

Powering Next-Generation Networks



Annual Report
2023-24

Transforming Connectivity, One Innovation at a Time

Telecommunication networks form the backbone of the modern world and the arteries of our digital economy, enabling seamless global interactions among people, machines and assets over reliable and secure communication channels. In the ever-evolving technology landscape, three broad trends are fundamentally transforming network connectivity.

1. Softwarization and Cloudification:

Programmable “software-defined” architectures and cloud-native applications are making networks automated, simpler to operate and more responsive.

2. Edge Computing:

With 5G, cloud computing is inching closer to the end users and proliferating new classes of bandwidth-intensive and latency-sensitive applications across diverse industry verticals.

3. Artificial Intelligence and Machine Learning (AI/ML):

AI/ML technologies are empowering service providers to optimize network operations through predictive intelligence and ushering in a new age of network omniscience.

Reshaping the Future of Connectivity

At Tejas Networks, we are reshaping telecom networks to effectively address the above trends. We are designing carrier-class products with robust, high-performance software, implementing terabit-scale processing to manage data-heavy applications, and integrating sophisticated AI/ML technologies to power future-ready networks that are malleable, ubiquitous and intelligent.

Who We Are

Founded in 2000 and headquartered in Bengaluru, Tejas is India's leading R&D-driven telecom and networking equipment company.

What We Do

We design and manufacture high-performance wireless and wireline networking products for telecom service providers, internet service providers, utilities, defence and government entities in over 75 countries

Our Vision

To build a pioneering, innovation-driven, global telecom and networking product company.

Our Mission

To innovate leading-edge telecom and networking products that provide the highest value to our customers.



Tejas' 4G/5G Radio for BSNL in Action:
Deployed at IIT Madras Campus

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Forward-looking Statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

Corporate Overview



Board of Directors

Non-Independent, Non-Executive Chairman



N Ganapathy Subramaniam

Independent, Non-Executive



P R Ramesh



Prof. Bhaskar Ramamurthi



Alice G Vaidyan

Non-Independent, Executive



Anand Athreya



Arnob Roy

Senior Leadership



Anand Athreya
Managing Director & CEO



Arnob Roy
Executive Director & COO



Kumar N Sivarajan
Chief Technology Officer



Sumit Dhingra
Chief Financial Officer



Sembian Venkatesan
Chief Supply Chain Officer



Abhijat Mitra
Chief Human Resource Officer



N R Ravikrishnan
General Counsel, Chief Compliance Officer
& Company Secretary

Highlights of 2023 - 2024



Overview of FY 2023 - 24

Based on Ind AS Consolidated Financial Statements

in ₹ Crore except per share data

Particulars	FY 2024	FY 2023
Financial Performance		
Revenue from operations	2,470.9	921.5
Gross Profit ⁽¹⁾	702.7	241.7
Earnings before interest and tax (EBIT) ⁽¹⁾	93.0	(103.6)
Profit/(loss) before tax	100.2	(42.7)
Profit/(loss) after tax	63.0	(36.4)
EPS (par value of ₹10 each): Basic	3.71	(2.46)
Diluted	3.65	(2.46)

Particulars	FY 2024	FY 2023
Financial Position		
Cash and cash equivalents ⁽²⁾	640.5	1,306.4
Net working capital ⁽³⁾	3,147.2	940.5
Fixed assets (including assets under development) ⁽⁴⁾	856.3	544.3
Total Assets	8,202.5	3,602.0
Total Equity	3,149.5	2,973.0
Short-term borrowings	1,744.1	-
Net cash outflow from operations	(2,036.5)	(380.1)
Free cash outflow ⁽⁵⁾	(2,444.9)	(629.3)

(1) Refer to note no. 33 of consolidated financial statements

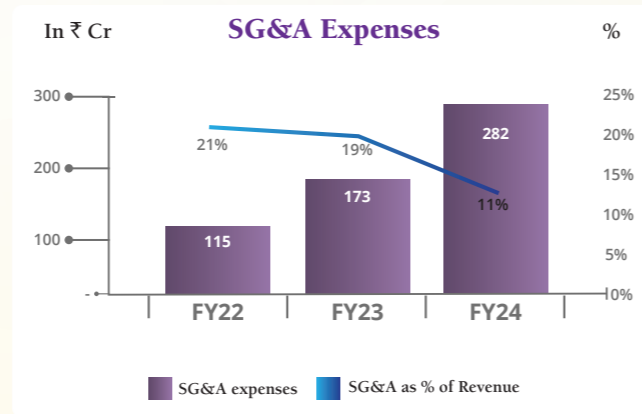
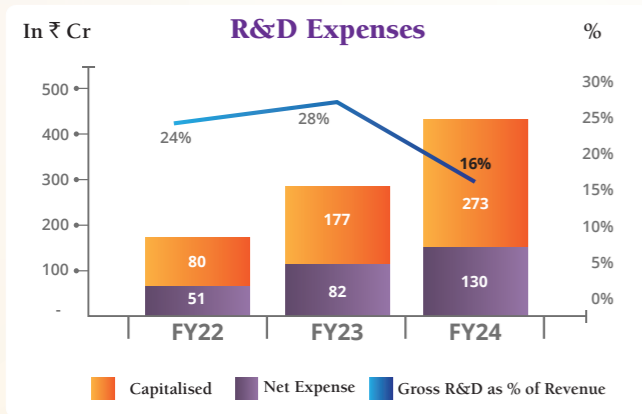
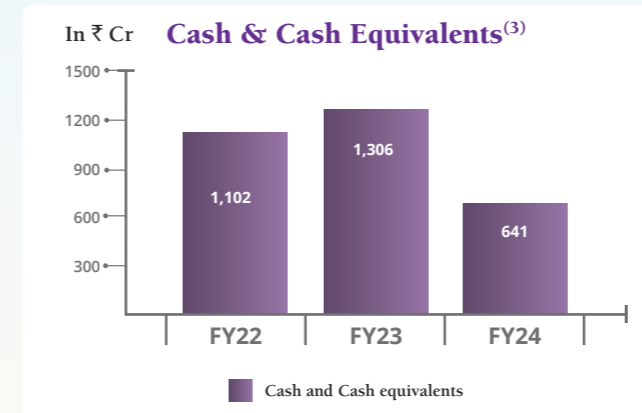
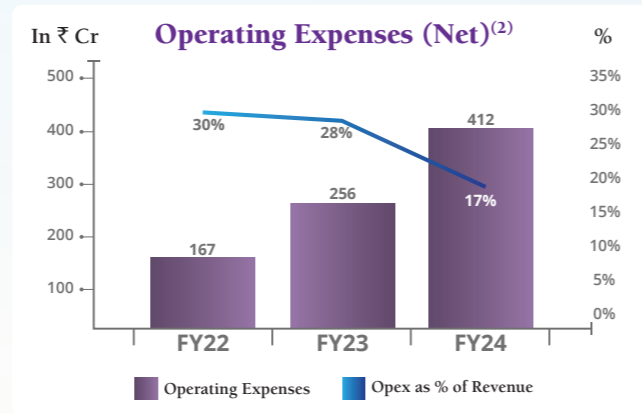
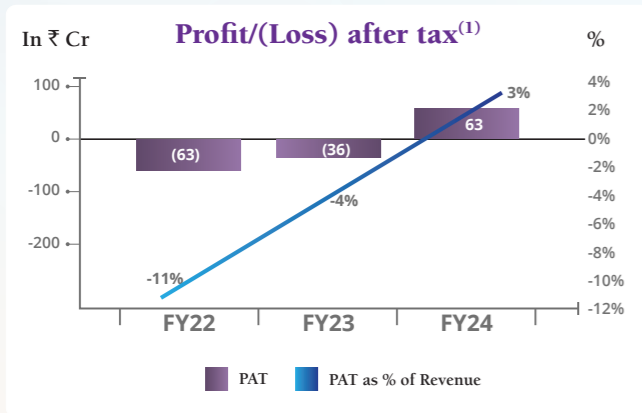
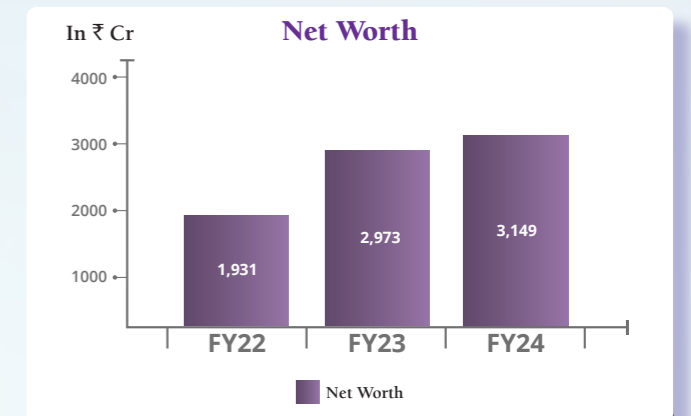
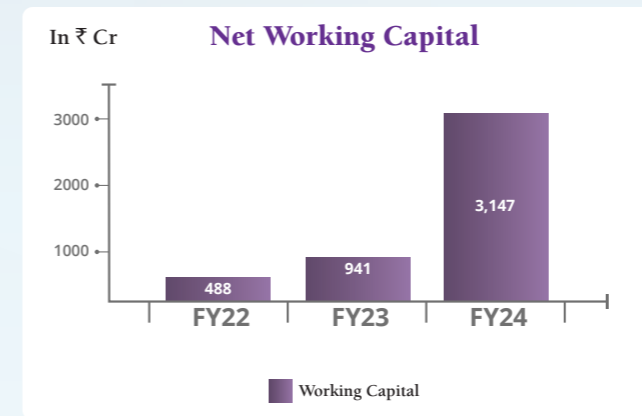
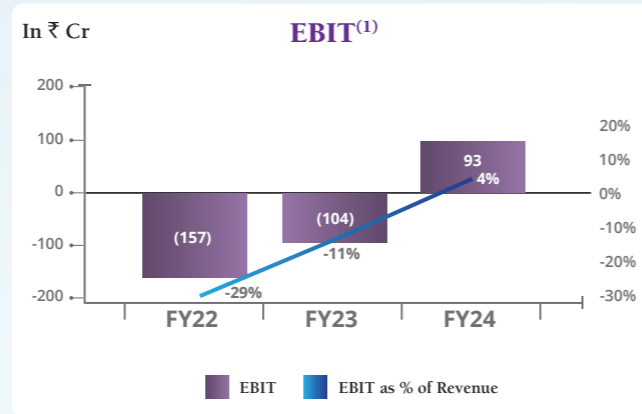
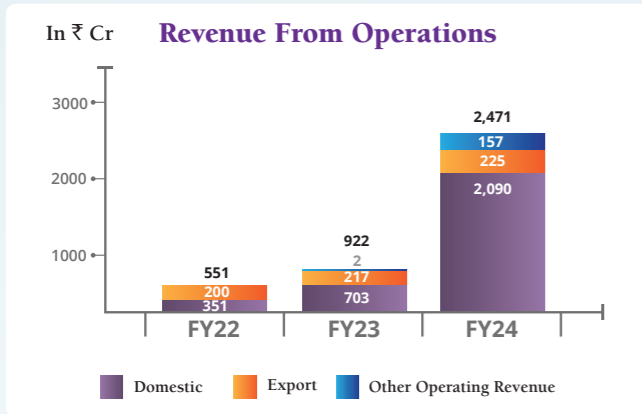
(2) Cash and cash equivalents include fixed deposits classified under other bank balances, deposits with financial institutions and investments in mutual funds.

(3) Current assets net of current liabilities as disclosed in the balance sheet excluding cash and cash equivalents, borrowings and lease liabilities

(4) Excluding right-of-use assets and goodwill

(5) Refer page 115 under IV. Liquidity of this Annual report for the calculation

Financial Trends



FY23 includes Saankhya Labs Private Limited and its subsidiaries from July 01, 2022 (for nine months).

(1) Includes the impact of allowance for expected credit loss of ₹ 88 crore for FY22, reversal of ₹ 33 crore for FY23 and ₹ 15 crore for FY24

(2) Excludes allowance for expected credit loss

(3) Cash and cash equivalents include fixed deposits under other bank balances, deposits with financial institutions and investments in mutual funds

Message from The Chairman



N Ganapathy Subramaniam

Non-Executive Chairman &
Non-Independent Director

Dear Shareholders,

It gives me immense pleasure to write to you at the end of a breakthrough year for your company. Besides recording revenues of ₹ 2,471 crore with a year-on-year growth of 168%, your company was awarded two large wireless and wireline equipment contracts in our history.

Your company collaborated with Tata Consultancy Services Limited (TCS) and Centre for Development of Telematics (C-DOT) in the design, development and roll-out of an indigenous telecom stack. BSNL awarded the mandate to TCS to supply, install and commission the pan-India 4G/5G mobile network. Tejas is the supplier of 4G/5G baseband and radio units for this network. Spanning over 100,000 cell sites, this is possibly one of the most challenging network rollouts in the world due to its scale, technological complexity, stringent performance standards and aggressive deployment timelines.

I'm proud to note that your company has stepped up and is well on track to deliver on this project in the coming year. I commend the team for rising up to the challenge and for their outstanding all-round execution across all operational functions including R&D, supply chain, network services and program management.

In FY24, the company also completed supplies of its state-of-the-art TJ1400 access and aggregation routers for BSNL's pan-India wireline network for unified backhaul of its full range of mobile, broadband and enterprise services. Carrier Switching and Routing is another complex technology area that your company has recently ventured into that has a large global addressable market. With a countrywide deployment of 13,000+ nodes, this is the largest such network in India that has been built solely using indigenously designed and manufactured routers.

With an extensive portfolio of world-class products combined with our proven expertise in building large-scale networks, I believe that your company has the potential to realize its ambition to be a top-tier global telecom and networking OEM from India.

The key drivers of our business such as expanding network connectivity, growing data usage and advancing communications technologies continue to be favorable. While 5G and FTTx rollouts have been gathering pace globally, these technologies have a multi-year capex runway both in India and in many parts of the world. The average data consumption per user is growing exponentially due to the availability of more sophisticated devices and higher-bandwidth applications such as streaming video, online gaming and virtual reality simulations. The advent of Generative AI and Spatial Computing technologies are enabling new applications and driving a second wave of

“With an extensive portfolio of world-class products combined with our proven expertise in building large-scale networks, I believe that your company has the potential to realize its ambition to be a top-tier global telecom and networking OEM from India.”

digitalization in enterprises and consumer-facing industries. This, in turn, is expected to result in a massive surge in data traffic in networks and data centers globally and will call for significant network capacity scaling and fresh network build-outs in the next few years.

Your company is closely tracking these technology trends and is extending and advancing its extensive portfolio of wireless, optical and packet products to make them future-ready. Besides creating a complete range of state-of-the-art baseband and radio products for 5G networks, we are also introducing advanced hardware and software capabilities in our wireline products to make them more scalable, flexible and intelligent. Saankhya Labs is bolstering our competencies in adjacent technology areas such as satellite communications, broadcast and fabless semiconductor designs. We believe that with these new products and feature additions, we are well-positioned to win new customers and gain market share in existing accounts.

Since becoming part of the Tata group, the company has been expanding its international presence and seeking to elevate its global branding through targeted physical and digital marketing campaigns. Thanks to these efforts, your company won several reputed international awards this year for its innovative products and solutions, notably the NetworkX award in Paris for global leadership in “PON-based Smart City Services” and the prestigious “Public Company of the Year” award from Light Reading (USA). As one of the

fastest growing economies in the world with a large home market, success in India serves as a strong reference in many parts of the world. Your company's value proposition is further amplified when coupled with the inherent strength of the Tata brand.

On behalf of the Board of Directors of Tejas Networks, I thank the respective Governments, nodal agencies of India, the Government of Karnataka, and all Government agencies, Governments of various countries where we have business operations. We are grateful to all our customers, employees, shareholders, suppliers, and bankers, for their consistent and tireless support even in the most challenging times. The Board also places on record its deep gratitude and appreciation to Chandrashekhar Bhavne and Sanjay Nayak who retired and Amur Lakshminarayanan who resigned from the Board of Directors this year. The company immensely benefited from their rich experience and invaluable guidance over the years.

