

October 25, 2017

To,
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,

Sub: Outcome of Board Meeting

This is with reference to our letter dated October 10, 2017 informing about the Board Meeting scheduled on October 25, 2017.

The Board of Directors of Tejas Networks Limited ('the Company') at their meeting held on Wednesday, October 25, 2017 at Bangalore, has inter alia considered and approved the following:

1. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the unaudited financial results (standalone and consolidated) as per IND-AS for the quarter ended/half year ended September 30, 2017 together with the Limited review report of the Statutory Auditors for the said period is enclosed as Annexure - A.
2. The proposal for winding up/removing the name of vSave Energy Private Limited (wholly owned subsidiary of the Company).
3. The proposal for winding up of Tejas Israel Limited (wholly owned subsidiary of the Company) under the laws of State of Israel.
4. Setting up of wholly-owned subsidiary/branch office in Mexico.
5. Grant of 26,790 Restricted Stock Units, under Tejas Restricted Stock Unit Plan 2017 to new employees based on the recommendations of the Nomination and Remuneration Committee.



www.tejasnetworks.com

Tejas Networks Ltd.

Regd. Office: Plot No. 25, 5th Floor
J.P. Software Park, Electronic City, Phase 1
Hosur Road, Bengaluru 560 100, India.
CIN : U72900KA2000PLC026980
Email : corporate@tejasnetworks.com
Tel: +91-80-4179 4600/700/800
Fax: +91-80-2852 0201

We also hereby enclose copy of the press release proposed to be issued with respect of the said financial results as Annexure - B;

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.

Thanking you,

Yours sincerely
For Tejas Networks Limited


G V Krishnakanth
Company Secretary & Compliance Officer

Encl: a/a



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: U72900KA2000PLC026980

Tel: +91 80 4179 4600; Fax: +91 80 2852 0201

E-mail: corporate@tejasnetworks.com; Website: www.tejasnetworks.com

Statement of Standalone Unaudited Results for the quarter and six months ended September 30, 2017

Particulars	(Rs. in Lakhs except per share data)				
	Quarter ended September 30, 2017	Quarter ended June 30, 2017	Quarter ended September 30, 2016	Six months ended September 30, 2017	Six months ended September 30, 2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I Revenue from operations*	21,610	21,774	21,789	43,384	36,367
II Other Income	646	454	268	1,100	403
III Total Revenue (I + II)	22,256	22,228	22,057	44,484	36,770
IV EXPENSES					
(a) Cost of materials consumed	11,677	10,839	13,739	22,516	21,221
(b) Excise duty on sale of goods	-	1,764	925	1,764	1,879
(c) Employee benefit expense	2,280	2,205	2,276	4,485	3,940
(d) Finance costs	149	683	477	832	1,692
(e) Depreciation and amortization expense	1,729	1,686	1,318	3,415	2,780
(f) Other expenses	2,957	2,494	2,189	5,451	4,262
Total Expenses (IV)	18,792	19,671	20,924	38,463	35,774
V Profit before tax (III - IV)	3,464	2,557	1,133	6,021	996
VI Tax Expense					
(1) Current tax	717	537	-	1,254	-
Total tax expense	717	537	-	1,254	-
VII Profit after tax (V - VI)	2,747	2,020	1,133	4,767	996
VIII Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit liabilities / (assets)	(107)	(38)	5	(145)	5
IX Total comprehensive income for the period (VII + VIII)	2,640	1,982	1,138	4,622	1,001
X Earnings per equity share of Rs. 10 each					
(1) Basic	3.07	2.75	1.90	5.85	1.72
(2) Diluted	2.90	2.62	1.90	5.50	1.72

* Refer Note 1



Signature





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Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2017

