar 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations	273.13	184.33	102.13	900.32	767.44
Less: Excise Duty	-	-	-	-	17.64
Revenue (net of taxes)	273.13	184.33	102.13	900.32	749.80
Less: Sale of Components	7.29	8.17	3.42	23.59	9.93
Revenue (net of taxes and component sales)	265.84	176.16	98.71	876.73	739.87
Year on Year Growth	169.3%			18.5%	

09

Str





Tejas Networks Limited and subsidiaries
Consolidated Balance Sheet as at

(in ₹ crore, except share data)

	March 31, 2019	March 31, 2018
ASSETS		
Non-current assets		
Property, plant and equipment	30.68	35.98
Intangible assets	68.44	38.75
Intangible assets under development	41.38	46.85
Financial assets		
Trade receivables	42.81	34.84
Loans	4.38	5.44
Other financial assets	0.12	0.04
Income tax asset (net)	36.92	32.01
Deferred Tax Asset	138.00	121.16
Other non-current assets	0.14	0.34
Total non - current assets	362.87	315.41
Current assets		
Inventories	181.39	190.89
Financial assets		
Investments	86.55	76.52
Trade receivables	622.12	275.71
Cash and cash equivalents	16.90	214.19
Bank deposits with maturity of more than 3 months but less than 12 months	106.11	16.95
Balance held as margin money	0.04	4.81
Loans	0.95	0.62
Other financial assets	180.44	213.40
Other current assets	27.91	21.27
Total current assets	1,222.41	1,014.36
Total assets	1,585.28	1,329.77
EQUITY AND LIABILITIES		
Equity		
Equity share capital	94.99	94.09
Other equity	1,225.25	1,057.99
Total equity	1,320.24	1,152.08
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	1.00
Provisions	1.75	1.14
Total non - current liabilities	1.75	2.14
Current liabilities		
Financial liabilities		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	26.83	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	136.70	105.03
Other financial liabilities	81.72	53.30
Provisions	8.14	6.89
Other current liabilities	9.90	10.33
Total current liabilities	263.29	175.55
Total equity and liabilities	1,585.28	1,329.77

of Gm





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 Consolidated Results for the quarter and year ended March 31, 2019

(Rs. in crore except per share data)

Sl. No.	Particulars	Quarter ended March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2018	Quarter ended March 31, 2018
1	Total Income from operations*	273.13	900.32	767.44	102.13
2	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items) ¹	37.08	150.02	106.04	7.42
3	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items) ²	35.89	147.24	106.52	29.07
4	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	34.56	146.29	104.76	29.16
5	Equity Share Capital	94.99	94.99	94.09	94.09
6	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	1,225.25	1,057.99	-
7	Earnings per Share (of Rs. 10/- each)				
	(i) Basic ₹	3.92	16.13	12.41	3.21
	(ii) Diluted ₹	3.79	15.39	11.73	3.04

Notes

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

Particulars	Quarter ended March 31, 2019	Year ended March 31, 2019	Year ended March 31, 2018	Quarter ended March 31, 2018
Total Income from operations*	271.91	894.03	761.07	98.25
Profit before tax	37.05	149.47	106.64	5.47
Profit after tax	35.86	146.69	107.12	27.12

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). The Company and its officials fully co-operated with the Income Tax Department. During the year, 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. The Company is of the view that the outcome of these proceedings/summons will not have any material impact on the Company's consolidated financial results.

4 During the year, the Company has received an Order from CESTAT with respect to applicability of excise duty on the software used as part of the Multiplexer products 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 (Rs. 11.87 crores) and various show cause notices on the similar matter received in different earlier financial years (aggregating Rs. 24.88 crores). The earlier order was disclosed as a contingent liability and the aforesaid show cause notices were disclosed under the contingent liabilities note as additional information for the year ended March 31, 2018. 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.

5 **Dividend**

The Board of Directors in their meeting held on April 22, 2019 have recommended the payment of final dividend of Re. 1 per fully paid equity share. (March 31, 2018 : Nil). This proposed final dividend is subject to the approval of shareholders in the ensuing general meeting.

6 **Board and Committee Changes**

a) Appointment of Directors with effect from March 25, 2019

Mr. Chandrashekar Bhaskar Bhave, Independent (Additional/ Non-Executive) Director
Mr. Arnob Roy, Whole-time (Additional/ Executive) Director

b) The Committees of the Board have been reconstituted with effect from April 22, 2019

Exceptional and/or Extraordinary items are adjusted in the Statement of Profit and Loss in accordance with the Companies (Indian Accounting Standard) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013.

Place: Bengaluru
Date: April 22, 2019

69



For and on behalf of the Board of Directors

Sanjay Nayak
CEO and Managing Director
(DIN: 01049871)

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

**Brief Profile of Mr. Sanjay Nayak**

Mr. Sanjay Nayak ("Sanjay") is the Managing Director and CEO of Tejas Networks Limited. Sanjay has several years of experience in the field of telecommunication and networking. Prior to Tejas Networks, Sanjay was Managing Director of Synopys (India) Private Limited. Sanjay received the "Technovation Sarabhai Award" from India Electronics and Semiconductor Association (IESA) and the "Electronics Man of the Year" from ELCINA in 2011. He is the Co-Chairman of India's Telecom Equipment and Services Export Promotion Council (TEPC) and was a member of CII's National Committee on ICTE for 2016-17. He is also a member of the FICCI startup committee.

Sanjay has a Master of Science degree from North Carolina State University, USA and a Bachelor of Science degree in Engineering from Birla Institute of Technology, Mesra, where he was awarded the institute gold medal for standing first in the electronics and communication engineering batch.

He has been inducted as a Fellow of the Indian National Academy of Engineering (INAE) for his dynamic leadership in building great scientific Institutions which have immensely contributed for the faster development of the country.