We look forward to the future with tremendous optimism and confidence as we strive to build India's global telecom and networking company that we can all be proud of in the years to come.

Warm regards,

N Ganapathy Subramaniam
Chairman

From CEO and MD's Desk



Anand Athreya

Managing Director & CEO

Dear Shareholders,

FY2023-24 was a landmark year for the company with record-breaking revenues and order wins coupled with robust growth in margins and profitability. The summary of our FY2023-24 consolidated financial performance is shown below.

- Revenues from operations were at ₹ 2,471 crore (YoY growth of 168%)
- Earnings before Interest and Income Tax (EBIT) was ₹ 93 crore (compared to ₹ (104) crore in the previous year)
- Profit after Tax (PAT) was ₹ 63 crore (compared to ₹ (36) crore in the previous year)
- Earnings per Share (EPS) was ₹ 3.71 (compared to ₹ (2.46) in the previous year)
- Order book at the end of the year was ₹ 8,221 crore

Net Working Capital increased mainly on account of increased inventory of ₹ 3,738 crore to secure some of the long-lead components for expedited delivery of certain critical large orders, primarily for the BSNL 4G/5G RAN project. The cash position of the company remains strong at ₹ 641 crore in cash and cash equivalents with short-term borrowings of ₹ 1,744 crore for working capital purposes.

The proposed amalgamation with Saankhya Labs is progressing well and was approved by our equity shareholders and unsecured creditors at a meeting organized by the company as per the National Company Law Tribunal (NCLT) process, which is currently underway. Following our approval under the Government of India's Design Linked PLI scheme (DLI) for telecom and networking products, the company received ₹ 32.66 crore as incentives for FY23 this year.

State of the Business: India

In FY24, Tejas maintained its strong business momentum through significant order wins for wireline and wireless equipment. We began the year by announcing the single largest wireline equipment order in our company's history to supply our state-of-the-art access and aggregation routers for BSNL's IP/MPLS based Access and Aggregation Network (MAAN). With 13,000+ systems deployed nationwide, it is the largest such network of indigenous IP/MPLS routers in India. This was followed by our selection as the sole supplier of 4G/5G baseband and radio units for BSNL's pan-India network comprising over 100,000 cell sites. As on March 31, 2024 the company has cumulatively shipped our products for over 10,000 of these sites.

“FY2023-24 was a landmark year for the company with record-breaking revenues and order wins coupled with robust growth in margins and profitability.”

Our India-Private business showed healthy growth driven by large-scale 4G/5G rollouts, increasing fiberization and capacity expansion by telcos to cater to an exponential growth in data usage. Going forward, we expect significant investments in capacity expansion in metro networks and also for fiber broadband (FTTx) deployment to offer gigabit broadband services to homes and enterprises. Tejas has been selected as a GPON technology supplier for both national and regional FTTx rollouts in the country and expect to generate significant business from this application in the coming years as well. We also witnessed strong demand for our wireline products in the critical infrastructure sector. Today, Tejas is one of the largest suppliers of communications equipment to India's utility sector both for their captive networks as well as for their strategic “carrier of carriers” networks. We continued to supply GPON and Ethernet Switches for Smart/Safe City projects in the country. Besides this, our products are increasingly seeing traction in multiple industry verticals such as banking and financial services, healthcare, hospitality and infrastructure.

Saankhya Labs, our subsidiary, won an order for one of the largest Satellite-IoT deployments in the world from NSIL, a Government of India entity under Department of Space. The project aims to install Saankhya's indigenously designed two-way Satcom terminals on marine fishing vessels along the coastal states of India. Saankhya was also approved under the semiconductor Design Linked Incentive (DLI) scheme for the development of a System-on-Chip (SoC) for telecom infrastructure equipment.

Overall, business from Indian customers, including government and private sector clients, contributed 90% of our net revenues in FY24 compared to 76% in FY23. India-Government business grew 247% YoY and contributed 36% of our net revenues in FY24. India-Private business grew 172% YoY and contributed 54% of our net revenues.

State of the Business: International

While our company saw good traction for its products in the international markets, the proportion of revenues was smaller on account of the large domestic order wins and their ongoing execution. FibreConnect, a wholesale telecom operator in Italy, commissioned an end-to-end fiber network using our full range of optical networking and broadband access products including GPON, PTN and OTN/DWDM. Tejas successfully commissioned a high-capacity metro network with 1.2Tbps links for a video production and distribution application. In FY24 we also entered into a strategic partnership with Telecom Egypt to replicate India's BharatNet and National Knowledge Networks (NKN) in Egypt and potentially serve as a gateway to several countries in the Middle East and Africa in the coming years. The successful delivery of the BSNL 4G/5G project in FY25 is expected to open up new vistas for us. Many countries in the emerging markets of Africa, South East Asia and Latin America continue to have a large base of 2G/3G subscribers and are on the lookout for alternative vendors for their 4G/5G rollouts. Governments in Europe and USA have initiated programs to refresh their current wireless and wireline networks with trusted

telecom products from friendly countries which is a great opportunity for Tejas. BEAD (Broadband Equity Access and Deployment) in the USA and the Gigabit Infrastructure Act in the EU are also expected to drive significant broadband investments in the coming years.

On a YoY basis, international business grew by 3% and contributed 10% of our net revenues in FY24 compared to 24% in FY23.

Technology and Products

As India's leading R&D-driven telecom products company, Tejas has been championing "Design and Make in India" for over two decades now. We are accelerating our investments in domestic R&D to ensure that we build globally competitive products. During the year we invested 16.3% of our revenues (on a fully expensed basis) in R&D to significantly expand our product portfolio. Our portfolio now consists of wireless (4G/5G), fiber access (FTTx), optical and packet transport, metro switching and routing, as well as Satellite-IoT and Direct-to-Mobile (D2M) broadcast products from Saankhya. We will continue to invest in creating a complete range of 5G radios operating in multiple frequency bands with advanced MIMO functionality and enhance our xPON, WDM/OTN and Packet products with differentiated capabilities to emerge as an end-to-end network equipment supplier of choice for both service providers and enterprises.

Strategy

The foundation for our vision resides on three strategic pillars encompassing R&D, sales & marketing, and supply chain operations. We will hire top-notch R&D talent and teams to expand the breadth and depth of our product and technology offerings, enabling us to address a larger share of the global telecom and networking capex spend. As the country's leading domestic telecom equipment vendor, we will target gaining a dominant market share in India to gain economies of scale and play a key role in the national mission

to build an "Atmanirbhar" telecom sector. We will continue to focus on diversifying our international business by making appropriate sales investments while capitalizing on the Tata brand strength. Lastly, we will seek to build a strong manufacturing operation, leveraging India's PLI scheme, while also developing a strong back-end operations for global technical support for pre- and post-sales, from India.

Innovation and Awards

We strongly believe that innovation is the lifeblood of our organization and the reason for our existence. Tejas therefore maintains an unrelenting focus on raising the bar on quality, performance and capabilities of our existing products and solutions. Our evolution as an end-to-end supplier of cutting-edge wireline and wireless products is enhancing our international visibility leading to multiple global awards for technology and business excellence. Besides being recognized for our "Leading PON-based Smart City" solution at the Network X event held in Paris, we were also conferred the prestigious "Public Company of the Year" award by Light Reading in their 2023 global awards program. Our carrier-class products also won awards for their IPR and innovation excellence at the India Mobile Congress (IMC) event and Voice & Data's Telecom Leadership Forum conference in Delhi. As of March 31, 2024, Tejas and Saankhya had cumulatively filed 446 global patent applications and owned a rich portfolio of 350+ semiconductor IPs.

Our People and Environment

As an R&D-driven company, we recognize that human intelligence is a core asset that drives the organization's long-term success. FY24 was a year of extraordinary change for the company and the company continued to attract and retain top talent in all functions due to our progressive policies that seek to offer rich and varied career growth opportunities to our employees while promoting a truly inclusive work environment. As of March 31, 2024, Tejas Networks on a consolidated

basis had 1,980 employees, which is around 40% increase over the last fiscal. Over 60% of our employees are in R&D with an average industry experience of 8+ years.

Our company is committed to its mission of creating value for all its stakeholders and to positively impact the environment and the community at large. As we continue to innovate newer products and solutions, we are acutely aware that sustainability is a major challenge for humankind. Our company is aiming to achieve Net Zero by 2045 in line with Tata Group's aspiration and towards this end we are constantly focused on ensuring that our products are engineered to operate in an environment-friendly manner throughout their life-cycle. Our business operations too are geared to minimize negative environmental externalities.

Looking Ahead

FY23-24 was a transformative year for the company, setting a strong foundation for future growth and success. The company has significantly expanded its execution capabilities to deliver projects at scale while continuing to follow an asset-light

manufacturing model. We have expanded both the breadth and depth of our world-class portfolio to address a larger share of the global telecom equipment market. The fundamental drivers of our business remain robust and there are several near-to-medium-term opportunities on the horizon which hold significant promise in terms of their potential to generate meaningful revenues for the company and sustain our sales momentum in the coming years.

I extend my sincere appreciation to the Board of Directors for their continued guidance and support. I also thank all our shareholders, our employees, our customers and all other stakeholders for their continuing faith and ongoing support of our company. We are delighted at our progress and achievements this year, and will continue to focus and execute on our vision.

With Warm regards,
Sincerely,

Anand Athreya
Managing Director & CEO

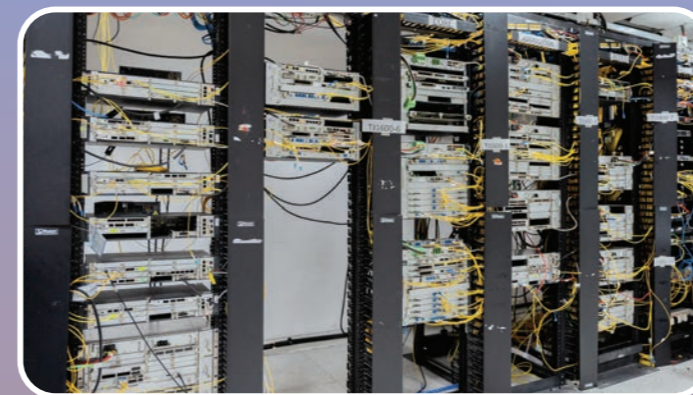
Business Overview

Tejas Networks is a leading R&D-driven telecom and networking product company. Headquartered in Bengaluru (India), with offices in several countries around the world, and is ranked among the top 10 suppliers in the global optical aggregation and fiber broadband markets. Tejas Networks is a part of the Tata Group, a global enterprise headquartered in India. The group operates in more than 100 countries across six continents.

Tejas designs and manufactures leading-edge wireless and wireline equipment that are deployed in 500+ carrier networks in 75 countries. With over 60% of its workforce employed in R&D, Tejas has designed a full range of products to cater to roll-out of end-to-end high-speed fixed and mobile networks. These include 4G/5G radio access (LTE/NR), fiber-to-the-home (GPON/XGS-PON), optical transmission (DWDM/PTN), as well as carrier switching and routing (Ethernet, IP/MPLS) products. With the recent acquisition of Saankhya Labs, the company has enhanced its R&D capabilities to include satellite-IoT, 5G broadcast and semiconductor chip design expertise. Tejas is actively contributing to global 5G/6G standards

through its work in India's telecom standards organization (TSDSI), Bharat 6G Alliance, ITU-R Working Groups, 3GPP and O-RAN Alliance. The company and its subsidiaries have filed 445+ patents and have been ranked amongst Top-3 listed companies in India, in terms of percentage of revenues spent on R&D.

Today, several large private telecom operators, telecom PSUs and utilities in India use Tejas products in their networks. Tejas is also a leading domestic supplier of optical and data networking products for various government projects of national importance, having security/strategic implications such as national knowledge networks, defence networks and smart cities. The company has also supplied its state-of-the-art broadband access equipment for BharatNet Phase-1/Phase-2 and Indian Railway's public Wi-Fi projects, with deployments in nearly 100,000 villages and over 4000 railway stations respectively. Besides this, the company's cutting-edge baseband, radio and backhaul products are being currently installed in BSNL's pan-India 4G/5G network at 100,000+ cell sites.



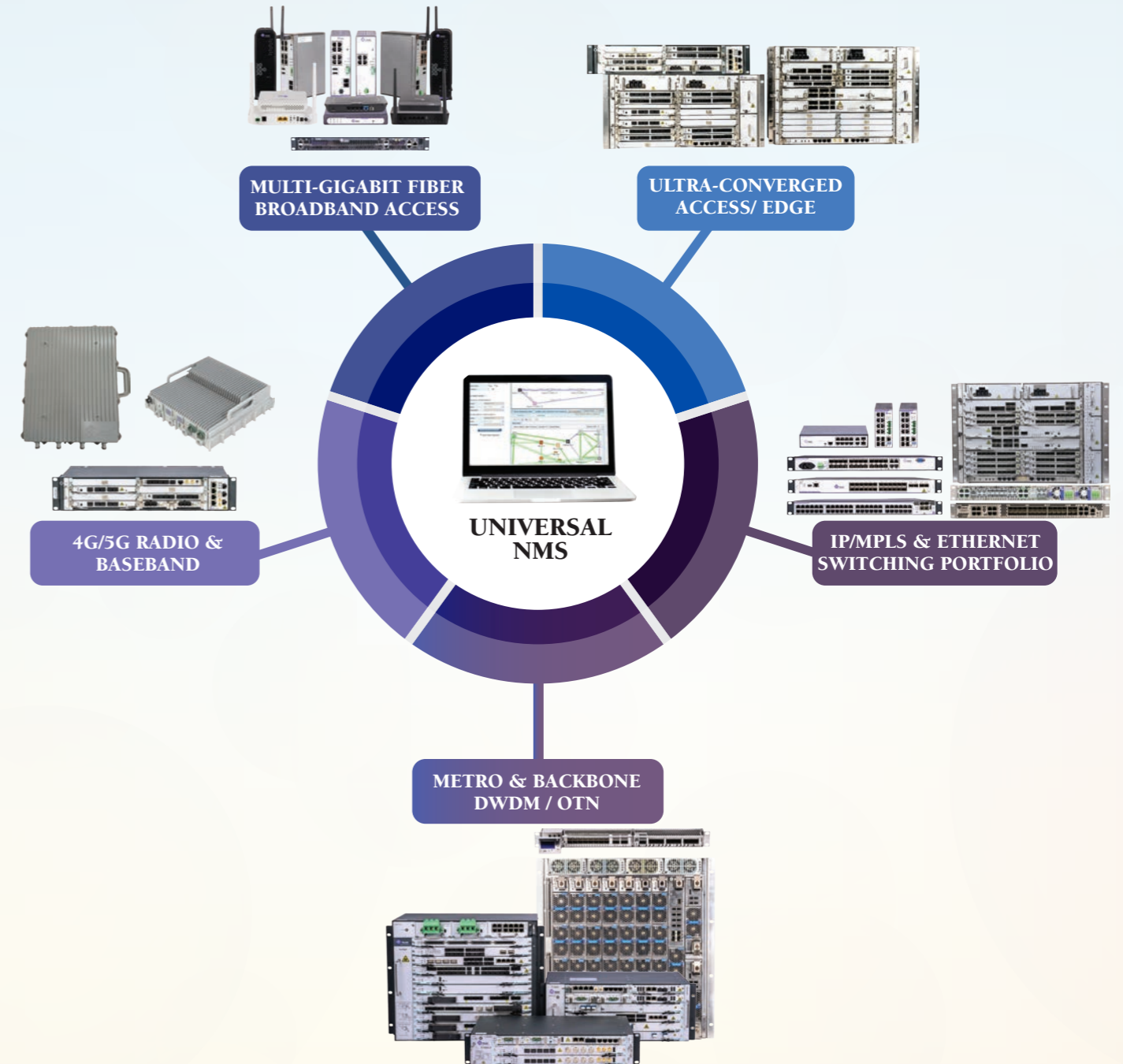
Our World-class Product Portfolio

Tejas Networks is a pioneer in creating innovative products tailored for telecom carriers to establish cost-effective, converged networks. Our product portfolio encompasses wireless technologies (4G/5G based on 3GPP and O-RAN standards), fiber broadband (GPON/XGS-PON), carrier-grade optical transmission (DWDM/OTN), packet switching and routing (Ethernet, PTN, IP/MPLS) and satellite communication products.