	(Rs. in Lakhs)
Particulars	As at September 30, 2017
ASSETS	
Non-current assets	
(a) Property, plant and equipment	2,690
(b) Intangible assets	3,791
(c) Intangible assets under development	4,195
(d) Investment in subsidiaries	459
(e) Financial assets	
(i) Investments	-
(ii) Trade receivables	2,817
(iii) Bank balances	1,409
(iv) Loans	502
(v) Other financial assets	-
(f) Income tax assets (net)	2,625
(g) Other non-current assets	57
Total non - current assets	18,545
Current assets	
(a) Inventories	17,191
(b) Financial assets	
(i) Trade receivables	43,020
(ii) Cash and cash equivalents	26,894
(iii) Bank balances other than (ii) above	10,559
(iv) Loans	128
(v) Other financial assets	639
(c) Other current assets	2,397
Total current assets	1,00,828
Total assets	1,19,373
EQUITY AND LIABILITIES	
Equity	
(a) Equity share capital	8,971
(b) Other equity	89,449
Total equity	98,420
Liabilities	
Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	200
(b) Provisions	444
Total non - current liabilities	644
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	-
(ii) Trade payables	16,584
(iii) Other financial liabilities	1,071
(b) Provisions	417
(c) Other current liabilities	2,237
Total current liabilities	20,309
Total equity and liabilities	1,19,373



Signature





Tejas Networks Limited

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Notes

- Revenue from operations for the quarter ended September 30, 2016 was inclusive of excise duty Rs. 925 lakhs. Post introduction of Goods and Services Tax (GST), effective July 1, 2017 revenue from operations for the quarter ended September 30, 2017 is net of the related GST Rs. 3,226 lakhs. Accordingly, the revenue for the current quarter and the corresponding quarter of the previous year are not strictly comparable. Sales, net of such taxes for the quarter ended September 30, 2017 increased by 3.6% in comparison to the corresponding quarter of the previous year.
- The above statement of financial results and statement of assets and liabilities was reviewed by the Audit Committee of the Board on October 24, 2017 and subsequently approved by the Board of Directors at its meeting held on October 25, 2017. The Statutory Auditors of the Company have carried out a limited review of this statement of financial results for the quarter ended September 30, 2017 and the statement of assets and liabilities as of that date.
- These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of the Listing Regulations, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The Company's operations comprises only of one segment viz. of Networking equipment.
- The Ind AS compliant corresponding figures for the quarter ended September 30, 2016 including the reconciliation of the total comprehensive income as set out in Note 7 below have not been subjected to review by the Statutory Auditors (also refer Note 8 below). However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- The statement does not include Ind AS compliant statement of financials results for the previous year ended March 31, 2017 and the statement of assets and liabilities as of that date since the disclosure is not mandatory as per SEBI's circular dated July 5, 2016.
- The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	(Rs. in Lakhs)	
	Quarter ended September 30, 2016	Six months ended September 30, 2016
Profit after tax as per IGAAP	1,222	1,224
Add/(Less): Adjustment under IND AS		
Impact of recognition of employee stock option at fair value	(185)	(368)
Net impact on fair valuation of security deposit	(1)	(1)
Discounting of long term warranty provision	-	13
Impairment of trade receivables using lifetime expected credit loss method	92	156
Net impact on fair valuation of long-term receivables	(65)	(80)
Fair valuation of derivatives	77	71
Impact of effective interest rate on government loans	(12)	(24)
Re-measurements of the defined benefit plans- to be classified as other comprehensive income	5	5
Net Profit as per Ind AS	1,133	996
Other comprehensive income for the period		
Re-measurements of the defined benefit plans- to be classified as other comprehensive income	5	5
Total comprehensive income under Ind AS	1,138	1,001

- During the quarter ended June 30, 2017, the Company has completed the Initial Public Offer ('IPO') and has 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. There is no deviation in use of proceeds from the objects stated in the offer document, during the current quarter. Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 became applicable to the Company post its listing on BSE and NSE as mentioned above. Since the results for the quarter ended September 30, 2016 were not presented under the Indian GAAP (Previous GAAP), the reconciliation of Profit under Previous GAAP to Total Comprehensive Income under Ind AS was not subjected to review.
- During the period ended September 30, 2017, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 and had issued restraint order on certain bank accounts and deposits of the Company. The Company and its officials fully co-operated with the Income Tax Department. As on date, the restraint order has been withdrawn and there is no demand raised. The Company is of the view that the outcome of the proceedings will not have any material impact on the Company's results.
- During the quarter, the Company has factored receivables on a non-recourse basis in the normal course of business pertaining to a customer to a banker under a factoring agreement and has derecognised such receivables amounting to Rs 4,991 lakhs in the statement of Assets and Liabilities as of September 30, 2017 in accordance with Ind AS 109 - Financial Instruments.
- Previous period's figures have been regrouped/reclassified to conform to the current period's presentation for the purpose of comparability.

