



Press Release

Tejas Networks announces consolidated results for quarter ended March 31, 2022

Q4 revenue was Rs. 126.5 crore and FY 22 revenue was Rs. 550.6 crore

Q4 loss was Rs. 49.6 crore and FY 22 loss was Rs. 62.7 crore

Bengaluru, April 22, 2022: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the fourth quarter ended March 31, 2022. Tejas Networks designs, develops, manufactures and sells high-performance telecom and networking products, which are used to build high-speed communication networks.

For Q4-FY22, consolidated net revenue was Rs. 126.5 crore, which was a YoY decrease of 37.2%, resulting in a loss before tax of Rs. 95.9 crore as compared to a profit of Rs. 18.5 crore, for corresponding previous period. Loss after tax was Rs. 49.6 crore as compared to profit of Rs. 33.6 crore for corresponding previous period.

For FY 22, net revenue was Rs. 550.6 crore, which was a YoY increase of 6.9%, resulting in a loss after tax of Rs. 62.7 crore, as compared to a profit of Rs. 37.5 crore for corresponding previous period.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, "We are disappointed that our Q4 revenues were below our expectations. This was due to the ongoing global chip supply shortages and despite our best efforts, we could not manufacture enough products to fulfil open orders. However, we continue to see a positive business momentum with strong Q4 order inflow of Rs. 316 crores, increasing our total order book to an all-time high of Rs. 1,175 crores. We have already taken advance inventory actions for securing components for our planned revenues for next 12 months and we believe that we will be able to effectively address the challenges of the ongoing semiconductor component shortages. We are also pleased that our 4G Radio Access Network (RAN) equipment, as a part of the indigenous 4G solution, has successfully passed the Proof-of-Concept field tests in the network of a large Indian telecom operator."

Mr. Venkatesh Gadiyar, CFO said, "During Q4, we saw margin pressure due to increase in component prices and lower international revenues. Our cash position continues to be healthy and as on March 31, 2022 our cash and cash equivalents, including investment in liquid mutual funds and deposits with financial institutions, were Rs. 1,102 crores and we continue to be a debt-free Company".

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About Tejas Networks Limited

Tejas Networks designs, develops and sells high-performance wireline and wireless networking products to telecommunications service providers, internet service providers, utilities, defence and government entities in over 75 countries. Tejas products utilize programmable, software-defined hardware architecture with a common software code-base that delivers seamless upgrades of new features and technology standards.

For more information, visit Tejas Networks at <http://www.tejasnetworks.com> or contact

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SAFE HARBOUR

Certain statements in this release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to successfully implement our strategy and our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, changes in the laws and regulations that apply to the industry in which the Company operates. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.

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Tejas Networks Limited and subsidiaries
Consolidated Statements of Comprehensive Income for

(in Rs. crore, except share data)