Our unified network management suite simplifies network deployments and service implementation across all our products with advanced capabilities for predictive fault detection and resolution. With a web-based graphical user interface for point-and-

click provisioning of services, wizards to speed up operational tasks and profiles to automate repetitive parameter settings, it ensures rapid time-to-service without the need for specialized and expensive skill sets.

Tejas has cumulatively shipped over 900,000 of our products to a diverse clientele across 75+ countries with a consistent field uptime of 99.999%. Our products are designed to comply with global telecom and networking standards and meet numerous product certifications and homologation requirements for network deployments around the world.



Typical Use Cases of our Products

4G/5G Mobile RAN & Backhaul:

Cutting-edge radios, baseband units, and optical xHaul solutions for 4G & 5G networks

Products: 5G/LTE Radios and Base Stations, Ethernet, IP/MPLS, GPON, OTN



Wholesale Data Services:

Cost-effective solutions for bandwidth enhancement in Metro and Core networks

Products: DWDM, OTN, Carrier Ethernet & IP/MPLS



Residential Broadband:

Providing high-speed broadband connectivity via optical fiber, fixed wireless, and copper cables to urban and rural homes

Products: 5G/LTE, GPON/XGS-PON, PTN, Ethernet Switches.



Utilities:

Smooth network transition from legacy circuit to packet transport technologies in power, rail, and oil & gas sectors

Products: 5G/LTE, MPLS-TP, Carrier Ethernet, IP/MPLS, DWDM



Enterprise:

Networking solutions ensuring bandwidth-sensitive applications meet strict SLA requirements

Products: MPLS-TP, IP/MPLS Carrier Ethernet, DWDM



Smart and Safe Cities:

Enhancing secure infrastructure for the operation of applications such as smart lighting and video surveillance

Products: GPON/XGS-PON, Ethernet Switches



Cloud and Data Center:

Efficient low-latency interconnect applications

Products: MPLS-TP, Carrier Ethernet IP/MPLS, DWDM



Defence:

Reliable wireless and wireline products for mission-critical applications

Products: 5G/LTE, GPON/XGS-PON, PTN, Ethernet Switches, IP/MPLS, DWDM



Our Competitive Edge

Tejas Networks is dedicated to excellence and innovation, leading the way in the dynamic network equipment industry. With a strong commitment to quality and customer satisfaction, we constantly set benchmarks for reliability and performance.

Our strengths in technology, comprehensive product range, agile strategies and global presence drive our sustainable growth.

1 End-to-End Portfolio

- Products spanning wireless, optical and packet technologies with a universal network management system
- Versatile range of high-power 4G and 5G macro radios supporting multiple bands with advanced MIMO capabilities

2 Innovative Solutions

- Ultra-converged broadband solution integrating 4G/5G baseband, FTTx, optical transport and IP/MPLS routing
- Differentiated network solutions such as 100G/100G+ alien wavelengths, Micro-OTN grooming, disaggregated OTN cross-connects and high-capacity circuit emulation

3 Business Model

- Cost-efficient R&D with world-class productivity
- Scalable, asset-light manufacturing in collaboration with global EMS partners

Technology Differentiators

Software-defined Hardware™

Programmable architecture with FPGAs, DSPs and Network Processors enables future-proof hardware realizations



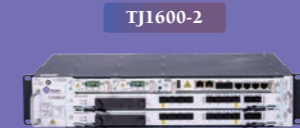
Seamless network modernization from Legacy TDM to Hybrid POTP to Pure-Packet configurations

Platform Convergence

Consolidating various technologies and services on a single shelf to realize the lowest Total Cost of Ownership (TCO)



Fixed and Mobile Convergence Transport & Switching Convergence



OTN Switching & DWDM Transport Convergence

Open Architecture

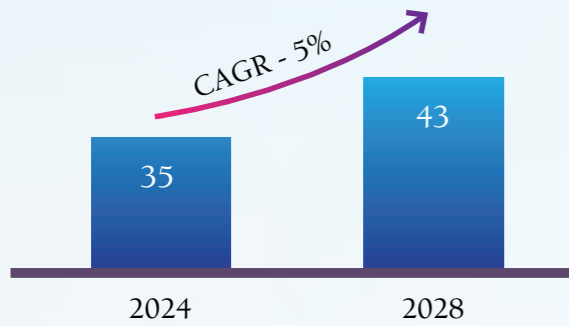
Disaggregated optical/electrical architecture to enable a “pay-as-you-grow” investment approach with enhanced asset reusability



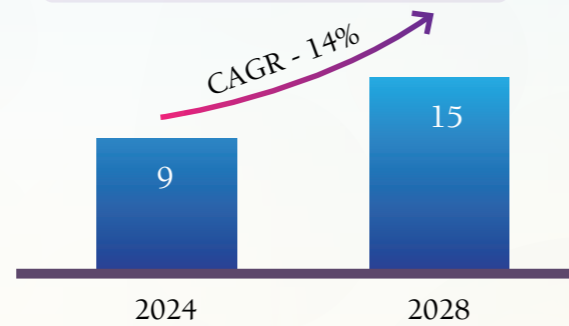
Disaggregated Interface and Fabric shelf in a Multi-terabit OTN switch

Focus on Large and Growing Markets

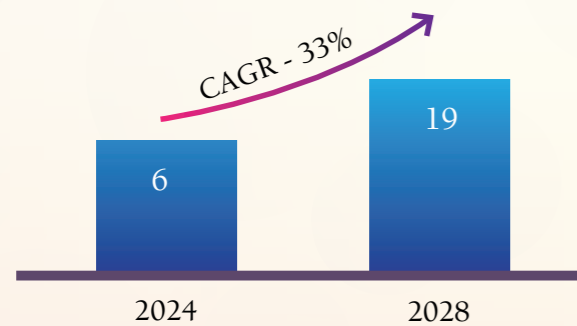
Global 4G/5G RAN Market (\$Bn)



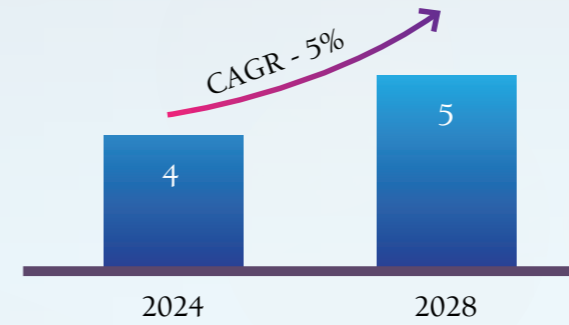
Global 4G/5G Core Market (\$Bn)



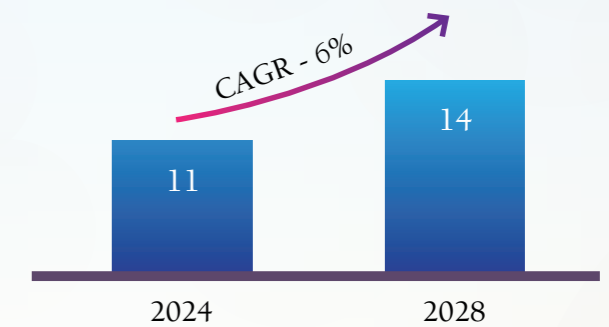
Global xPON Market (\$Bn)



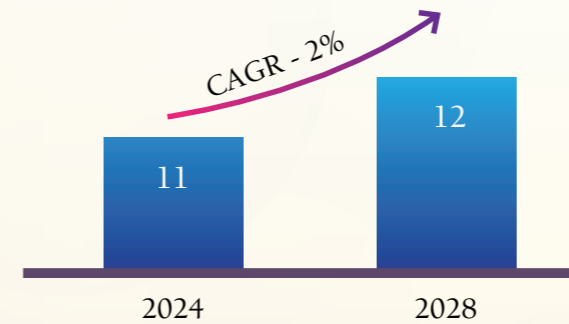
Campus Switching in Critical Infrastructure Market (\$Bn)



Global WDM Market (\$Bn)



Global Carrier Switching & Routing Market (\$Bn)



Ex-China estimates of TAM; Source: Analyst reports & internal estimates

Saankhya Labs: Expanding Product Portfolio

Saankhya Labs' product portfolio perfectly complements Tejas Networks' offerings with advanced technologies such as Direct-To-Mobile Broadcast, Satellite Communication products and semiconductor chip design expertise. This synergy creates a comprehensive portfolio for telecommunication companies, broadcasters and satellite communication service providers and positions the combined entity for sustained growth and innovation in a dynamic and competitive networking landscape.



Leading-Edge Products



Contributing to Global Standards and Thought Leadership



ITU

- Worked with NSG5 and Indian delegation to get “Ubiquitous Connectivity” into IMT2030/6G wheel diagram, “Coverage” “Sustainability” “Interoperability” to IMT-2030/6G palette diagram as per Bharat 6G Vision
- Contributed to ITU G.8032



B6GA

Supporting academic research
Part of PRSG of multiple 6G projects like AOC, OAM, THz research



IEEE

IEEE Comsoc Chair
(Bangalore Chapter)



O-RAN

Contributing to WG6 on cloudification and orchestration standards



3GPP

- Working on SBFD, NES, mMIMO, AI/ML for AI in Rel 19
- Collaborating with CEWIT/ Academia on 3GPP and jointly submitting contributions



TSDSI

- Founding member
 - Founding chairman and SG chair
 - CPRI Fronthaul and 5Gi standards
- Contributing towards 6G RIS Controller



WTSA, New Delhi

Supporting with WTSA resolutions



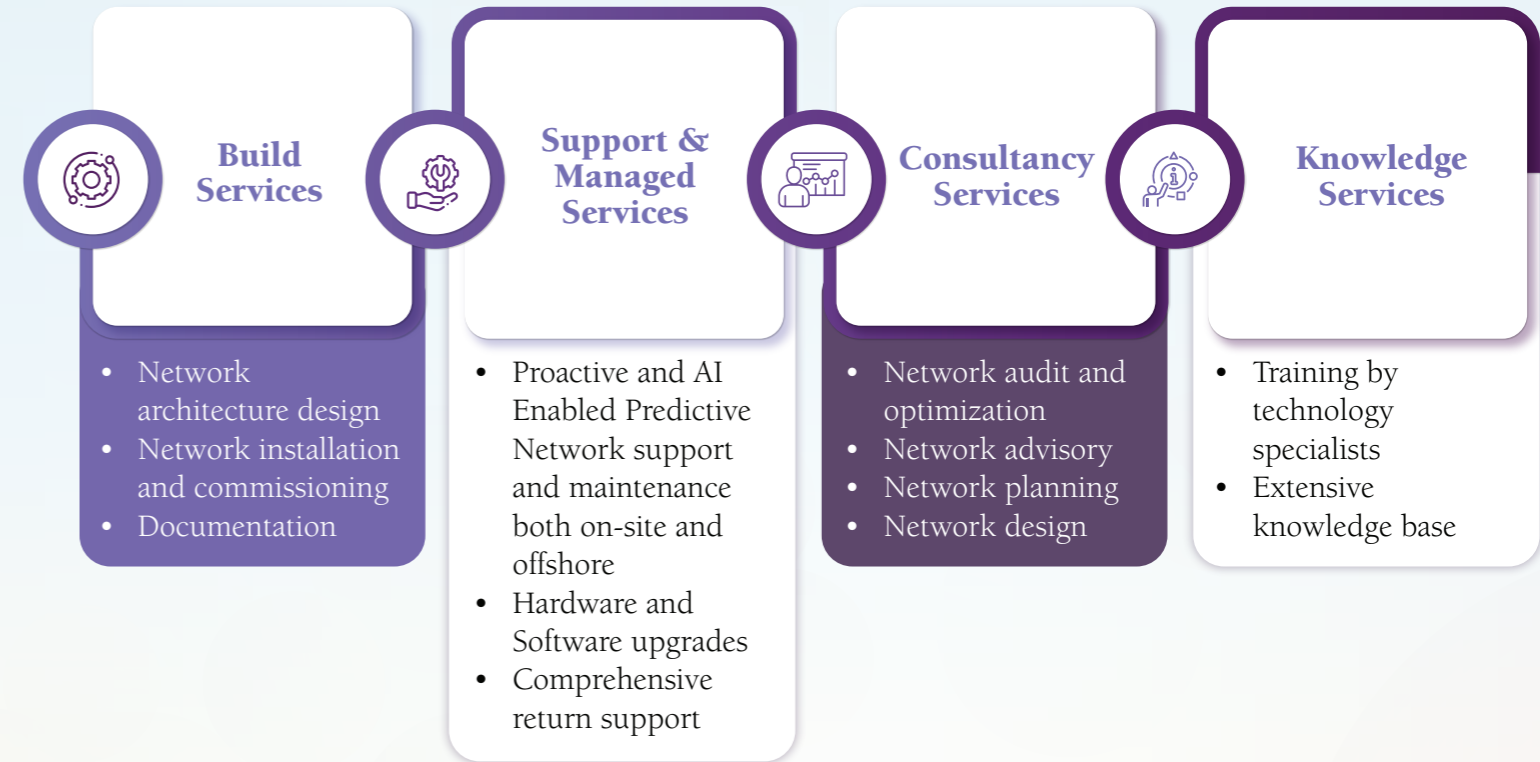
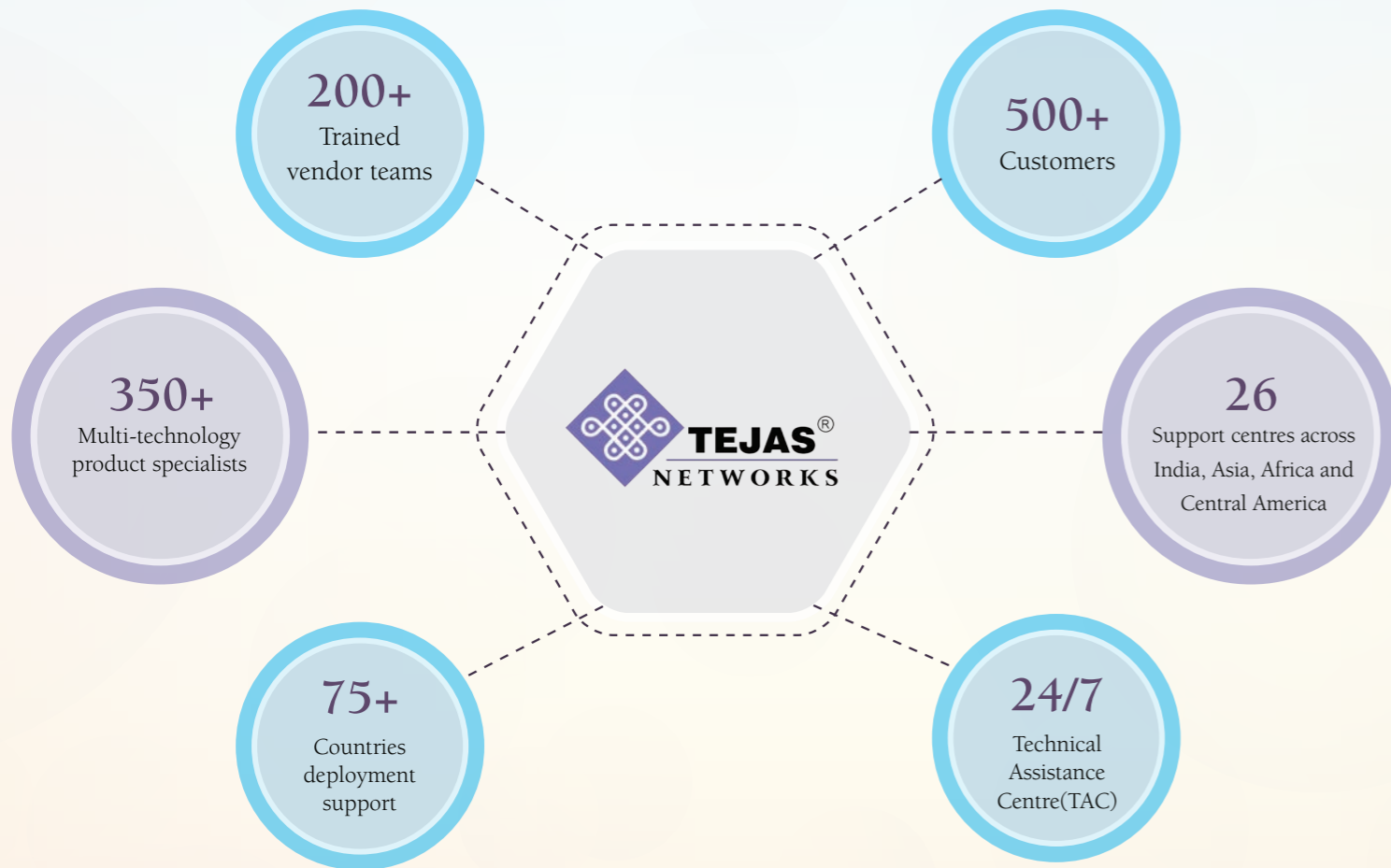
Keynote Speakers at Premier Conferences, Startup Mentorship and Fostering Industry Innovation



Holistic Network Services Portfolio

Tejas Networks has designed and implemented some of the most complex and mission-critical networks for carriers, governments and utilities worldwide. With global deployment experience for blue-chip clientele, including the world's largest mobile operators, wholesale carriers and utility companies, our networking professionals and product experts possess a deep understanding of delivering a seamless customer service experience. The services support team has extensive experience in 4G/5G, PON, Packet, DWDM, OTN and other networking technologies.