For and on behalf of the Board of Directors

Sanjay Nayak

Managing Director & CEO

(DIN: 01049871)

Place: Bengaluru

Date: October 25, 2017





Tejas Networks Limited

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Statement of Consolidated Unaudited Results for the quarter and six months ended September 30, 2017

Particulars	(Rs. in Lakhs except per share data)				
	Quarter ended	Quarter ended	Quarter ended	Six months ended	Six months ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I Revenue from operations*	21,613	21,931	22,356	43,544	37,079
II Other Income	647	450	266	1,097	535
III Total Revenue (I + II)	22,260	22,381	22,622	44,641	37,614
IV EXPENSES					
(a) Cost of materials consumed	11,679	10,830	13,905	22,509	21,338
(b) Excise duty on sale of goods	-	1,764	925	1,764	1,879
(c) Employee benefit expense	2,343	2,278	2,351	4,621	4,085
(d) Finance costs	154	682	474	836	1,712
(e) Depreciation and amortization expense	1,729	1,686	1,318	3,415	2,780
(f) Other expenses	2,950	2,560	2,050	5,510	4,397
Total Expenses (IV)	18,855	19,800	21,023	38,655	36,191
V Profit before tax (III - IV)	3,405	2,581	1,599	5,986	1,423
VI Tax Expense					
(1) Current tax	718	537	-	1,255	-
Total tax expense	718	537	-	1,255	-
VII Profit after tax (V - VI)	2,687	2,044	1,599	4,731	1,423
VIII Other comprehensive income					
a Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit liabilities / (assets)	(107)	(38)	5	(145)	5
b Items that may be reclassified to profit or loss					
Exchange differences in translating the financial statements of foreign operations	(8)	3	(1)	(5)	-
IX Total comprehensive income for the period (VII + VIII)	2,572	2,009	1,603	4,581	1,428
X Earnings per equity share of Rs. 10 each					
(1) Basic	3.00	2.78	2.67	5.80	2.45
(2) Diluted	2.84	2.65	2.67	5.46	2.45

* Refer Note 1





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Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2017

	(Rs. in Lakhs)
Particulars	As at September 30, 2017
ASSETS	
Non-current assets	
(a) Property, plant and equipment	2,690
(b) Intangible assets	3,791
(c) Intangible assets under development	4,195
(d) Financial assets	
(i) Investments	-
(ii) Trade receivables	2,817
(iii) Bank balances	1,409
(iv) Loans	510
(v) Other financial assets	-
(e) Income tax assets (net)	2,625
(f) Other non-current assets	57
Total non - current assets	18,094
Current assets	
(a) Inventories	17,188
(b) Financial assets	
(i) Trade receivables	44,375
(ii) Cash and cash equivalents	26,985
(iii) Bank balances other than (ii) above	10,559
(iv) Loans	143
(v) Other financial assets	639
(c) Other current assets	1,827
Total current assets	1,01,716
Total assets	1,19,810
EQUITY AND LIABILITIES	
Equity	
(a) Equity Share Capital	8,971
(b) Other Equity	89,483
Total equity	98,454
Liabilities	
Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	200
(b) Provisions	444
Total non - current liabilities	644
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	-
(ii) Trade payables	16,964
(iii) Other financial liabilities	1,071
(b) Provisions	417
(c) Current tax liabilities (Net)	1
(d) Other current liabilities	2,259
Total current liabilities	20,712
Total equity and liabilities	1,19,810






