



Press Release

Tejas Networks announces results for quarter ended March 31, 2023

Q4 23 revenue was Rs. 299.3 crore (YoY 136.6%) and FY 23 revenue was Rs. 919.6 crore (YoY 67%)

Bengaluru, April 21, 2023: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the fourth quarter ended March 31, 2023. Tejas Networks designs, develops, manufactures and sells high-performance telecom and networking products, which are used to build high-speed communication networks.

For Q4-FY23, consolidated net revenue was Rs. 299.3 crore, which was a YoY increase of 136.6%, resulting in a loss before tax of Rs. 27 crore as compared to loss of Rs. 95.9 crore, for corresponding previous period. Loss after tax was Rs. 11.5 crore as compared to loss of Rs. 49.6 crore for corresponding previous period. Effective Q2-FY23 Saankhya Labs and its subsidiaries' financials have been consolidated and the above includes revenue of Rs. 15 crore from Saankhya for Q4-FY23.

For FY23, consolidated net revenue was Rs. 919.6 crore, which was a YoY increase of 67%, resulting in a loss before tax of Rs. 42.7 crore as compared to loss of Rs. 117.1 crore, for corresponding previous period. Loss after tax was Rs. 36.4 crore as compared to loss of Rs. 62.7 crore for corresponding previous period.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, "In FY23 we recorded our highest-ever consolidated revenues of Rs 920 crore and highest-ever new order inflow. We are starting FY24 with a robust order book of Rs 1,934 crore and a strong visibility into large opportunities. We have made significant investments in our supply chain processes and taken adequate inventory actions to ensure that we can scale-up and deliver on the growth opportunities ahead of us. During FY23, in line with our business growth plans, we made significant investments in R&D, Supply chain and Field-support and our headcount increased by 41%".

Mr. Venkatesh Gadiyar, CFO said, "As on March 31, 2023, our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, were at Rs. 1,306 crore and we continue to be a debt-free Company. We have made cash flow plans, working with our suppliers, to ensure that we can deliver on our growth and can execute large orders without stressing our working capital."

As on March 31, 2023, Tejas and its subsidiaries have filed for 445 patents of which 217 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
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.



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

(in Rs. crore)

	March 31, 2023	March 31, 2022
ASSETS		
Non-current assets		
Property, plant and equipment	85.05	40.09
Right-of-use assets	44.29	14.56
Intangible assets	305.67	83.20
Intangible assets under development	153.58	39.61
Goodwill	211.81	-
Financial assets		
Trade receivables	19.10	7.07
Other financial assets ¹	7.04	5.71
Current tax asset (net)	31.71	35.63
Deferred Tax Asset	42.09	111.33
Other non-current assets	34.37	23.19
Total non - current assets	934.71	360.39
Current assets		
Inventories	646.86	278.02
Financial assets		
Investments ²	262.24	401.78
Trade receivables	498.93	285.09
Cash and cash equivalents ³	85.39	47.56
Other bank balances ⁴	656.42	299.68
Other financial assets ⁵	337.14	363.16
Other current assets	180.34	74.44
Total current assets	2,667.32	1,749.73
Total assets	3,602.03	2,110.12
EQUITY AND LIABILITIES		
Equity		
Equity share capital	171.64	117.82
Other equity	2,801.32	1,812.43
Total equity	2,972.96	1,930.25
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease Liabilities	43.90	11.95
Other financial liabilities	156.68	-
Provisions	2.12	0.49
Total non - current liabilities	202.70	12.44
Current liabilities		
Financial liabilities		
Lease Liabilities	5.92	7.81
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	26.00	11.48
Total outstanding dues of creditors other than micro enterprises and small enterprises	275.02	100.09
Other financial liabilities	67.77	22.48
Provisions	12.11	6.92
Other current liabilities	39.55	18.65
Total current liabilities	426.37	167.43
Total equity and liabilities	3,602.03	2,110.12
Supplementary Information		(in Rs. crore)
Cash and Cash Equivalents as at	March 31, 2023	March 31, 2022
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	262.24	401.78
³ Cash and cash equivalents	85.39	47.56
⁴ Other bank balances	656.42	299.68
⁵ Other current financial asset includes Deposits with financial 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	2.31	1.15
Total	1,306.36	1,050.39



Tejas Networks Limited and subsidiaries
Consolidated Statements of Comprehensive Income for

(in Rs. crore, except share data)

	Quarter ended Mar 31, 2023	Quarter ended Dec 31, 2022	Quarter ended Mar 31, 2022	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Revenue from operations	299.32	274.55	126.50	919.57	550.59
Other Income	21.27	21.00	14.36	81.01	43.30
Total Income	320.59	295.55	140.86	1,000.58	593.89
Expenses					
Cost of materials consumed	190.54	160.54	70.86	533.87	290.74
Purchases of stock in trade	5.99	9.82	5.47	31.82	23.69
Changes in inventories of stock in trade	0.71	(2.58)	(0.33)	(4.99)	(3.65)
Employee benefit expense	77.52	68.66	41.35	232.65	134.43
Finance costs	4.65	4.74	0.25	15.20	3.19
Depreciation and amortization expense	35.47	33.62	21.89	122.50	76.78
Allowance for expected credit loss	(7.60)	(12.42)	68.49	(32.97)	87.76
Other expenses	40.35	42.52	28.77	145.15	98.08
Total Expenses	347.63	304.90	236.75	1,043.23	711.02
Profit/(Loss) before tax	(27.04)	(9.35)	(95.89)	(42.65)	(117.13)
Current tax	(0.32)	(0.47)	9.77	(0.32)	0.19
Deferred tax	(15.25)	6.27	(56.04)	(5.92)	(54.61)
Profit/(Loss) after tax	(11.47)	(15.15)	(49.62)	(36.41)	(62.71)
Other comprehensive income/(loss)	1.45	(1.60)	(0.48)	(2.42)	(1.19)
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit obligation (Net of tax)	1.00	(1.53)	(0.14)	(3.15)	(2.08)
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations	0.45	(0.07)	(0.34)	0.73	0.89
Total comprehensive income/(loss) for the period	(10.02)	(16.75)	(50.10)	(38.83)	(63.90)
Earnings/(Loss) per equity share of Rs. 10 each					
Basic (Rs.)	(0.70)	(0.99)	(4.34)	(2.46)	(5.97)
Diluted (Rs.)	(0.70)	(0.99)	(4.34)	(2.46)	(5.97)
Weighted average equity shares used in computing earnings per equity share					
Basic	16,21,20,609	15,24,01,344	11,42,44,004	15,09,13,739	10,50,19,617
Diluted	16,21,20,609	15,24,01,344	11,42,44,004	15,09,13,739	10,50,19,617

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 and year ended March 31, 2023 includes the contribution from those entities as below:

Particulars	Quarter ended Mar 31, 2023	Year ended Mar 31, 2023
Revenue from Operations	14.67	49.48
Profit / (Loss) before Tax	(14.48)	(33.25)
Profit / (Loss) after Tax	(4.50)	(23.23)