Tejas Networks has a strong team of over 350 multi-technology product specialists and 200 trained vendor teams to support deployments in more than 75 countries, serving over 500 satisfied customers. Our 24*7 Technical Assistance Centre (TAC) and Remote Delivery Centre in Bangalore along with 26 support centres across India, Asia, Africa and Central America are trained to leverage the latest technologies to deliver a world-class network service seamlessly.



Tejas Networks offers a robust end-to-end services portfolio that is specifically designed to optimize the total cost of ownership (TCO) for our customers. Our approach includes well-researched transformation programs, technology enablers, proven managed services and managed capacity models that allow our customers to pay as they grow.

We have a world-class service network that operates 24/7, ensuring that our customers and partners receive uninterrupted support even in challenging times such as the global pandemic. Thanks to our strong network, we have maintained 99.999% network uptime for all our key customer networks, demonstrating our commitment to providing exceptional services and support.

Global-Scale Supply Chain and Manufacturing Operations

At Tejas, our objective is to establish and maintain a best-in-class global supply chain that surpasses customer expectations through timely deliveries and consistently high-quality products.



Efficient and Lean Manufacturing Model

To achieve our supply chain objectives, we have embraced an efficient and lean asset-light manufacturing model. Our products are manufactured in India through strategic partnerships with reputed Electronics Manufacturing Services (EMS) companies.

Commitment to Quality and Compliance

We take pride in maintaining stringent quality standards across our operations. Our facilities adhere to temperature and Electrostatic Discharge (ESD) compliance standards, with elevated temperature testing chambers ensuring the integrity and reliability of our products. Additionally, our expansive 400,000 square feet of warehouse space for components, assemblies and finished goods further underscores our commitment to operational excellence and customer satisfaction.

Continued Growth and Expansion

As part of our ongoing commitment to growth and excellence, we are pleased to announce the construction of an additional 106,000 square feet of warehouse and office space, further enhancing our logistical capabilities and capacity for future expansion.

State-of-the-Art Integration & Testing Facility

Central to our manufacturing operations is our state-of-the-art Integration & Testing facility, which boasts a spacious 72,000-square-foot built-up area. Equipped with cutting-edge technology and staffed by highly skilled professionals, this facility ensures the final integration, testing, and quality control of our products, guaranteeing that only the highest quality products are delivered to our customers.

Scalability and Flexibility

Our turn-key EMS model is not only highly scalable but also capital-efficient, allowing us to adjust our manufacturing capacity to meet fluctuations in customer demand while optimizing our working capital.

Enhancing Supply Chain Efficiency through Digital Transformation

To achieve greater efficiency, we are implementing three key projects: SAP S/4HANA transformation, SAP Ariba SCC, and SAP MES. Additionally, we have implemented a Transport Management System (TMS) to enhance end-to-end tracking of our shipments and provide real-time updates.

Well-positioned to Play a Key Role for Atmanirbhar Bharat

Preference to Make in India (PMI)

- Government-mandated public procurement preference to be given to products that are 'Made in India', distinguished by the specified minimum percentage of domestic value-addition.
- Mandates suppliers from countries that share a land border with India to be registered with competent authority before bidding on government tenders (under GFR Rule 144)

Tejas is a Class-1 local supplier and all our products are included in the PMI list

Government Mandate for Sourcing 'Trusted' Telecom Equipment

- GoI has mandated that all TSPs and ISPs will be allowed to use products from 'trusted sources' only.
- Applicable on all new telecom equipment purchases from June 15, 2021.

Tejas products have received Trusted Source certification from NSDTS (National Security Directive on the Telecom Sector)

Production Linked Incentive (PLI) Scheme

- ₹12,195 crore incentive scheme for local manufacturing of telecom and networking products.
- 4-6% incentive to eligible companies on incremental sales over the base year subject to meeting investment thresholds.
- Additional incentive of 1% for applicants approved under design linked PLI scheme.

Tejas is approved under the design-linked PLI scheme and received ₹ 32.66 crore as incentives for FY23

Chip Design Incentive Scheme

- MeitY has announced the Design Linked Incentive (DLI) Scheme to boost the domestic industry engaged in semiconductor design.

Saankhya Labs received approval under the semiconductor DLI scheme in FY24

Indigenous 4G/5G Stack: Enabling BSNL's Telecom Evolution

In a significant stride towards advancing India's digital infrastructure, Tejas Networks, along with its partners, is deploying a fully indigenous 4G/5G stack for BSNL's nationwide network. The contract entails the supply of cutting-edge 4G/5G baseband and radio equipment (RAN) for more than 100,000 cell sites in India. Tejas was selected as a RAN equipment supplier after a stringent, real-world proof of concept (POC) conducted for over a year. Our company's role in the indigenous 4G/5G stack development and deployment for BSNL marks a significant contribution to India's

Atmanirbhar Bharat mission in critical telecom technologies.

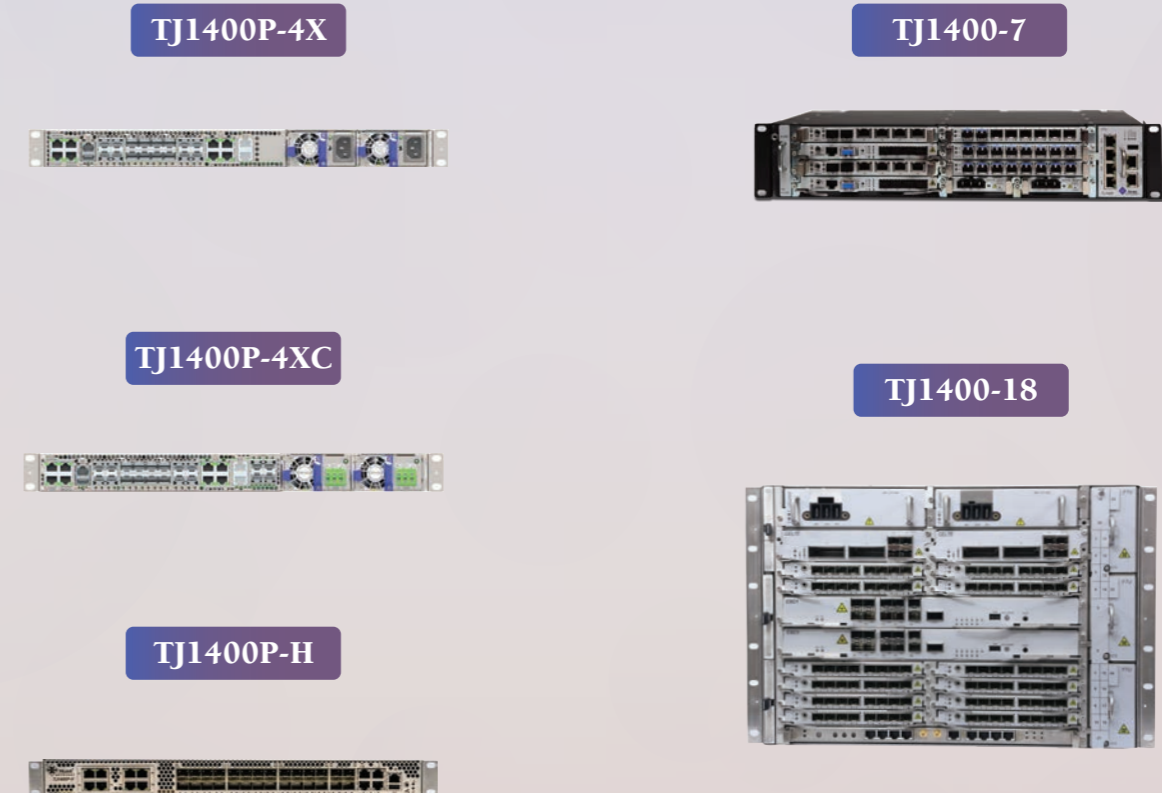
Our 4G/5G RAN solutions deliver advanced capabilities such as support for multiple TDD and FDD bands, high-power Macro Radios, NB-IoT and compliance with both 3GPP and O-RAN standards. Moreover, our ultra-converged baseband product represents a revolutionary step towards a streamlined network architecture, combining mobility, FTTx, optical transport and cell-site routing in a single platform.



Indigenous Rollout of IP/MPLS Routers for BSNL MAAN Network

In FY24, Tejas significantly enhanced its wireline business by supplying 13,000+ of its TJ1400 series of next-generation access and aggregation routers for BSNL's IP/MPLS based Access and Aggregation Network (MAAN). The objective of MAAN is to create a unified, flexible and scalable backhaul network for BSNL that will cater to growing data traffic from its full-range of services, including mobile (2G/3G/4G/5G), fiber broadband, Voice over IP, Wi-Fi and enterprise data services while catering to advanced 5G features related to network slicing and IoT connectivity in the future. The MAAN project represents one of the largest indigenous IP/MPLS router deployments in the country.

With the MAAN deployment, Tejas has emerged as a scale player in the global service provider switching and routing market, known for its high technological complexity and demanding R&D standards. It also exemplifies our dedication to pioneering technologies that address comprehensive telecom requirements while supporting the Make in India initiative. Our contribution to the MAAN project was recognized with the Voice and Data Excellence Award in the "Make in India" category. Tejas Networks will utilize the experience gained from the BSNL MAAN project to fuel future initiatives across India and globally.



Direct To Mobile (D2M) Broadcast Solutions

Saankhya Labs' Direct-to-Mobile (D2M) broadcasting technology is an advancement in digital content delivery. Developed in collaboration with IIT Kanpur, D2M facilitates streaming of both AV and audio-only content directly to mobile devices using broadcast spectrum thereby easing network congestion during peak traffic hours. D2M promises to significantly enhance the end-user experience while also helping the broadcasters' monetize via multiple opportunities. D2M is presently undergoing trials both in India and USA.



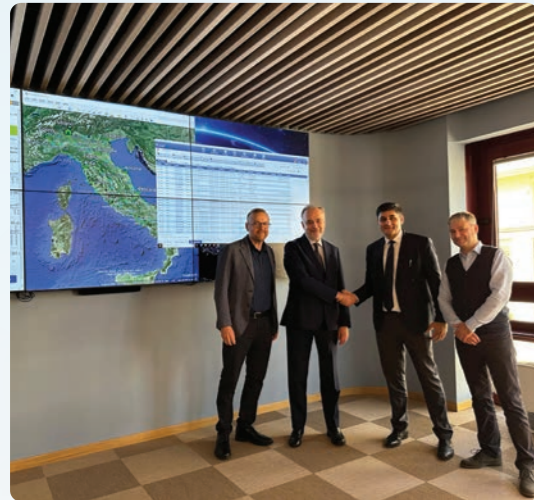
Two-way MSS Network for Vessel Tracking and Fishermen Safety

Saankhya Labs has received a provisional purchase order from NSIL, Department of Space for the supply and installation of our indigenous Satcom Xponders on marine fishing vessels.

Vessel Tracking Network, powered by Saankhya Labs' award-winning SDR chipsets, signifies advancement in Indian coastal security and the safety of fishermen. With 2,500+ vessels already benefiting from its capabilities, there is an ongoing planned deployment of over 50,000 additional boats nationwide.

This solution boasts a comprehensive array of features. The network provides real-time tracking and monitoring, along with seamless two-way messaging, ensuring reliable communication and safety for fishermen at sea. It also delivers vital services such as SoS alerts, weather updates, and information on Potential Fishing Zones (PFZ), enhancing productivity while safeguarding maritime activities.

Expanding Global Engagement and Mindshare



FibreConnect partnered with Tejas Networks to successfully deploy an end-to-end optical network in Italy

FibreConnect Italy is an innovative greenfield wholesale telecom infrastructure developer with the goal of building a nationwide broadband network to connect the country's underserved business parks and industrial areas. The company has a unique business model built around partnerships with regional and retail ISPs (Internet Service Providers) and targets industrial areas in Italy to promote the digital transformation of its manufacturing sector under the Italian government's 'Transition 4.0' plan.

Tejas Networks is deploying its full range of products, including its versatile multi-terabit OTN/DWDM systems for Metro and Backbone, along with a feature-rich series of ONTs for business and industrial premises, as part of this initiative. The end-to-end network is being managed using TejNMS, Tejas' universal, multi-technology network management system coupled with an advanced service orchestration solution to deliver an agile, resilient and future-proof network for FibreConnect.

The FibreConnect network represents a significant milestone for Tejas in delivering an end-to-end solution in the EU region.



FibreConnect is thrilled to partner with Tejas Networks on this transformative network rollout that seeks to bridge the digital divide for small & medium businesses in Italy and extend the benefits of high-speed connectivity to unserved businesses and industries across the country through its ISP partners. Tejas Networks' innovative solutions such as their business-grade Type-C protection switching on ONTs, 2.5G GPON ONTs, converged "swiss-knife" architecture for multiservice access, and novel interplay of PTN and OTN technologies in the backbone are enabling us to deliver the highest level of service to our customers in a cost-effective manner.

- Renzo Ravaglia,
Executive Chairman & CEO
FibreConnect

We are delighted to enter into a long-term strategic partnership with Tejas Networks, India's leading R&D-driven telecom and networking products company and a part of the Tata Group. Telecom Egypt has been consistently working towards enhancing its network infrastructure and developing its technical capabilities through cooperation with the largest companies in the world. The present MoU is aimed at providing Telecom Egypt with the latest communications technology in the world while ensuring that it provides the highest quality of infrastructure services.



- Eng. Mohamed Nasr El-Din
CEO & Managing Director,
Telecom Egypt

Tejas Networks signed a strategic partnership with Telecom Egypt

This year, Tejas Networks signed a Memorandum of Understanding (MoU) with Telecom Egypt (TE), ITIDA (Information Technology Industry Development Agency), and NTI (National Telecom Institute) in Egypt. The partnership aims to replicate Tejas Networks' experience of implementing the Bharatnet (Rural Broadband Project) and NKN (National Knowledge Network) projects in Egypt.

The collaboration will also involve capacity building for Egyptian engineers and technicians in telecom and networking technologies, establishing local manufacturing and R&D facilities for Fiber-to-the-Home (FTTH) products, and setting up

technical support services in Egypt for customers within the country and the larger Africa and Middle East region.

This partnership demonstrates Tejas Networks' commitment to working closely with government bodies and customers by sharing best practices and learnings from its experience of successfully designing and delivering over 500 complex, carrier-class networks in India and beyond. It is also a recognition of the quality of products and services that Tejas Networks has been providing across the globe, especially in the Middle East and Africa region.