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Notes

- Revenue from operations for the quarter ended September 30, 2016 was inclusive of excise duty Rs. 925 lakhs. Post introduction of Goods and Services Tax (GST), effective July 1, 2017 revenue from operations for the quarter ended September 30, 2017 is net of the related GST Rs. 3,226 lakhs. Accordingly, the revenue for the current quarter and the corresponding quarter of the previous year are not strictly comparable. Sales, net of such taxes for the quarter ended September 30, 2017 increased by 0.8% in comparison to the corresponding quarter of the previous year.
- The above statement of consolidated financial results and consolidated statement of assets and liabilities of the Company and its subsidiaries (together the 'Group') was reviewed by the Audit Committee of the Board on October 24, 2017 and subsequently approved by the Board of Directors at its meeting held on October 25, 2017. The Statutory Auditors of the Company have carried out a limited review of this consolidated statement of financial results for the quarter ended September 30, 2017 and the consolidated statement of assets and liabilities as of that date.
- The Statement includes the results of the following subsidiaries:
 - Tejas Communication Pte Limited, Singapore
 - Tejas Israel Limited,
 - vSave Energy Pvt. Limited and
 - Tejas Communication (Nigeria) Limited
- These financial results of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of the Listing Regulations, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The Group's operations comprises only of one segment viz. of Networking equipment.
- The Ind AS compliant corresponding figures for the quarter ended September 30, 2016 including the reconciliation of the total comprehensive income as set out in Note 8 below have not been subjected to review by the Statutory Auditors (also refer Note 9 below). However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- The statement does not include Ind AS compliant statement of financials results for the previous year ended March 31, 2017 and the statement of assets and liabilities as of that date since the disclosure is not mandatory as per SEBI's circular dated July 5, 2016.
- The reconciliation of consolidated net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Particulars	(Rs. in Lakhs)	
	Quarter ended September 30, 2016	Six months ended September 30, 2016
Consolidated profit after tax as per IGAAP	1,688	1,651
Add/(Less): Adjustment under IND AS		
Impact of recognition of employee stock option at fair value	(185)	(368)
Net impact on fair valuation of security deposit	(1)	(1)
Discounting of long term warranty provision	-	13
Impairment of trade receivables using lifetime expected credit loss method	92	156
Net impact on fair valuation of long-term receivables	(65)	(80)
Fair valuation of derivatives	77	71
Impact of effective interest rate on government loans	(12)	(24)
Re-measurements of the defined benefit plans- to be classified as other comprehensive income	5	5
Net Profit as per Ind AS	1,599	1,423
Other comprehensive income for the period		
Re-measurements of the defined benefit plans classified as other comprehensive income	5	5
Exchange differences in translating the financial statements of foreign operations	(1)	-
Total comprehensive income under Ind AS	1,603	1,428

- During the quarter ended June 30, 2017, the Company has completed the Initial Public Offer ('IPO') and has 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. Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 became applicable to the Company post its listing on BSE and NSE as mentioned above. Since the Consolidated results for the quarter ended September 30, 2016 were not presented under the Indian GAAP (Previous GAAP), the reconciliation of Consolidated Profit under Previous GAAP to Total Comprehensive Income under Ind AS was not subjected to review.

- Summary of key standalone financial results is as follows:

Particulars	(Rs. in Lakhs)					
	Quarter ended		Six months ended			
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	
Revenues from operations	21,610	21,774	21,789	43,384	36,367	
Profit before tax	3,464	2,557	1,133	6,021	996	
Profit after tax	2,747	2,020	1,133	4,767	996	

Note: The standalone results of Tejas Networks Limited 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 standalone financial results.

- During the period ended September 30, 2017, the Income Tax Department initiated proceedings under Section 132 of the Income tax Act, 1961 and had issued restraint order on certain bank accounts and deposits of the Company. The Company and its officials fully co-operated with the Income Tax Department. As on date, the restraint order has been withdrawn and there is no demand raised. The Company is of the view that the outcome of the proceedings will not have any material impact on the consolidated results.
- During the quarter, the Group has factored receivables on a non-recourse basis in the normal course of business pertaining to a customer to a banker under a factoring agreement and has derecognised such receivables amounting to Rs 4,991 lakhs in the consolidated statement of assets and liabilities as of September 30, 2017 in accordance with Ind AS 109 - Financial Instruments.
- Previous period's figures have been regrouped/reclassified to conform to the current period's presentation for the purpose of comparability.