	Quarter ended Mar 31, 2022	Quarter ended Dec 31, 2021	Quarter ended Mar 31, 2021	Year ended Mar 31, 2022	Year ended Mar 31, 2021
Revenue from operations	126.50	107.06	201.55	550.59	526.60
Other Income	14.36	16.39	3.85	43.30	24.85
Total Income	140.86	123.45	205.40	593.89	551.45
Expenses					
Cost of materials consumed	70.86	62.87	100.19	290.74	268.74
Purchases of stock in trade	5.47	7.15	-	23.69	-
Changes in inventories of stock in trade	(0.33)	(1.65)	-	(3.65)	-
Employee benefit expense	41.35	31.36	36.11	134.43	116.33
Finance costs	0.25	0.78	0.86	3.19	3.70
Depreciation and amortization expense	21.89	20.22	14.44	76.78	52.12
Allowance for expected credit loss	68.49	12.97	9.80	87.76	14.80
Other expenses	28.77	22.66	25.47	98.08	73.24
Total Expenses	236.75	156.36	186.87	711.02	528.93
Profit/(Loss) before tax	(95.89)	(32.91)	18.53	(117.13)	22.52
Current tax	9.77	(11.21)	-	0.19	-
Deferred tax	(56.04)	2.60	(15.02)	(54.61)	(15.02)
Profit/(Loss) after tax	(49.62)	(24.30)	33.55	(62.71)	37.54
Other comprehensive income/(loss)	(0.48)	0.36	1.19	(1.19)	2.02
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit obligation (Net of tax)	(0.14)	(0.41)	1.31	(2.08)	2.21
Items that will be reclassified to profit or loss					
Exchange differences on translation of foreign operations	(0.34)	0.77	(0.12)	0.89	(0.19)
Total comprehensive income/(loss) for the period	(50.10)	(23.94)	34.74	(63.90)	39.56
Earnings/(Loss) per equity share of Rs. 10 each					
Basic (Rs.)	(4.34)	(2.13)	3.61	(5.97)	4.05
Diluted (Rs.)	(4.34)	(2.13)	3.49	(5.97)	3.99
Weighted average equity shares used in computing earnings per equity share					
Basic	11,42,44,004	11,39,73,071	9,29,27,921	10,50,19,617	9,25,53,796
Diluted	11,42,44,004	11,39,73,071	9,62,34,240	10,50,19,617	9,41,28,273

Supplementary Information

Particulars	Quarter ended Mar 31, 2022	Quarter ended Dec 31, 2021	Quarter ended Mar 31, 2021	Year ended Mar 31, 2022	Year ended Mar 31, 2021
Revenue from operations	126.50	107.06	201.55	550.59	526.60
Less: Sale of Components		-	5.77	-	11.78
Revenue (net of component sales)	126.50	107.06	195.78	550.59	514.82
Year on Year Growth	-35.4%			6.9%	

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

	<i>(in Rs. crore)</i>	
	March 31, 2022	March 31, 2021
ASSETS		
Non-current assets		
Property, plant and equipment	40.09	29.48
Right-of-use assets	14.56	16.10
Intangible assets	83.20	65.43
Intangible assets under development	39.61	24.49
Financial assets		
Trade receivables	7.07	72.97
Other financial assets ¹	5.71	6.91
Current tax asset (net)	35.63	62.61
Deferred Tax Asset	111.33	56.72
Other non-current assets	23.19	6.98
Total non - current assets	360.39	341.69
Current assets		
Inventories	278.02	213.65
Financial assets		
Investments ²	401.78	37.37
Trade receivables	285.09	341.03
Cash and cash equivalents ³	47.56	53.43
Other bank balances ⁴	299.68	164.09
Other financial assets ⁵	363.16	110.30
Other current assets	74.44	50.32
Total current assets	1,749.73	970.19
Total assets	2,110.12	1,311.88
EQUITY AND LIABILITIES		
Equity		
Equity share capital	117.82	96.51
Other equity	1,812.43	1,037.69
Total equity	1,930.25	1,134.20
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease Liabilities	11.95	17.07
Provisions	0.49	0.69
Total non - current liabilities	12.44	17.76
Current liabilities		
Financial liabilities		
Lease Liabilities	7.81	4.83
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	11.48	11.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	100.09	80.38
Other financial liabilities	22.48	47.26
Provisions	6.92	5.22
Other current liabilities	18.65	10.39
Total current liabilities	167.43	159.92
Total equity and liabilities	2,110.12	1,311.88

Supplementary Information

	<i>(in Rs. crore)</i>	
Cash and Cash Equivalents as at	March 31, 2022	March 31, 2021
¹ Other non current financial asset includes Fixed Deposits with banks with remaining maturity of more than twelve months	0.22	1.54
² Investments includes Investment in mutual funds	401.78	37.37
³ Cash and cash equivalents	47.56	53.43
⁴ Other bank balances	299.68	164.09
⁵ Other current financial asset includes Deposits with financial institutions	351.79	108.00
⁵ Other current financial asset includes Fixed Deposits with banks with original maturity of more than twelve months but remaining maturity of less than three months	1.15	-
Total	1,102.18	364.43

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