Other Recent Success Stories

Country-wide 100G/100G+ Alien Wavelength Rollout for a Tier-1 Telco

Powering FTTx Deployments in Multiple Private Indian ISPs

TDM-to-PTN Transformation of a South Asian Utility Network

Pan-Africa 100G/100G+ Alien Wavelength Deployment

Countrywide Ethernet Switches Deployment for Railway Safety and Surveillance Solution

Terabit-scale Optical Network for a Video Distribution Application in the US

PTN-based Network Modernization of a Large Utility Network in North Africa

Augmenting the Backbone Capacity of a Leading Asian Utility Network



Gaining Global Recognition and Industry Acclaim



Voice and Data Excellence Award 2023

Tejas Networks received the prestigious Voice and Data Excellence award in the “Make in India” category for its state-of-the-art TJ1400 Access and Aggregation Routers. The award was conferred at the 23rd edition of Voice and Data’s Telecom Leadership Forum held in New Delhi on 22nd March, 2024. The award recognizes Tejas’ innovation in terabit scale-access and aggregation routers that fulfil the demands of high-capacity packet switching and routing products.



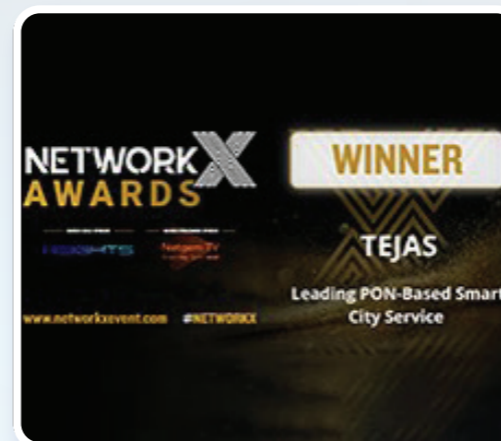
Best Indian IPR of the Year – India Mobile Congress 2023

Tejas Networks was bestowed with the coveted “Best Indian IPR of the Year in Telecom” award at the esteemed India Mobile Congress (IMC) in New Delhi. This prestigious accolade acknowledges Tejas Networks’ groundbreaking work, particularly its flagship TJ1600 optical and packet transmission product.



Pathbreaker of the Year 2022-DataQuest

In June 2023, Tejas Networks was conferred Dataquest’s Pathbreaker of the Year award. The jury panel unanimously recognized the company’s outstanding work and contribution to India’s ICT industry in recent years. The jury acknowledged Tejas Networks’ role in breaking new ground during and after the pandemic, leading the company to become India’s largest telecom products company.



Leading PON Based Smart City Award – NetworkX 2023

Tejas Networks was honoured with the prestigious NetworkX 2023 award, acknowledging its global leadership in the PON-Based Smart City Service sector. The accolade was conferred at the historic Hotel de Ville during the Network X 2023 conference, a prominent event celebrating outstanding telecommunications innovations.



Most outstanding company in India – Asiamoney- Asia outstanding Companies Poll 2023

Tejas Networks was voted the ‘Most Outstanding Company in India’ in the Technology Hardware & Equipment sector at the 2023 Asiamoney Outstanding Companies Poll. This prestigious recognition, based on 1,225 industry expert votes from 13 Asian markets, reaffirms our unwavering commitment to excellence and continuous innovation.



Public Company of the Year 2023- Light Reading’s Leading Light Award

Tejas Networks was honored with the prestigious “Public Company of the Year” award at Light Reading’s Leading Lights 2023. The “Company of the Year (Public)” category honors “a publicly listed firm that stands out from its competitors, innovates constantly, makes investors proud and makes employees happy.” The winner was selected by an independent judging panel comprising industry luminaries from leading technology research firms

Quality: Our Cornerstone



Embracing Continual Improvement

Our steadfast commitment to upholding the highest standards of quality is a testament to our dedication to customer satisfaction and operational excellence. Embracing a culture of continual improvement, we strive to enhance our processes and products further to meet and exceed customer expectations.



Pioneering Quality Standards

Our in-house design, development and testing infrastructure allows us to meticulously monitor our quality management processes. Our unique Quality Model ensures superior service management, robust information security practices and a mature business continuity management framework.



Elevating Quality Through Sustainability Initiatives

Tejas Networks places a paramount importance on sustainability. The company upholds stringent quality standards by integrating green components compliant with the latest RoHS directives into Tejas Platforms. Emphasizing sustainable product design, Tejas prioritizes energy efficiency by incorporating high-efficiency power converters and automated energy consumption optimization mechanisms. Through sustainable sourcing practices, including supplier sustainability assessments of key suppliers and active engagement for continuous improvement, Tejas reinforces its dedication to quality across its supply chain. Furthermore, Tejas demonstrates its commitment to sustainability by proactively promoting responsible recycling of end-of-life products and advocating for e-waste management.



Performance Metrics

With an on-time delivery rate of 78% and a customer network uptime exceeding 99.999%, we consistently deliver superior service to our customers. Furthermore, our perfect score of 100% in Customer FAT Acceptance underscores our unwavering commitment to quality.



Certifications and Training Initiatives

Tejas holds a range of certifications, including TL9000, ISO 9001, ISO 14001, ISO 27001, MEF, CE marking, UL Mark, cTUVus mark, FCC, ICES and various country-specific approvals. The company also complies with EU environmental directives and undergoes rigorous security evaluations such as Common Criteria certification and Vulnerability Assessment and Penetration Testing (VAPT) Certification.



Customer-Centric Approach

Our relentless focus on customer satisfaction drives every aspect of our operations. Through vigilant monitoring of customer engagements worldwide, we minimize risks and ensure uninterrupted service delivery. Daily tracking, digitized multi-level dashboards, and differentiated supervision of critical challenges enable us to maintain exceptional service levels and exceed customer expectations.



Human Resources – Building a World-class Team

Total Headcount – 1,980
 > 60% employees in R&D

Highly-experienced Senior Sales Team

Avg. experience 18.1 years

Highly-experienced Senior R&D Team

Avg. experience 8.3 years



Empowering Excellence: Nurturing Talent, Driving Innovation

Since 2000, our commitment to excellence remains strong. Reflecting on the past fiscal year, we are proud of our investments in talent management, attracting and retaining exceptional individuals globally for sustained growth and success.

Talent Acquisition and Retention

Our success is driven by our people. Through strategic talent management, we attract and retain top talent globally. Our culture values innovation, collaboration and continuous learning, fostering an industry-leading workforce.

Focus on R&D

Our R&D division, consisting of over 60% of our dedicated employees, is a cornerstone of our workforce. Drawing from top colleges and universities, they drive innovation, reflected in the world-class quality of our products.

As we look towards the future, we remain steadfast in our dedication to nurturing talent and delivering superior value to our customers. Our continued focus on attracting, retaining and developing the best minds in the industry is one of the strategic priorities to drive our future success.



Tejas Academy - Bootcamp for New Talent

At Tejas, we prioritize the readiness of our workforce. With our structured onboarding approach, Tejas Academy integrates new hires seamlessly into our environment, ensuring they contribute meaningfully from day one.



Focused Onboarding for Productivity

Tejas Academy is a cornerstone of our talent development strategy, focused on preparing new hires to join engineering teams seamlessly. Through intensive boot camps, participants gain insights and skills that accelerate their role transition.



Driving Organizational Excellence

Investing in Tejas Academy enhances both individual and collective success. Empowering new hires cultivates a culture of excellence and innovation, benefiting every aspect of our operations.

Tejotsav - Celebrating Diversity, Fostering Unity

Tejotsav, our employee-driven committee, cultivates camaraderie and engagement at Tejas Networks. It hosts various activities to create a sense of belonging in our workplace culture.

An Array of Engaging Activities

Tejotsav organizes diverse events like TPL, talent shows, Women's Box-Cricket League and cultural festivals. These activities foster connections, enabling employees to build relationships and cherish memories.



Promoting Artistic Expression and Sportsmanship

Tejotsav promotes artistic expression and sportsmanship through talent shows and sporting events, fostering creativity and healthy competition. The Women's Box-Cricket League reflects our commitment to gender inclusivity and empowerment in sports and leadership.

Fostering Mutual Respect and Diversity

Tejotsav promotes mutual respect for different cultures and perspectives, strengthening unity and solidarity among employees.

Tejas Employee Development Initiatives

Tejas Networks focuses on employee development activities through various programs that nurture talent and improve skills at all levels.

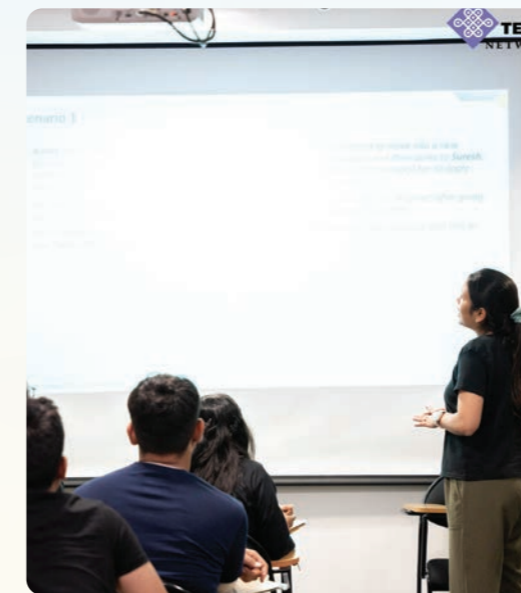


Promoting Collaboration and Togetherness

The Leadership Development Session fostered valuable insights, skills and collaborations between Saankhya and Tejas teams. Engaging activities dismantled barriers and cultivated a sense of togetherness, laying the groundwork for enhanced teamwork and synergy.

Impactful Results and Future Outlook

The Leadership Development Session's success highlights its impact on promoting teamwork and leadership excellence. We are committed to building on this with more activities fostering collaboration, innovation, and growth across our workforce.



Leadership Excellence and Team Building

A notable initiative was the Leadership Development Session for leaders from Saankhya and Tejas, led by an expert. It promoted leadership excellence and effective teamwork through workshops, discussions and practical exercises.



Elevating our Brand by Participating in Global Events



MWC Barcelona 2024



AfricaCom 2023



MWC Las Vegas 2023



CommunicAsia 2023



India Mobile Congress 2023



NetworkX 2023



Bharat Telecom 2024



IBC 2023



Connected America 2024



SCTE Cable-Tec Expo 2023



WCIT IDECS 2023



India Africa ICT Expo 2023



NTCA RTIME 2024



Fiber Connect 2023



NAB Show 2023



Capacity Europe 2023



G20 DIA Summit 2023



ISP Conclave 2023

Notice of the 24th Annual General Meeting



NOTICE

NOTICE is hereby given that the 24th Annual General Meeting (“AGM”) of the Shareholders of Tejas Networks Limited (the “Company”) will be held on Friday, June 28, 2024 at 3.00 P.M. (IST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.

2. Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company and its subsidiaries for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

3. Appointment of Arnob Roy (DIN: 03176672) as a Director (liable to retire by rotation) of the Company

To appoint a Director in the place of Arnob Roy (DIN: 03176672), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

SPECIAL BUSINESS

4. To approve existing as well as new material related party transactions with Tata Consultancy Services Limited

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or reenactment (s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Shareholders of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise,) with **Tata Consultancy Services Limited**, related party falling within the definition of ‘Related Party’ under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during financial year 2024-25 on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between related party and the Company, such that the maximum value of the Related Party Transactions with such party, in aggregate, does not exceed value as detailed in the explanatory statement provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out in the ordinary course of business and at arm’s length basis.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include the Audit Committee of the Company and any

duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Shareholders and that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

5. Approve the increase in Borrowings in excess of paid-up capital and free reserves

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT in supersession of the earlier Special Resolution passed by the Shareholders of the Company at the 19th Annual General Meeting held on July 25, 2019 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, if any, for the time being in force) (‘Act’) and the Articles of Association of the Company, consent of the Shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall include any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution to borrow from time to time, any sum or sums of monies (fund based and non-fund based facilities) at its discretion for the purpose of the business of the Company, from any one or more Banks and/ or Financial Institutions and/or any other lending institutions in India or abroad and/or Bodies Corporate, whether by way of loan, commercial paper, term loan, financing, advance, inter-corporate deposits, bonds, debentures, external commercial borrowings, financial facility, or other debt instruments, or otherwise and with or without security and upon such terms and conditions as may be considered suitable by the Board, provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Bankers of the Company in the ordinary course of business) shall not at any time exceed the limit of ₹ 6,000 crore (Rupees Six Thousand Crore Only).”

“RESOLVED FURTHER THAT the consent of the Shareholders of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution.”



“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

6. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, if any, for the time being in force) (‘Act’), consent of the Shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall include any Committee constituted by the Board to exercise its powers, including powers conferred by this resolution) to create such mortgages, charges and hypothecations as may be necessary, in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable assets of the Company, both present and future, and in such manner as the Board may deem fit, to or in favor of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as “Lenders”), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of ₹ 6,000 crore (Rupees Six Thousand Crore Only), together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in relation to such loans, debentures, bonds, working capital facilities and other instruments.”

“RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank pari-passu with the mortgages and/

or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board of Directors and as may be agreed to between the Company and the concerned parties.”

“RESOLVED FURTHER THAT the consent of the Shareholders of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

7. Ratification of the Remuneration of Cost Auditors

To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to GNV & Associates, Cost Accountants (Firm Registration Number - 000150), who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company for the Financial Year ending March 31, 2025.”

“RESOLVED FURTHER THAT the consent of the Shareholders of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

By Order of the Board
Sd/-

N R Ravikrishnan
Company Secretary
ACS Membership No: 7875

April 22, 2024
Bengaluru



Explanatory Statement Under Section 102 of the Companies Act, 2013

As required under section 102(1) of the Act, the following explanatory statement sets out all material facts relating to business mentioned under Items Nos. 4 to 7 of the accompanying Notice:

Item No. 4 - To approve existing as well as new material related party transactions with Tata Consultancy Services Limited

Pursuant to the amended Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the threshold limit for determination of Material Related Party Transactions is the lower of ₹ 1,000 crores (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Shareholders by means of an Ordinary Resolution.

Based on current applicable threshold for determining the related party transactions that require prior Shareholders approval and to facilitate seamless contracting and rendering/availing of product and services between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with “related parties” are reviewed and approved by the Audit Committee.

The Shareholders’ approval sought for the Material Related Party Transactions entered during FY 2024-25 as given in Item No. 4 shall be valid up to the date of next AGM.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, other than as mentioned, are concerned or interested in the respective resolutions.

The said transaction(s)/ contract(s)/ arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Shareholders.

The Shareholders may note that as per the provisions of the SEBI Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transactions or not), shall not vote to approve the resolution set out at Item No. 4.

In view of the above, Resolution No. 4 are placed for approval of the Shareholders of the Company.

Information required to be disclosed in the Explanatory Statement for Item No. 4 pursuant to the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

	Description	Particulars
1	Name of the related party	Tata Consultancy Services Limited.
2	Nature of relationship [including nature of its interest (financial or otherwise)]	Tata Consultancy Services Limited is a subsidiary of Tata Sons Private Limited. The ultimate holding company of Tejas Networks Limited is Tata Sons Private Limited. Hence, Tata Consultancy Services Limited and Tejas Networks Limited are related parties.
3	Type of the proposed transaction	<ul style="list-style-type: none"> • Rendering of IT/ITE Services including IT, Infrastructure, Cloud, IOT & Digital Engineering, Digital Transformation, Analytics, Cyber Security, and such related areas • Supply of hardware and software • Reimbursement of expenses • Procurement of Goods, services, sponsorship, etc. • Leasing of property • Any transfer of resources, services or obligations to meet its objectives/requirements
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the company is operating in. Monetary value of transactions subject to a maximum of ₹15,000 crore through contracts/arrangements for a duration upto 12 years with effect from FY 2023-24.
5	Particulars of the proposed transaction	As provided in Serial Number 3 above
6	Tenure of the transaction	Contractual commitments expected for a tenure of 12 years.
7	Value of the proposed transaction	As provided in Serial Number 4 above
8	Percentage of Tejas annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction.	Value of the proposed transaction represents 607.06% of the consolidated turnover of the Company for FY 2023-24.