For and on behalf of the Board of Directors

Sanjay Nayak
Managing Director & CEO
(DIN: 01049871)

Place: Bengaluru

Date: October 25, 2017



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, ✓
Konnappana Agrahara Village, ✓
Begur Hobli, Bangalore – 560100 ✓

- ✓ 1. We have reviewed the unaudited financial results of Tejas Networks Limited (the “Company”) ✓
for the quarter ended September 30, 2017 which are included in the accompanying ✓
‘Statement of Standalone Unaudited Results for the quarter and six months ended September ✓
30, 2017’ and the statement of assets and liabilities on that date together with the notes ✓
thereon (the “Statement”). The Statement has been prepared by the Company pursuant to ✓
Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and ✓
Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”) and SEBI ✓
Circular dated July 5, 2016, which has been initialled by us for identification purposes. The ✓
Statement is the responsibility of the Company’s management and has been approved by the ✓
Board of Directors. Further, the Management is also responsible to ensure that the ✓
accounting policies used in preparation of this Statement are consistent with those used in ✓
the preparation of the Company’s opening unaudited Balance Sheet as at April 01, 2016 ✓
prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind ✓
AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised ✓
accounting practices and policies. Our responsibility is to issue a report on the Statement ✓
based on our review. ✓
- ✓ 2. We conducted our review in accordance with the Standard on Review Engagement (SRE) ✓
2410, “Review of Interim Financial Information Performed by the Independent Auditor of ✓
the Entity” issued by the Institute of Chartered Accountants of India. This Standard ✓
requires that we plan and perform the review to obtain moderate assurance as to whether ✓
the Statement is free of material misstatement. ✓
- ✓ 3. A review is limited primarily to inquiries of company personnel and analytical procedures ✓
applied to financial data and thus provides less assurance than an audit. We have not ✓
performed an audit and accordingly, we do not express an audit opinion. ✓
- ✓ 4. Based on our review conducted as above, nothing has come to our attention that causes us to ✓
believe that the Statement has not been prepared in all material respects in accordance with ✓
Ind AS and other recognised accounting practices and policies, and has not disclosed the ✓
information required to be disclosed in terms of Regulation 33 of the Listing Regulations, ✓
2015 and SEBI circular dated July 5, 2016, including the manner in which it is to be disclosed, ✓
or that it contains any material misstatement. ✓
- ✓ 5. We draw attention to the following matters: ✓
 - ✓ a. Note 3 to the Statement which states that the Company has adopted Ind AS for ✓
the financial year commencing from April 1, 2016, and accordingly, the Statement ✓
has been prepared by the Company’s Management in compliance with Ind AS. ✓
 - ✓ b. We were neither engaged to review, nor have we reviewed the comparative ✓
figures including the reconciliation to the Total Comprehensive Income for the ✓
quarter ended on September 30, 2016 and accordingly, we do not express any ✓
conclusion on the results in the Statement for the quarter ended September 30, ✓
2016. As set out in Notes 5 and 8 to the Statement, these figures have been ✓
furnished by the Management. ✓



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

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Registered office and Head office: Suchela 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/NS00016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP ✓

- ✓ c. The standalone financial results of the Company for the quarter ended June 30, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who, vide their report dated August 03, 2017, expressed an unmodified conclusion on those financial results. ✓

Our conclusion is not qualified in respect of these matters. ✓

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



Pradip Kanakia ✓
Partner ✓
Membership Number: 039985 ✓

Place: Bengaluru ✓
Date: October 25, 2017 ✓

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, ✓
Konnappana Agrahara Village, ✓
Begur Hobli, Bangalore - 560100 ✓

- ✓ 1. We have reviewed the unaudited consolidated financial results of Tejas Networks Limited (the "Company") and its subsidiaries (hereinafter referred together as the "Group") (refer Note 3 to the Statement) for the quarter ended September 30, 2017 which are included in the accompanying 'Statement of Consolidated Unaudited Results for the quarter and six months ended September 30, 2017' and the consolidated statement of assets and liabilities on that date together with the notes thereon (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Group's opening unaudited consolidated Balance Sheet as at April 01, 2016 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies. Our responsibility is to issue a report on the Statement based on our review. ✓
- ✓ 2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. ✓
- ✓ 3. A review is limited primarily to inquiries of group personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion. ✓
- ✓ 4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 and SEBI circular dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement. ✓
- ✓ 5. We draw attention to the following matters: ✓
 - ✓ a. Note 4 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS. ✓
 - ✓ b. We were neither engaged to review, nor have we reviewed the comparative figures including the reconciliation to the Total Comprehensive Income for the quarter ended on September 30, 2016 and accordingly, we do not express any conclusion on the consolidated results in the Statement for the quarter ended September 30, 2016. As set out in Notes 6 and 9 to the Statement, these figures have been furnished by the Management. ✓

