



## **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.



### **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

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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  
Consolidated Balance Sheet as at

(in ₹ crore, except share data)

	March 31, 2019	March 31, 2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	30.68	35.98
Intangible assets	68.44	38.75
Intangible assets under development	41.38	46.85
<b>Financial assets</b>		
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
<b>Total non - current assets</b>	<b>362.87</b>	<b>315.41</b>
<b>Current assets</b>		
Inventories	181.39	190.89
<b>Financial assets</b>		
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
<b>Total current assets</b>	<b>1,222.41</b>	<b>1,014.36</b>
<b>Total assets</b>	<b>1,585.28</b>	<b>1,329.77</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	94.99	94.09
Other equity	1,225.25	1,057.99
<b>Total equity</b>	<b>1,320.24</b>	<b>1,152.08</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	-	1.00
Provisions	1.75	1.14
<b>Total non - current liabilities</b>	<b>1.75</b>	<b>2.14</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
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
<b>Total current liabilities</b>	<b>263.29</b>	<b>175.55</b>
<b>Total equity and liabilities</b>	<b>1,585.28</b>	<b>1,329.77</b>



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
<b>Total Revenue</b>	<b>280.00</b>	<b>193.63</b>	<b>112.19</b>	<b>937.01</b>	<b>795.27</b>
<b>Expenses</b>					
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
<b>Total Expenses</b>	<b>242.92</b>	<b>168.72</b>	<b>104.77</b>	<b>786.99</b>	<b>689.23</b>
<b>Profit before tax</b>	<b>37.08</b>	<b>24.91</b>	<b>7.42</b>	<b>150.02</b>	<b>106.04</b>
Current tax	3.04	(2.93)	2.61	19.63	23.78
Deferred tax	(1.85)	(5.00)	(24.26)	(16.85)	(24.26)
<b>Profit after tax</b>	<b>35.89</b>	<b>32.84</b>	<b>29.07</b>	<b>147.24</b>	<b>106.52</b>
<b>Other comprehensive income</b>	<b>(1.33)</b>	<b>(0.95)</b>	<b>0.09</b>	<b>(0.95)</b>	<b>(1.76)</b>
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)
<b>Total comprehensive income for the period</b>	<b>34.56</b>	<b>31.89</b>	<b>29.16</b>	<b>146.29</b>	<b>104.76</b>
<b>Earnings per equity share of Rs. 10 each</b>					
<b>Basic (₹)</b>	<b>3.92</b>	<b>3.59</b>	<b>3.21</b>	<b>16.13</b>	<b>12.41</b>
<b>Diluted (₹)</b>	<b>3.79</b>	<b>3.41</b>	<b>3.04</b>	<b>15.39</b>	<b>11.73</b>
<b>Weighted average equity shares used in computing earnings per equity share</b>					
<b>Basic</b>	<b>9,16,12,403</b>	<b>9,14,49,872</b>	<b>9,04,73,874</b>	<b>9,13,08,108</b>	<b>8,58,58,425</b>
<b>Diluted</b>	<b>9,47,91,242</b>	<b>9,64,45,735</b>	<b>9,54,43,272</b>	<b>9,56,67,708</b>	<b>9,08,27,823</b>

\*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%	