9	Justification of the proposed transaction	The domain expertise and competencies available within the group and the collaboration with the Company will help in delivering world class technology to one of the high-priority and prestigious projects of the Government of India and further establish Tata Group's commitment to attain Aatmanirbhar Bharat.
10	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally.
11	Name of the Director or Key Managerial Personnel, who is related	N Ganapathy Subramaniam
12	Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given	
A)	Source of funds	Please refer Serial Number 12 C below
B)	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: <ul style="list-style-type: none"> • Nature of indebtedness • cost of funds and • tenure 	Not Applicable
C)	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	Mobilisation advance to be given by Tata Consultancy Services Limited to facilitate procurement of equipment. Adjustment of advance/s against progressive delivery of milestones, on the same terms as committed by Tata Consultancy Services Limited to end-customer.
D)	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	As provided in Serial Number 12C above
13	Any other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice

Background for the explanatory statements for Item No. 5 and 6

Tejas has embarked on a transformation agenda to become a telecom OEM of significance by building reliable and high performing telecom equipment, differentiated software driven products and continued focus on innovation, research and product development.

As a testament to its capabilities, Tejas is in the midst of executing a very large and strategic telecom project supply of RAN equipment for BSNL's Pan India 4G/5G network of 100,000+ sites. This is a very large and complex project and is also strategically important for Tejas to demonstrate its product and execution capabilities and positioning itself strongly for the international business.

Further, the company plans to continue to invest in product development, strengthening the operating capabilities and international sales, to successfully compete with incumbent players and expand its business globally across both wireline and wireless segments.

In order to successfully execute the ongoing large project, to meet any working capital requirements and also to retain ability to invest for future growth, the company plans to secure its short to medium term capital requirements. The Company endeavours to maintain an optimal capital structure which would be consistent with its business, operations and cash flows while also optimizing the cost of capital and is therefore, seeking approval from the Shareholders of the Company for an enhancement in its borrowing ability.

Item No. 5 – Approve the increase in Borrowings in excess of paid-up capital and free reserves of the Company

The Shareholders of the Company had, at their 19th Annual General Meeting held on July 25, 2019, accorded their consent to the Board of Directors to borrow and create charges/mortgages/hypothecations in respect of the Company's borrowings up to an amount not exceeding ₹ 800 crore (Rupees Eight Hundred Crore). Additionally, the company can borrow up to its paid-up capital and free reserves or through temporary loans of short term nature.

In order to pursue the growth plans of the Company, it is proposed to enhance the Company's borrowing limits (excluding any temporary loans) and consequent limits of charge creation/mortgages to ₹ 6,000 crore (Rupees Six Thousand Crore Only). As on March 31, 2024, the consolidated net-worth of the Company is ₹ 3,149 crore (Rupees Three Thousand One hundred and Forty Nine Crore Only).

Keeping in view the future plans of the Company, the ongoing large project and as a measure of achieving greater financial flexibility and to enable optimal financing structure to take care of expected business and growth plans of the Company, the Board of Directors in its meeting held on April 22, 2024 has approved borrowings which shall not at any time exceed the limit of ₹ 6,000 crore (Rupees Six Thousand Crore Only) and also to create charge on the assets of the Company to secure the said borrowings and approved seeking the Shareholders approval for giving authorization to Board of Directors under Section 180(1)(c) of the Companies Act, 2013.



The Company intends to borrow from time to time, any sum or sums of monies (fund based and non-fund-based facilities) at its discretion from any one or more Banks and/ or Financial Institutions and/or any other lending institutions in India or abroad and/or Bodies Corporate, with or without security and upon such terms and conditions as may be considered suitable by the Company.

Disclosure of Interest

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution 5 except to the extent of their Directorships and Shareholding in the Company (if any).

Recommendation for approval of the Shareholders

The consent of the Shareholders is sought for passing a Special Resolution as set out at Item No. 5 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as a Special Resolution.

Item No. 6 - Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings

According to the provisions of Section 180(1)(a) of the Act, creation of charge, mortgage or hypothecation on the assets of the Company in connection with borrowing as mentioned in Item No. 5 above shall require approval of Shareholders by Special Resolution.

In view of the Company proposal, subject to the approval of the Shareholders, to borrow up to an amount ₹ 6,000 crore (Rupees Six Thousand Crore Only) by way of fund based and non-fund based facilities from any one or more Banks and/ or Financial Institutions and/or any other lending institutions in India or abroad and/or Bodies Corporate, whether by way of loan, commercial paper, term loan, financing, advance, inter-corporate deposits, loans, discounting, bonds, debentures, external commercial borrowings, financial facility, or other debt instruments, or otherwise requires to be secured by way of charge through lien / hypothecation / mortgage / pledge / security over all or any part of the movable and / or immovable asset of the Company. The provisions of Section 180 (1) (a) of the Act, states that the mortgage or charge on all or any part of the movable and /or immovable asset of the Company, may be deemed as disposal of the whole, or substantially the whole, of the undertaking of the Company and hence the approval of the Shareholders of the Company is required by way of a Special Resolution as set out at Item No. 6 of the Notice.

April 22, 2024
Bengaluru

Disclosure of Interest

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution 6 except to the extent of their Directorships and Shareholding in the Company (if any).

Recommendation for approval of the Shareholders

The consent of the Shareholders is sought for passing a Special Resolution as set out at Item No. 6 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as a Special Resolution.

Item No. 7 - Ratification of the remuneration of Cost Auditor:

The Board approved the appointment of GNV & Associates, Cost & Management Accountants, Bangalore (Firm Registration Number 000150), as Cost Auditors of the Company to conduct audit of Cost records for the financial year 2024-2025 at a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) with reimbursement of conveyance expenses at actual and GST as applicable in accordance with provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 remuneration payable to cost auditors has to be ratified by Shareholders of the Company.

Disclosure of Interest

None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding/ directorships, if any, in the Company and in any of the entity mentioned above, are concerned/ interested in the above resolution. The Shareholders may please note that in terms of provisions of the SEBI Listing Regulations, no related parties shall vote to approve the Ordinary Resolution accompanying the Notice.

Recommendation for approval of the Shareholders

The consent of the Shareholders is sought for passing a Special Resolution as set out at Item No. 7 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the Shareholders of the Company as an Ordinary Resolution.

By Order of the Board
Sd/-
N R Ravikrishnan
Company Secretary
ACS Membership No: 7875



Notes:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to “Clarification on passing of Ordinary and Special Resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by “COVID-19”, General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to “Clarification on holding of Annual General Meeting (“AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the AGM through VC/OAVM, without the physical presence of the Shareholders at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
 2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4 to 7 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is also annexed.
 3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as “SEBI Circulars”), the Notice of the AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Shareholders whose e-mail addresses are registered with the Company/National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”.
If your e-mail address is not registered with the Company/ Depositories, you may register on or before 5:00 p.m. (IST) on June 21, 2024, to receive this Notice of the AGM and the Annual Report for FY 2023-24 by completing the process for registration of e-mail address as under:
 - a) Click on the URL: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html.
 - b) Select the Name of the Company from dropdown: Tejas Networks Limited.
 - c) Enter DP and Client ID (if shares held in electronic form)/ Folio number (if shares held in physical form) and Permanent Account Number (“PAN”). In the event PAN details are not registered for physical folio, Shareholder to enter one of the Share Certificate numbers.
 - d) Enter Mobile number and e-mail ID.
 - e) System generated One Time Password (“OTP”) to be sent on mobile number and e-mail ID.
 - f) Enter OTP received on mobile number and e-mail ID.
 - g) Click on Submit button.
 - h) On completing the above process your request will be accepted and request ID will be generated. Email registered is for limited purpose of sending notice pertaining to the current event.
- Shareholders may note that the Notice and Annual Report 2023-24 will also be available on the Company’s website www.tejasnetworks.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
4. The Register of Members and Share Transfer Books of the Company will remain closed from June 21, 2024 to June 28, 2024 (both days inclusive).
 5. Pursuant to the provisions of the Act, a Shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Shareholder of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders will not be available for the AGM.
 6. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Shareholders in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Shareholder desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company’s website <https://www.tejasnetworks.com/mandatory-documents-for-demat.php>. Shareholders are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the RTA in case the shares are held in physical form.
 7. The Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
 - a. For shares held in electronic form: to their Depository Participants (“DPs”)
 - b. For shares held in physical form: to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details. Shareholders may also refer to Frequently Asked Questions (“FAQs”) on Company’s website <https://www.tejasnetworks.com/mandatory-documents-for-demat.php>.



8. The Shareholders may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://www.tejasnetworks.com/mandatory-documents-for-demat.php>. and on the website of the Company's RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.
9. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Shareholders are advised to dematerialize the shares held by them in physical form. Shareholders can contact the Company or RTA, for assistance in this regard.
10. The Shareholders holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
11. In case of joint holders, the Shareholder whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.
12. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.
13. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website www.tejasnetworks.com.
14. The Shareholders attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Shareholders during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Shareholders from the date of circulation of this Notice up to the date of AGM, i.e. June 28, 2024. Shareholders seeking to inspect such documents can send an email to agm@tejasnetworks.com.
16. The Shareholders seeking any information with regard to any items provided in the AGM Notice including the Annual Accounts and any queries relating to the business /operations of the Company, are requested to write to the Company mentioning their name, DP ID and Client ID number /folio number and mobile number. The same should reach on or before June 20, 2024 at agm@tejasnetworks.com and responses to such queries will be appropriately addressed by the Chairman of the meeting. Due to technical reasons, the length of a question may possibly be limited to a certain number of characters. However, the number of questions a Shareholder or its authorized representative can submit will not be affected thereby. The Management will decide, at its due discretion, whether and how it will answer the questions. It can summarize questions and select in the interest of the other Shareholders, meaningful questions. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
17. In compliance with the provisions of Section 108 of the Act read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the Listing Regulations, the Shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice. The instructions for e-voting has been attached to the Notice of the AGM.
18. The remote voting through electronic means will commence on **June 24, 2024 at 9.00 am (IST) and will end on June 27, 2024 at 5.00 pm (IST)**. The Shareholders will not be able to cast their vote electronically beyond the date and time mentioned here. Once the vote on a resolution is cast by a Shareholder via remote e-voting, it cannot be changed subsequently or cast the vote again. However, a Shareholder may participate in the meeting even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
19. During the period when the facility for remote e-voting is provided, the Shareholders of the Company holding the shares either in physical or in dematerialized form as on the relevant date (i.e.) **June 21, 2024** may opt to vote via remote electronic voting process.
20. The details of the process and manner of remote e-voting along with the User ID and Password is being sent to all the Shareholders along with this Notice. In case of any queries/grievances relating to voting by electronic means, the Shareholders / Beneficial owners or in case any person, acquires shares of the Company and becomes a Shareholder of the Company after dispatch of the notice and holding shares as of the cut-off date June 21, 2024 may obtain the login ID and password by sending a request to evoting@nsdl.com.
21. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.



Instructions for e-voting and joining the AGM are as follows:

In accordance with the applicable provisions of the Companies Act, 2013 read with MCA Circulars, the Company is convening the 24th AGM of the Shareholders of the Company through VC / OAVM to transact the business as set forth in the Notice of the AGM.

(A) Voting Through Electronic Means

- In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to “e-voting Facility Provided by Listed Entities”, the Shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- The remote e-voting period commences on **June 24, 2024 (9:00 a.m. IST) and ends on June 27, 2024 (5:00 p.m. IST)**. During this period, Shareholders holding shares either in physical form or in dematerialized form, as on **June 21, 2024**, i.e. cut-off date, may cast their vote electronically.

The e-voting module shall be disabled by NSDL for voting thereafter. Shareholders have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing from **June 24, 2024** and ends on **June 27, 2024**, or e-voting during the AGM. Shareholders who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.
- The Shareholders who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.
- The Board of Directors has appointed C. Dwarakanath, Company Secretary in Practice (FCS- 7723 and CP No: 4847) failing which Ananta Deshpande, Company Secretary in Practice (FCS - 11869 and CP No.20322) as a Scrutinizers to scrutinize the voting through remote e-voting and voting process at AGM in a fair and transparent manner.

- The voting rights of Shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Shareholder of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the User ID and Password by sending a request at evoting@nsdl.com. However, if he/ she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and Password for casting the vote. In case of individual shareholders holding securities in dematerialized mode and who acquires shares of the Company and becomes a Shareholder of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-voting and joining virtual meeting for individual shareholders holding securities in dematerialized mode.”
- The details of the process and manner for remote e-voting are explained herein below:

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system Step 2: Cast your vote electronically on NSDL e-voting system.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

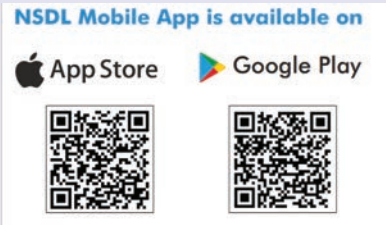
A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp



<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> 
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.



Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder’ section.
3. A new screen will open. You will have to enter your User ID,
4. Your User ID details are given below :

your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Shareholders other than Individual Shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - (a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - (d) Shareholders can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.



Step 2: Cast your vote electronically and join Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
2. In case of any queries related to e-voting, you may refer the Frequently Asked Questions (“FAQs”) for Shareholders and e-voting user manual for Shareholders available at the download section www.evoting.nsdl.com or call on +91 22 48867000 or send the request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.com
3. Shareholders may send a request to evoting@nsdl.com for procuring User ID and password for e-voting by providing demat account number / Folio number, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained above.
4. The instructions for members for e-voting on the day of the AGM are mentioned above.

Date: April 22, 2024
Bengaluru

Instructions for Shareholders for attending the AGM through VC/OAVM are as under:

1. Shareholders will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> following the steps mentioned above for login to NSDL e-voting system. After successful login, you can see VC/OAVM link placed under Join meeting menu against company name. You are requested to click on VC/OAVM link placed under “Join Meeting” menu.
2. Shareholders who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice Further Shareholders can also use the OTP based login for logging into the e-voting system of NSDL.
3. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.
4. Shareholders who need assistance before or during the meeting, can contact NSDL at +91 22 48867000 or contact Mr. Amit Vishal, Deputy Vice President – NSDL or Ms. Pallavi Mhatre, Senior Manager-NSDL at evoting@nsdl.com.
5. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at agm@tejasnetworks.com on or before June 20, 2024. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Board. The results will be announced within the time stipulated under the applicable laws.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.tcs.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

By Order of the Board
Sd/-

N R Ravikrishnan
Company Secretary
ACS Membership No: 7875



The details of Director recommended for reappointment at the 24th Annual General Meeting pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 – Secretarial Standards on General Meetings



Arnob Roy

Executive Director and Chief Operating Officer

Arnob Roy is the Co-founder, Executive Director and Chief Operating Officer of Tejas Networks Limited (the “Company”, “Tejas”). He has over 30 years of experience in research & development, operations and sales in the high-tech industry. Prior to Tejas, he has held senior management positions at Synopsys Inc. and Cadence Design Systems.