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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 -

- ✓ c. The consolidated financial results of the Group for the quarter ended June 30, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who, vide their report dated August 03, 2017, expressed an unmodified conclusion on those financial results. -

Our conclusion is not qualified in respect of these matters. -

For Price Waterhouse Chartered Accountants LLP -
Firm Registration Number: 12754N/N500016 -



Pradip Kanakia -
Partner -
Membership Number: 039985 -

Place: Bengaluru -
Date: October 25, 2017 -



Press Release

Tejas Networks announces consolidated results for quarter ended, Sep 30, 2017

***Revenues (net of taxes and pass-through component sale) grew 20.9%,
Operating profit grew 61.2% and
Net profit grew 68.0% year-on-year, for the quarter ended Sep 30, 2017***

Bangalore, October 25, 2017: Tejas Networks [BSE: 540595, NSE: TEJASNET] today reported its financial results for the second quarter ended September 30, 2017.

Tejas Networks designs, develops, manufactures and sells high-performance and cost-competitive optical and data networking products, which are used to build high-speed communication networks over optical fiber.

For the quarter ended September 30, 2017, our consolidated revenues (net of taxes and pass-through component sale to our contract manufacturers) were Rs. 214.90 crore which was a growth of 20.9% year-on-year. Our operating profits grew by 61.2% year-on-year and net profit grew 68.0% year-on-year. As a percentage of consolidated revenues (net of taxes and pass-through component sale to our contract manufacturers) our operating margin was 13.6% in Q2'18 compared to 10.2% in Q2'17 and our net profit after tax in Q2'18 was 12.5% as compared to net profit of 9.0% in Q2'17.

For the six month period ended September 30, 2017, our revenues (net of taxes and pass-through component sales to our contract manufacturers) were Rs. 415.01 crore which was a growth of 33.5% year-on-year, our operating profits grew by 120.2% year-on-year and our net profit grew 232.5% year-on-year.

Mr. Sanjay Nayak, Managing Director and CEO of Tejas Networks said, "We continue to see strong growth led by India, which is the world's fastest growing optical networking market. We believe that India is at the cusp of a prolonged growth cycle in optical networking, driven by strong usage of mobile data as well as broadband by consumers, businesses and government".

Tejas continued to strengthen its market position in India. Recently, Ovum (Informa), a global market-leading data, research and consulting firm, ranked Tejas as #1 in marketshare for India's Optical Aggregation market for the last 4 quarters rolling.

Mr. Venkatesh Gadiyar, CFO said, "We continue to see the benefits of operating leverage, which is reflected in our strong profitability growth on a year-on-year basis. For the first half of the year, our net profit after tax was Rs. 47.31 crore and we generated cash of Rs. 94.72 crore from operations. As of September 30, 2017, our cash and cash equivalents amounted to Rs.381.52 crore. We are now practically a debt-free company, with a outstanding debt of just Rs. 3.37 crore as of September 30, 2017."

Recently we have strengthened our management team and Mr. N R Ravikrishnan has joined us on October 11, 2017 as General Counsel and Chief Compliance officer. Earlier, he worked as the Company Secretary and Head (Compliance, Audit and Facilities) in Infosys Group.

**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 65 countries. Tejas products utilize a 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 337 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.



Tejas Networks Limited and subsidiaries
Consolidated Unaudited Balance Sheet as at

(in ₹ crore, except share data)

