



Press Release

Tejas Networks announces consolidated results for quarter ended June 30, 2022

Q1 23 revenue was Rs. 125.8 crore

Q1 23 loss was Rs. 6.6 crore

Bengaluru, July 25, 2022: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the first quarter ended June 30, 2022. Tejas Networks designs, develops, manufactures and sells high-performance telecom and networking products, which are used to build high-speed communication networks.

For Q1-FY23, consolidated net revenue was Rs. 125.8 crore, which was a YoY decrease of 12.8%, resulting in a loss before tax of Rs. 12.9 crore as compared to a profit of Rs. 8.3 crore, for corresponding previous period. Loss after tax was Rs. 6.6 crore as compared to profit of Rs. 7.6 crore for corresponding previous period.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, “We continued to experience supply chain challenges and we could not manufacture enough products to make complete, balanced shipments against our open orders. We are re-engineering our supply chain processes and IT tools, to better manage the unpredictability of component supplies. With these changes, along with our strong order book of Rs 1,158 crores and advance inventory actions, we expect to see better revenue performance in the coming quarters. We continue to increase our R&D and manufacturing investments for 4G and 5G wireless products and are seeing a good pipeline of business building up”.

Mr. Venkatesh Gadiyar, CFO said, “During Q1, we saw margin pressure due to industry-wide increase in component prices over last few quarters, which we could not pass on to some of our customers with whom we had agreed for fixed price deals. Our cash position continues to be healthy and as on June 30, 2022 our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, were Rs. 1,739 crore and we continue to be a debt-free Company”.



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 Consolidated Balance Sheet as at

(in Rs. crore)

	June 30, 2022	March 31, 2022
ASSETS		
Non-current assets		
Property, plant and equipment	42.01	40.09
Right-of-use assets	48.82	14.56
Intangible assets	75.50	83.20
Intangible assets under development	61.48	59.81
Financial assets		
Trade receivables	8.59	7.07
Other financial assets ¹	5.74	5.71
Current tax asset (net)	34.94	55.63
Deferred Tax Asset	118.74	111.33
Other non-current assets	25.60	25.19
Total non - current assets	413.02	360.39
Current assets		
Inventories	322.57	278.02
Financial assets		
Investments ²	506.31	401.78
Trade receivables	289.96	285.09
Cash and cash equivalents ³	293.46	47.56
Other bank balances ⁴	586.94	299.68
Other financial assets ⁵	367.97	363.16
Other current assets	91.01	74.44
Total current assets	2,458.02	1,749.75
Total assets	2,871.04	2,110.12
EQUITY AND LIABILITIES		
Equity		
Equity share capital	154.80	117.82
Other equity	2,485.09	1,812.43
Total equity	2,639.89	1,930.25
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease Liabilities	48.74	11.95
Provisions	0.87	0.49
Total non - current liabilities	47.61	12.44
Current liabilities		
Financial liabilities		
Lease Liabilities	5.45	7.81
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	9.84	11.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	126.53	100.09
Other financial liabilities	20.78	22.48
Provisions	9.31	8.92
Other current liabilities	11.63	18.65
Total current liabilities	183.54	187.43
Total equity and liabilities	2,871.04	2,110.12

Supplementary Information

(in Rs. crore)

	June 30, 2022	March 31, 2022
Cash and Cash Equivalents as at		
¹ Other non-current financial asset includes Fixed Deposits with banks with remaining maturity of more than twelve months	-	0.22
² Investments includes Investment in mutual funds	506.31	401.78
³ Cash and cash equivalents	293.46	47.56
⁴ Other bank balances	586.94	299.68
⁵ Other current financial asset includes Deposits with financial institutions	351.79	351.79
⁵ Other current financial asset includes Fixed Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	-	1.15
Total	1,738.50	1,102.18



Tejas Networks Limited and subsidiaries
Consolidated Statements of Comprehensive Income for

(in Rs. crore, except share data)

	Quarter ended June 30, 2022	Quarter ended March 31, 2022	Quarter ended June 30, 2021	Year ended March 31, 2022
Revenue from operations	125.76	126.50	144.25	550.59
Other Income	18.69	14.36	8.38	43.30
Total Income	144.45	140.86	152.63	593.89
Expenses				
Cost of materials consumed	67.40	70.86	65.96	290.74
Purchases of stock in trade	8.93	5.47	9.28	23.69
Changes in inventories of stock in trade	0.28	(0.33)	(1.43)	(3.65)
Employee benefit expense	37.96	41.35	29.60	134.43
Finance costs	0.94	0.25	1.26	3.19
Depreciation and amortization expense	23.37	21.89	16.39	76.78
Allowance for expected credit loss	(4.71)	68.49	1.16	87.76
Other expenses	23.22	28.77	22.07	98.08
Total Expenses	157.39	236.75	144.29	711.02
Profit/(Loss) before tax	(12.94)	(95.89)	8.34	(117.13)
Current tax	(0.89)	9.77	1.44	0.19
Deferred tax	(5.41)	(56.04)	(0.65)	(54.61)
Profit/(Loss) after tax	(6.64)	(49.62)	7.55	(62.71)
Other comprehensive income/(loss)	0.17	(0.48)	0.05	(1.19)
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit obligation (Net of tax)	(0.05)	(0.14)	0.04	(2.08)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	0.22	(0.34)	0.01	0.89
Total comprehensive income/(loss) for the period	(6.47)	(50.10)	7.60	(63.90)
Earnings/(Loss) per equity share of Rs. 10 each				
Basic (Rs.)	(0.45)	(4.34)	0.81	(5.97)
Diluted (Rs.)	(0.45)	(4.34)	0.78	(5.97)
Weighted average equity shares used in computing earnings per equity share				
Basic	14,86,17,496	11,42,44,004	9,33,45,059	10,50,19,617
Diluted	14,86,17,496	11,42,44,004	9,67,87,743	10,50,19,617