Director Identification Number (DIN)	03176672		
Designation	Executive Director and Chief Operating Officer		
Date of Birth	August 4, 1963		
Nationality	Indian		
Date of appointment on the Board (Original)	March 25, 2019		
Shares held as on March 31, 2024	7,40,512		
Qualifications	<ul style="list-style-type: none"> • M.Sc (Computer Science) - University of Nebraska, Lincoln, USA • B.Tech (Honors) (Degree in Electronics and Electrical Communication Engineering) - Indian Institute of Technology, Kharagpur 		
Expertise in specific functional areas	Arnob Roy has over 30 years of high-technology industry experience in Research & Development, Operations and Sales. Prior to joining our Company, he worked as the Senior Manager, Research and Development in Synopsys (India) Private Limited.		
Terms and Conditions of appointment / re-appointment	In accordance with the provisions of the Companies Act, 2013 and other applicable laws, Arnob Roy, will serve as a Director (liable to retire by rotation) in the capacity of Executive Director and Chief Operating Officer. The re-appointment for another term shall be based on recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board of Directors and Shareholders of the Company		
Details of Remuneration sought to be paid	Arnob Roy will be not be entitled to sitting fees and commission but shall be entitled to remuneration as approved by the Shareholders for serving the Company in the in the capacity of Executive Director and Chief Operating Officer.		
Remuneration last drawn	Refer Corporate Governance Report - Remuneration to Executive Directors section		
Number of Meetings of the Board attended	Year	No of meetings held	No of meetings attended
	2023-24	6	5
Name of listed entities from which the person has resigned in the past three years	Not applicable		
Directorship held in other companies (excluding foreign companies)	Saankhya Labs Private Limited		
Memberships/ Chairmanships of other committees of other public companies (include only Audit Committee and Stakeholders Relationship Committee)	Nil		
Relationship between Directors/ Key Management Personnel and their relatives	Not related to any Directors/ Key Management Personnel and their relatives		



Board's Report



Board and Committees

The Board

N Ganapathy Subramaniam

Non-Executive Chairman and Non-Independent Director

P R Ramesh

Non-Executive and Independent Director

Prof. Bhaskar Ramamurthi

Non-Executive and Independent Director

Alice G Vaidyan

Non-Executive and Independent Director

Anand S Athreya

Managing Director and Chief Executive Officer

Arnob Roy

Executive Director and Chief Operating Officer

The Committees

Audit Committee

Alice G Vaidyan, Chairperson

P R Ramesh, Member

Prof. Bhaskar Ramamurthi, Member

Nomination and Remuneration Committee

P R Ramesh, Chairman

Prof. Bhaskar Ramamurthi, Member

N Ganapathy Subramaniam, Member

Stakeholders Relationship Committee

Prof. Bhaskar Ramamurthi, Chairman

Alice G Vaidyan, Member

Arnob Roy, Member

Corporate Social Responsibility Committee

Prof. Bhaskar Ramamurthi, Chairman

Alice G Vaidyan, Member

Arnob Roy, Member

Risk Management Committee

P R Ramesh, Chairman

Prof. Bhaskar Ramamurthi, Member

Alice G Vaidyan, Member

Key/Senior Management Personnel

Anand S Athreya

Managing Director and Chief Executive Officer

Arnob Roy

Executive Director and Chief Operating Officer

Kumar N Sivarajan

Chief Technology Officer

Sumit Dhingra

Chief Financial Officer

Abhijat Mitra

Chief Human Resources Officer

V Sembian

Chief Supply Chain Officer

N R Ravikrishnan

General Counsel, Chief Compliance Officer and Company Secretary



Board's Report

- The Board's report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Companies Act, 2013 (the "Act") and forms part of the Annual Report for the year ended March 31, 2024.
- Unless otherwise stated, the disclosure made in this report is for the year ended March 31, 2024.
- The term "Company" or "Tejas" shall mean and include "Tejas Networks Limited".
- The term "Pantone" (unless specifically stated as "Pantone Finvest Limited") shall mean and collectively include "Pantone Finvest Limited", "Akashastha Technologies Private Limited" and "Tata Sons Private Limited".
- The confirmations/ disclosures are based on the records and information as made available to the Board of Directors, to the best of their knowledge and belief and explanations obtained from the management.

Dear Shareholders,

The Board of Directors (the "Board") hereby submits the report of the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2024. The consolidated performance of the Company and its Subsidiaries has been referred to wherever required.

1. Financial Performance

a. Results of our operations and state of affairs

in ₹ crore

Particulars	Standalone		Consolidated	
	FY 2024	FY 2023	FY 2024	FY 2023
Revenue from operations	2,370.46	871.05	2,470.92	921.54
Other Income	64.08	77.17	64.66	79.04
Total income	2,434.54	948.22	2,535.58	1,000.58
Expenses				
Cost of materials consumed	1,567.01	528.09	1,564.06	532.03
Purchases of stock in trade	41.86	31.82	41.86	31.82
Changes in inventories of stock in trade, work in progress and finished goods	(24.17)	(0.71)	(20.82)	(3.85)
Employee benefit expense	287.44	172.16	351.49	232.65
Finance costs	35.08	5.20	47.92	15.20
Depreciation and amortization expense	161.23	105.13	182.45	122.50
Allowance for expected credit loss	17.76	(33.32)	15.21	(32.97)
Other expenses	224.58	128.56	253.19	145.85
Total expenses	2,310.79	936.93	2,435.36	1,043.23
Profit/(Loss) before tax	123.75	11.29	100.22	(42.65)
Current tax expense/ (benefit)	21.66	-	21.79	(0.32)
Deferred tax expense/ (benefit)	20.11	8.25	15.45	(5.92)
Total tax expense	41.77	8.25	37.24	(6.24)
Profit/(Loss) after tax	81.98	3.04	62.98	(36.41)
Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss	(4.07)	(2.92)	(4.33)	(3.15)
Items that will be reclassified to profit or loss	0.09	-	0.15	0.73
Total comprehensive income/(loss) for the year	78.00	0.12	58.80	(38.83)
Retained earnings- opening balance	(13.63)	(13.75)	(52.07)	(12.51)
Less: Items that will be reclassified to profit or loss	0.09	-	0.15	0.73
Retained earnings- closing balance	64.28	(13.63)	6.58	(52.07)
Earnings/(Loss) per equity share				
Basic	4.83	0.20	3.71	(2.46)
Diluted	4.75	0.19	3.65	(2.46)

b. Financial Position

in ₹ crore

Particulars	Standalone		Consolidated	
	FY 2024	FY 2023	FY 2024	FY 2023
Bank balances and deposits with maturity up to three months	156.62	78.98	192.55	85.39
Bank balances other than above				
Current ⁽¹⁾	92.11	652.06	109.35	656.42
Deposits with remaining maturity of more than twelve months	-	-	4.91	-
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	-	-	-	2.31
Investment in mutual funds	333.71	262.24	333.71	262.24
Deposits with financial institutions disclosed under other current financial assets	-	300.00	-	300.00
Cash and cash equivalents including margin money	582.44	1,293.28	640.52	1,306.36
Net current assets ⁽²⁾	3,186.92	935.93	3,147.15	940.51
Property, plant and equipment ⁽³⁾	219.90	78.28	224.49	85.05
Right-of-use assets	127.75	42.89	127.80	44.29
Intangible assets	220.70	97.85	411.49	305.67
Intangible assets under development	196.19	136.41	220.36	153.58
Goodwill	-	-	211.81	211.81
Other non-current assets ⁽⁴⁾	565.82	472.89	233.21	134.31
Total assets	5,099.72	3,057.53	5,216.83	3,181.58
Borrowings	1,744.09	-	1,744.09	-
Non-current provisions	13.13	2.03	14.03	2.12
Other non-current financial liabilities	-	-	168.99	156.68
Lease Liabilities	140.19	48.23	140.23	49.82
Total equity	3,202.31	3,007.27	3,149.49	2,972.96
Total equity, non-current liabilities and borrowings	5,099.72	3,057.53	5,216.83	3,181.58



Note:

- ⁽¹⁾ Deposits with original maturity of more than three months but less than twelve months, balances with banks in unpaid dividend account & balances held as margin money or security against fund and non-fund based banking arrangements.
- ⁽²⁾ Current assets net of current liabilities as disclosed in balance sheet excluding cash and cash equivalents, borrowings and lease liabilities.
- ⁽³⁾ Includes Capital work-in-progress.
- ⁽⁴⁾ Excluding bank balances considered as cash and cash equivalents.

FY24 was a landmark year for Tejas with the Company registering the highest-ever annual net revenues in its corporate history of ₹ 2,471 crore. The Company maintained its strong business momentum through unprecedented order wins in the wireline and wireless equipment segments and ended the year with a closing order book of ₹ 8,221 crore. The Company also delivered strong financial performance in terms of operating margins and profitability.

c. Consolidated Performance

The net revenues from operations on a consolidated basis grew by 168% to ₹ 2,470.92 crore in FY 2024. The profit before tax was ₹ 100.22 crore (4.1% of net revenue) as against loss of ₹ 42.65 crore (-4.6% of net revenue) in the previous year. The net profit was ₹ 62.98 crore (2.5% of net revenue) as against loss of ₹ 36.41 crore (-4.0% of net revenue) in the previous year.

d. Standalone Performance

The net revenues from operations on a standalone basis grew by 172% to ₹ 2,370.46 crore in FY 2024. The profit before tax was ₹ 123.75 crore (5.2% of net revenue) as against ₹ 11.29 crore (1.3% of net revenue) in the previous year. The net profit was ₹ 81.98 crore (3.5% of net revenue) as against ₹ 3.04 crore (0.3% of net revenue) in the previous year.

e. Earnings Per Share

The basic earnings per share grew by 2,315.0% to ₹ 4.83 (previous year ₹ 0.20) at standalone level and by 250.8% to ₹ 3.71 (previous year ₹ -2.46) on consolidated basis.

f. Liquidity

The Company maintains sufficient cash to meet the business requirements and also to cover financial and business risks and to support future growth. The principal sources of liquidity are cash and cash equivalents and the cash flow the Company generates from the business.

The liquid assets of the Company as on March 31, 2024 is ₹ 582.44 crore and ₹ 640.52 crore on a standalone and consolidated basis respectively. The cash and cash equivalents include balance and deposits with banks, investment in mutual funds and deposits with financial institutions. The details of these investments and deposits are disclosed under the 'current investments, non-current and current financial assets' section in the standalone and consolidated financial statements in this Annual report.

g. Dividend

The Board of Directors periodically reviews the Company's ability and necessity to distribute dividends to its Shareholders, with a view to preserve the profitability and long term growth plans for the Company. While reviewing the necessity to distribute dividend,

the Board of Directors takes into account various factors including current and future earnings and cash flow projections, capital expenditure requirements for current and future projects, contingencies, regulatory, economic factors while making a determination to transfer retained earnings to reserves in entirety or partially for a given year and consequently may recommend to distribute dividend up to 25% of the free cash flow of the corresponding financial year, out of retained earnings, after taking into account the relevant provisions of the Companies Act, 2013.

The Board of Directors after considering holistically the relevant circumstances and keeping in view the Company's Dividend Distribution Policy has decided that it would be prudent, not to recommend any dividend for the year under review. The Company had declared its maiden dividend during the year ended March 31, 2019 and the details of unclaimed dividend as on March 31, 2024 is available on the Company's website at www.tejasnetworks.com/shareholders.php. The Shareholder(s) who has a claim on such dividend are requested to contact our Registrar and Share Transfer Agents, Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in.

The Board has adopted a Dividend Distribution Policy which sets out the parameters in determining the payment / distribution of dividend. The details of Dividend Distribution Policy is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

h. Transfer to Reserves

The Board has decided to retain the entire amount of profits for FY 2024 in the profit and loss account and does not propose to transfer amounts to the general reserve out of the amount available for appropriation.

i. Share Capital

During the year under review, there was an increase in paid-up equity share capital, in view of the Company issuing and allotting 23,37,207 equity shares with a face value of ₹ 10/- per equity share, consequent to exercise of Stock Options/ Restricted Stock Units into equity shares of the Company by the eligible employees of the Company. The paid-up equity share capital stands at ₹ 170,70,80,600/- comprising of 17,07,08,060 equity shares of ₹ 10/- each fully paid up as on March 31, 2024.

j. Particulars of loans, Guarantees and Investments by the Company

The Company makes investments or extends loans/ guarantees to its Subsidiaries for their business purposes as and when required by them for its emergent business requirements. The details of loans, guarantees and investments covered under Section 186 of the Act along with the purpose for which such loan or guarantee were utilized forms part of the Notes to standalone financial statements attached to this Annual report.

k. Management Discussion and Analysis

The matters pertaining to industry structure and developments, opportunities and threats, segment-wise/team-wise performance, outlook, risks and concerns, internal control systems and adequacy, discussion on financial and operational performance are detailed in the Report. The Management Discussion and Analysis report for the year under review and as stipulated under the Listing Regulations is presented in a separate section, forming part of the Annual Report.



2. Subsidiaries, Joint Ventures and Associate Companies

Tejas in accordance with Section 129(3) of the Act prepared Consolidated Financial Statements of the Company and all its Subsidiaries which forms part of the Report. Further, the report on the performance and financial position of each Subsidiary and salient features of their Financial Statements in the prescribed Form AOC-1 is annexed to this report as **Annexure - 1**. The financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies are available on our website at <https://www.tejasnetworks.com/financial-information-subsidiaries.php>.

The policy for determining 'material' Subsidiaries is disclosed in <https://www.tejasnetworks.com/policies-codes.php>.

Wholly Owned Subsidiary
Tejas Communication Pte. Limited
Majority Owned Subsidiary
Saankhya Labs Private Limited
Step-down Subsidiaries
Saankhya Strategic Electronics Private Limited
Saankhya Labs Inc.
Tejas Communications (Nigeria) Limited

Tejas Communication Pte. Limited

Tejas Communication Pte. Limited ("Tejas Communication") set up in the year 2001 is a wholly owned subsidiary of Tejas and is a private company limited by shares, incorporated under the Companies Act, Singapore and domiciled in Singapore with its principal activities are those of designing and selling of networking equipment and software. Tejas Communications has two branch offices in Malaysia and South Africa.

Saankhya Labs Private Limited

Saankhya Labs Private Limited ("Saankhya") (CIN: U72200KA2006PTC041339) is a majority owned and controlled subsidiary of Tejas and is registered under Companies Act, 1956 having its Registered Office in Bengaluru, Karnataka. Tejas holds 64.40% of its total capital.

Saankhya is engaged in the business of wireless communication products for telecom, satcom and broadcast industries. Its focus areas includes wireless semiconductor, telecom infrastructure, Software Defined Radio, and Cognitive Radio technologies.

Tejas acquired 62,51,496 equity shares in Saankhya as agreed in the Share Purchase Agreement with Saankhya dated March 30, 2022 at a price of ₹ 454.19 per equity share amounting to consideration of ₹ 283.94 crore, working out to 64.40% of the equity share capital of Saankhya, on a fully diluted basis. On July 08, 2022, Saankhya has acquired 100% shareholding in Saankhya Strategic Electronics Private Limited. Consequent to such acquisition Saankhya and Saankhya Strategic Electronics Private Limited have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively.

Saankhya Strategic Electronics Private Limited

Saankhya Strategic Electronics Private Limited ("SSE") (CIN: U72900KA2020PTC136822) is a wholly owned subsidiary of

Saankhya and a step-down subsidiary of Tejas. SSE was incorporated under the Companies Act, 2013 and having its Registered Office in Bengaluru, Karnataka.

SSE was set up with the objective of developing, maintaining and servicing all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software.

On July 08, 2022, Saankhya has acquired 100% shareholding in SSE. Consequent to such acquisition SSE has become wholly owned subsidiary of Saankhya and step-down subsidiary of Tejas.

Saankhya Labs Inc.

Saankhya Labs Inc. was incorporated in 2012 and domiciled in United States of America and has its office at California, USA. Saankhya Labs Inc. is a wholly owned subsidiary of Saankhya and step-down subsidiary of Tejas.

Saankhya Labs Inc. was incorporated with the main object of developing, maintaining, and servicing all types of communication systems, electronic products, semiconductor integrated circuits/ chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software.

Tejas Communications (Nigeria) Limited

Tejas Communications (Nigeria) Limited ("Tejas Nigeria") set up in the year 2015 is a wholly owned subsidiary of Tejas Communication and a step-down subsidiary of Tejas incorporated under the Companies and Allied Matters Act, 1990 of Nigeria. Its principal activities are importing, marketing, distributing, supplying and dealing in different kind of networking equipments.