	September 30, 2017	September 30, 2016
ASSETS		
Non-current assets		
Property, plant and equipment	26.90	28.73
Intangible assets	37.91	48.11
Intangible assets under development	41.95	63.34
Financial assets		
Trade receivables	28.17	7.47
Bank balances	14.09	26.38
Loans	5.10	4.70
Other financial asset	-	0.56
Income tax assets (net)	26.25	18.62
Other non-current assets	0.57	0.49
Total non - current assets	180.94	198.40
Current assets		
Inventories	171.88	188.98
Financial assets		
Trade receivables	443.75	274.06
Cash and cash equivalents	269.85	17.98
Bank deposits with maturity of more than 3 months but less than 12 months	97.58	-
Restricted Cash and balance held as margin money	8.01	15.26
Loans	1.43	0.86
Other financial asset	6.39	2.23
Other current assets	18.27	48.57
Total current assets	1,017.16	547.94
Total sssets	1,198.10	746.34
EQUITY AND LIABILITIES		
Equity		
Share capital	89.71	66.51
Other equity	894.83	351.79
Total equity	984.54	418.30
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	2.00	29.00
Provisions	4.44	2.62
Total non - current liabilities	6.44	31.62
Current liabilities		
Financial liabilities		
Borrowings	-	150.09
Trade payables	169.64	124.65
Other financial liabilities	10.71	1.70
Provisions	4.17	2.76
Current tax liabilities (Net)	0.01	0.81
Other current liabilities	22.59	16.41
Total current liabilities	207.12	296.42
Total equity and liabilities	1,198.10	746.34

09



Tejas Networks Limited and subsidiaries
Consolidated Unaudited Statements of Comprehensive Income for

(in ₹ crore, except share data)

	Quarter ended September 30, 2017	Quarter ended June 30, 2017	Quarter ended September 30, 2016	Six months ended September 30, 2017	Six months ended September 30, 2016
Revenue from operations*	216.13	219.31	223.56	435.44	370.79
Other Income	6.47	4.50	2.66	10.97	5.35
Total Revenue	222.60	223.81	226.22	446.41	376.14
Expenses					
Cost of materials consumed	116.79	125.94	148.30	242.73	232.17
Employee benefit expense	23.43	22.78	23.51	46.21	40.85
Finance costs	1.54	6.82	4.74	8.36	17.12
Depreciation and amortisation expense	17.29	16.86	13.18	34.15	27.80
Other expenses	29.50	25.60	20.50	55.10	43.97
Total Expenses	188.55	198.00	210.23	386.55	361.91
Profit before tax	34.05	25.81	15.99	59.86	14.23
Tax Expense	7.18	5.37	-	12.55	-
Profit after tax	26.87	20.44	15.99	47.31	14.23
Other comprehensive income	(1.15)	(0.35)	0.04	-1.50	0.05
Items that will not be reclassified to profit or loss					
Remeasurements of the defined benefit liabilities / (asset)	(1.07)	(0.38)	0.05	(1.45)	0.05
Items that may be reclassified to profit or loss					
Exchange differences in translating the financial statements of foreign operations	(0.08)	0.03	(0.01)	(0.05)	-
Total comprehensive income for the period	25.72	20.09	16.03	45.81	14.28
Earnings per equity share of Rs. 10 each					
Basic (₹)	3.00	2.78	2.67	5.80	2.45
Diluted (₹)	2.84	2.65	2.67	5.46	2.45
Weighted average equity shares used in computing earnings per equity share					
Basic	8,96,08,609	7,33,69,609	5,97,40,316	8,15,33,478	5,79,80,021
Diluted	9,48,37,536	7,69,65,392	5,97,40,316	8,67,62,405	5,79,80,021

* Revenue from operations for the quarter ended September 30, 2016 was inclusive of excise duty Rs. 9.25 crores. Post introduction of Goods and Services Tax (GST), effective July 1, 2017 revenue from operations for the quarter ended September 30, 2017 is net of the related GST. Accordingly, the revenue for the current quarter and the corresponding quarter of the previous year are not strictly comparable. Sales, net of such taxes for the quarter ended September 30, 2017 increased by 0.8% in comparison to the corresponding quarter of the previous year and sales, net of taxes and component sales, grew 20.9% year-on-year basis. Please refer below table.

Supplementary Information

Particulars	Quarter ended September 30, 2017	Quarter ended June 30, 2017	Quarter ended September 30, 2016	Six months ended September 30, 2017	Six months ended September 30, 2016
Revenue from operations	216.13	219.31	223.56	435.44	370.79
Less: Excise Duty	-	17.64	9.25	17.64	18.79
Revenue (net of taxes)	216.13	201.67	214.31	417.80	352.00
Less: Sale of Components	1.23	1.56	36.57	2.79	41.17
Revenue (net of taxes and component sales)	214.90	200.11	177.74	415.01	310.83
Year on Year Growth	20.9%			33.5%	