3. Key developments

a. Largest ever project (~₹ 7,600 crore) for supply, support and annual maintenance services of Radio Access Equipment for 100,000 cell-sites for BSNL's Pan India 4G/5G network

Tejas executed with Tata Consultancy Services Limited (the "TCS"), a related party of the Company, the Master Contract towards supply, support and annual maintenance services for Radio Access Network equipment for BSNL's Pan-India 4G/5G network. As a part of this contract, the Company received as on March 31, 2024, Purchase Orders for an amount of ₹ 7,600 crore (excluding GST) from TCS towards supply of 4G/5G RAN equipment for approximately 100,000 sites.

b. Single largest wireline equipment order of ₹ 696 crore for execution of Pan-India Router Network for BSNL

Tejas won the single largest wireline equipment order of ₹ 696 crore for supply, installation and commissioning of over 13,000 state-of-the-art access and aggregation routers for BSNL's nationwide IP/MPLS based Access and Aggregation Network (MAAN). The objective is to create a unified, flexible and scalable IP/MPLS network that will cater to growing data traffic from its full-range of services, including mobile (2G/3G/4G/5G), fiber broadband, WiFi, Voice over IP and enterprise data services.

c. Commissioning of FibreConnect's optical network in Italy

FibreConnect, an innovative wholesale telecom infrastructure developer in Italy, successfully launched its broadband services in the country using Tejas's state-of-the-art telecom and networking products. Tejas is the sole supplier of optical networking and



broadband access products for FibreConnect's country-wide FTTP (fiber-to-the-premise) rollout, ranging from DWDM/PTN/OTN for Core to xPON and Ethernet for Access.

d. Strategic Partnership with Telecom Egypt

Tejas signed a Memorandum of Understanding (MoU) with Telecom Egypt (TE), ITIDA (Information Technology Industry Development Agency) and NTI (National Telecom Institute) to replicate its experience of implementing Bharatnet (Rural Broadband Project) and NKN (National Knowledge Network) projects in Egypt. Other broad areas of cooperation include capacity building of Egyptian engineers and technicians on state-of-the-art telecom and networking technologies, establishing local manufacturing and R&D facilities for Fiber-to-theHome (FTTH) products, and setting up technical support services in Egypt both for customers within the country as well as for the larger Africa and Middle East region.

e. Amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited

The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the "Scheme") of Saankhya and SSE (Transferor Companies) with the Company and the respective Stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their "No Objection" to the Scheme.

Further, on July 27, 2023, the Company has filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bengaluru, for the merger of Transferor Companies with the Company. Pursuant to an order dated December 7, 2023, the Hon'ble National Company Law Tribunal, Bengaluru Bench had directed the Company to hold separate meetings of the Equity Shareholders and Unsecured Creditors of the Company for purpose of considering and approving the Scheme of Amalgamation. The meeting of the Equity Shareholders and Unsecured Creditors of the Company was held on February 9, 2024 and the resolution approving the Scheme was passed with requisite majority by the Equity Shareholders and Unsecured Creditors of the Company.

The Scheme is subject to receipt of necessary approvals from NCLT and such authorities as may be required. Till such time, the Transferor Companies will continue to operate as majority-owned Subsidiaries of Tejas Networks Limited.

The application for sanctioning the Scheme of amalgamation as filed with National Company Law Tribunal, Bengaluru provides for:

- The merger of Saankhya and its wholly owned subsidiary SSE with Tejas, and dissolution of Saankhya and SSE without winding up.
- The appointed date of the Scheme is July 1, 2022.
- On the Scheme becoming effective and in consideration of the amalgamation of Saankhya and SSE with the Company, Tejas shall issue and allot for every 100 equity shares of ₹ 10/- each held in Saankhya, 112 equity shares of ₹ 10/- each as fully paid-up to each Shareholder of Saankhya, whose name is recorded in the Register of Members as on the effective date.

- SSE, a wholly owned subsidiary of Saankhya, which will amalgamate with Tejas pursuant to this Scheme and no consideration will be issued for the amalgamation of SSE with Tejas.
- The said shares so issued and allotted as part of the Scheme of amalgamation would be listed on the BSE Limited and the National Stock Exchange of India Limited.

f. Production linked Incentive for Telecom and Networking Products

Tejas received ₹ 32.66 crore as incentives for the fiscal year 2022-2023 under the Production-Linked Incentive Scheme (PLI) for Telecom and Networking Products. The Company is eligible to receive design-linked PLI incentives for five years, starting with fiscal year 2022-2023, on meeting the minimum cumulative investment of ₹ 750 crore committed during the PLI scheme period. As per the scheme guidelines, the quantum of incentives in each year will be a proportion of the Company's incremental net sales of the approved products under the PLI scheme generated in that year over the net eligible sales done in the baseline year (2019-2020).

g. Receipt of purchase order from NewSpace India Limited

Saankhya received a purchase order for ₹ 96.42 crore (excluding GST) from NewSpace India Limited (NSIL) (a CPSE under Dept. of Space, Govt. of India) for supply, installation and commissioning of MSS Terminals (Xponders) for vessel communication and support system in marine fishing vessels for monitoring, control and surveillance (MCS) and also supply, Installation and commissioning of MSS Terminals (Xponders) for vessel communication and support system in marine fishing vessels for monitoring, control and surveillance (MCS).

h. Receipt of approval under Semiconductor Design Linked Incentive scheme for 5G Telecom infrastructure from the Ministry of Electronics and Information Technology, Government of India

Saankhya received approval under Semiconductor Design Linked Incentive (DLI) scheme for the development of a System-on-Chip for 5G Telecom infrastructure from the Ministry of Electronics and Information Technology, Government of India. (MeitY). The Design Linked Incentive Scheme offers financial incentives as well as design infrastructure support across various stages of development and deployment of semiconductor design for Integrated Circuits, Chipsets, System on Chips, Systems and IP Cores. Saankhya's application for development of SoC was evaluated by the Centre for Development of Advanced Computing on behalf of MeitY and granted approval for reimbursement on completion of development milestones.

4. Driving Supply Chain Digitization: Three SAP Projects Empowering Sustainability

In today's world, sustainability and efficiency have become critical factors in supply chain management. To achieve these goals, digital transformation has become the cornerstone. Tejas is implementing three pivotal projects - SAP S/4HANA transformation, SAP Ariba Strategic Sourcing & Contracting (SCC) and SAP Manufacturing Execution System (MES) - that are instrumental in driving supply chain digitization.



- **SAP S/4HANA Transformation:** The migration to the SAP S/4HANA platform has transformed our supply chain operations. This next-generation ERP platform will streamline our processes, provide us with real-time visibility, and improve our agility. By integrating data and advanced analytics capabilities, SAP S/4HANA enables us to make data-driven decisions, optimize inventory levels, and mitigate risks efficiently. Moreover, the platform's robust sustainability features empower us to monitor and reduce our carbon footprint, contributing to our environmental stewardship goals.
- **SAP Ariba Strategic Sourcing & Contracting (SCC):** The SAP Ariba SCC will transform our strategic sourcing and contracting processes. This cloud-based solution gives us end-to-end visibility and control over the procurement lifecycle, from supplier discovery to contract management. We can identify sustainable suppliers, negotiate favorable terms, and ensure compliance with environmental regulations through AI-driven insights and supplier collaboration tools. Our commitment to ethical sourcing and responsible supply chain management will be further strengthened through strategic partnerships and transparent contracting practices facilitated by SAP Ariba SCC.
- **SAP Manufacturing Execution System (MES):** The implementation of SAP MES is going to empower us to optimize production processes while minimizing environmental impact. By digitizing shop floor operations and integrating with our ERP system, SAP MES will enable real-time monitoring of manufacturing activities, resource utilization, and quality control. This end-to-end visibility enhances operational efficiency and facilitates proactive decision-making to reduce waste and energy consumption. Data-driven insights provided by SAP MES allow us to continuously improve our manufacturing practices, aligning with our sustainability objectives and promoting circular economy principles.

These three projects exemplify our dedication to supply chain digitization and sustainability. By embracing innovative technologies and best practices, we are driving operational excellence, minimizing environmental footprint, and fostering long-term resilience across our supply chain. As we continue on our journey towards sustainability, these initiatives serve as pillars of our commitment to creating value for both our business and society at large.

5. Quality Initiatives

At Tejas, quality is a core pillar of our culture, emphasized throughout the design and manufacturing processes of our high-performance, cost-efficient networking products.

Our robust in-house design, development, and testing infrastructure ensures meticulous quality management, resulting in products that deliver over 99.99% uptime in the field. Our unique Quality Model emphasizes supplier selection, incoming material inspection, in-process and product quality audits, and reliability testing. We are proud to have received ANSI ESD 20.20 certification for our production sites, TL9000 and ISO9001 certifications for our quality management system, ISO 14001 for our environmental management system, and ISO 27001 for our information security management system.

Our products undergo rigorous testing and certification by globally recognized bodies such as TUV Rheinland and Underwriters Laboratories and various government agencies. They have received international approvals under standards including MEF, CE

marking, UL Mark, cTUVus mark, FCC, ICES, and safety standards IEC60950-1/IEC62368-1. Additionally, our products hold country-specific certifications from the US, Canada, the EU, Mexico, Brazil, Malaysia, the Russian Federation, and numerous African countries. We adhere to European Union directives on environmental protection, such as RoHS, REACH, and WEEE.

Our products are evaluated for Criteria certification (ISO15408) by STQC, Ministry of Electronics & Information Technology (MeitY), Government of India, ensuring global recognition for product security compliance. They also undergo Vulnerability Assessment and Penetration Testing (VAPT) Certification by STPI, a Government of India body. Furthermore, we have received Type-approval and Interface-approval Certificates from the Telecommunication Engineering Centre for our Optical Networking Products in India.

6. Stakeholders Engagement and Relations

At Tejas, aligning with Stakeholders' expectations, needs, and aspirations is at the core of the Company's purpose. Tejas firmly believes that understanding its Stakeholder is imperative to building trust while responding to the opportunities and challenges created by the market. Tejas Stakeholder engagement framework outlines an approach to engage and work with our Stakeholders and is applicable to all our operating entities and functions across the corporate and regional levels.

At Tejas, the Stakeholders engagement process involves:

- **Stakeholders identification and prioritization** – The Stakeholder identification is based on a strategic understanding of Stakeholder groups that are impacted by Tejas and have an influence on Tejas value creation.
- **Stakeholders engagement** – Tejas has developed customized Stakeholder engagement strategies to engage all its Stakeholders based on their importance and impact.
- **Understanding Stakeholders concerns** – Tejas effective Stakeholder engagement enables its Stakeholders to raise their concerns relevant to the business which are then addressed in a timely and dedicated manner.
- **Developing strategic response** – Tejas develops strategic action plans to align its Stakeholder expectations with its business.

The primary focus of our framework is to

- Engage with every Stakeholder group and build a positive relationship with them, facilitate our ability to understand Stakeholder concerns and interests, and incorporate them into our processes and activities.
- Improve the communication and engage with our Stakeholders, including enhancing the clarity, accessibility, relevance, and timeliness of our communication throughout our engagement processes.
- Continue enhancing Stakeholders' trust and confidence in our processes, decisions, and activities.

The Company believes an effective Stakeholder engagement is paramount to its growth and continuity of its business and towards this objective, the Company follows the emerging best practices in Stakeholders engagement and relations and in building a relationship of mutual understanding. The Company engages with its Stakeholders through various forums to understand their needs, expectations and concerns. This enables the Company to further strengthen its relationship with the Stakeholders and create a value-creation model where everybody wins.



The key Stakeholders of the Company are

- **Customers/ Clients** – The Company offers its Customers/ Clients superior product solutions thereby providing superior customer experience which leads the growth and transformation and engages with them through regular interactions either in person or through digital and social, mass medias and also through other channels available for raising queries and grievances with adequate care in ensuring data privacy and protection. This ensures right selling of products with focus on improving process, efficiency, reducing customer effort and leveraging technology to enhance customer experience and improve response time.
- **Shareholders/ Investors** – The Company engages with the Shareholders/ Investor through general meetings, periodic e-mails, conference calls, analyst day and conferences with a view to create Shareholder value, strategy sharing and disclosure of non-financial metrics and also highlighting transparency, governance and ethical and compliance practices followed with full transparency. The Company holds regular interactions with investors through multiple channels of communication such as result announcements, annual report, media releases, updating the information on Company's website, etc. The Company ensures that critical information about the Company is available to all the investors by uploading all such information at the Company's website under the Investors section and also sends regular email updates to analysts and investors on upcoming events like earnings calls, declaration of quarterly and annual earnings with financial statements.
- **Employees** – The Company provides competitive remuneration, growth opportunities, well-being at work to its employees and training and development programs for career progression. The Company strictly follows the policy of non-discrimination and equal employment opportunities so that employees feel that they are treated in fair and equitable manner. The Company continuously engages across its Employees by periodic communication meetings anchored by senior leaders and also for grievances matters which in turn makes employees to align with the organization goals and drives the synergy of "Team Culture". The Company enables work culture with opportunities for growth and learning and also experimentation.
- **Regulators** – The Company engages with the Regulators through periodic meetings, e-mails, letters etc. and also participates in various forums and meetings. This develops a compliance culture and continuous adherence to regulations and directives with set standards and policies backed by a well-defined processes and technology of the Company. The Compliance culture is driven by the organizational leadership with a dedicated team for communicating in a transparent manner with regulators and responding in a time-bound manner.
- **Society** – The Company engages with the Society on social development schemes through Corporate Social Responsibility initiatives. The initiatives and practices cover various activities in the field of education, healthcare and communities, ecology and environment, etc. with focus on livelihoods, social and environmental issues and also partnering with Industry-academia for developing skills for the telecom sector.

7. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, research and development, foreign exchange earnings and outgo as required to be disclosed under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as **Annexure - 2** in the Board's Report.

8. Business Continuity Management

Tejas and its Subsidiaries have well-documented Business Continuity Management Programme which has been designed to ensure continuity of critical processes during any disruption and frequent lockdowns tested the Business Continuity Plan of the Company and its Subsidiaries. Nevertheless, the Company and its Subsidiaries continued to operate in line with the procedures outlined in its Business Continuity Plan, test it periodically to ensure readiness at any given point of time in the interest of various Stakeholders like employees, customers, partners, distributors, etc. within the overall regulatory requirements and guidelines. As a result, the Company and its Subsidiaries are able to continue to operate and serve customers while taking care of the health and safety of their employees.

9. Human Resource

Tejas commenced the year under review with a robust hiring strategy, resulting in a total of approximately 1843 full-time employees, marking a significant 40% increase from the previous year. Notably, Tejas significantly strengthened its leadership bench-strength with 23 senior hires especially in R&D. In alignment with the commitment to talent development, the Company welcomed 187 engineering campus recruits through a tailored internship program across six distinct technology tracks. The Company further scaled up its supply chain people requirements, showcasing its agility in adapting to challenging business deliveries.

The Company is particularly proud to report a substantial drop in overall attrition rates, with a drop to 6.6% for full-time employees and an impressive 6.4% for our R&D team. This achievement underscores the Company dedication to fostering a conducive and rewarding work environment for all its employees.

Additionally, Tejas collaboration with the Tata ecosystem has allowed the Company to advance initiatives focused on corporate social responsibility, sustainability, ethics, sports and learning - further enhancing its corporate citizenship. Some of the activities that saw significant participation included volunteering for a renowned NGO in the nutrition space and active participation in Tata group forums across Bengaluru.

In addition, Tejas focused on compliance awareness across the organization with specific trainings on prevention of sexual harassment, business responsibility and sustainability and the Tata code of conduct. The Company invested in leadership development by customized training inputs for a cross-section of seasoned and new leaders.

Tejas holistic wellness program, introduced for the well-being of its employees, has been met with positive feedback, reflecting our unwavering dedication to employee welfare. With a dedicated HR team comprising 30 skilled professionals, the Company continue to drive engagement and satisfaction among its workforce, evident from our commendable 4+ rating on most company review websites.



As one of the leading Indian product companies in the networking space, now under the Tata umbrella, Tejas is poised to enhance its talent attractiveness.

In conclusion, FY 2024 has been a year of remarkable people and business achievements for Tejas Networks, reaffirming our commitment to sustainable growth and excellence in the telecommunications and networking industry.

a. Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure-6**.

Statement containing particulars of top 10 employees and the employees drawing remuneration in excess of limits prescribed under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this Report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said statement is also open for inspection by the Shareholders through electronic mode.

The statements required under Section 197(12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, form part of this report and will be made available to any Shareholder(s) on request.

b. Employee Stock Options (ESOP) / Restricted Stock Units (RSU)

Employee Stock Options have been recognized as an effective instrument to attract talent and align the interest of employees with that of the Company, providing an opportunity to the employees to share in the growth of the Company and to create long term wealth in the hands of employees, thereby acting as a retention tool.

The Company had formulated the following ESOP / RSU Schemes which are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the employees of the Company and its Subsidiaries.

- i. Tejas Networks Limited Employees Stock Option Plan – 2014 (“ESOP Plan 2014”);
- ii. Tejas Networks Limited Employees Stock Option Plan – 2014-A (“ESOP Plan 2014 - A”);
- iii. Tejas Networks Limited Employees Stock Option Plan – 2016 (“ESOP Plan 2016”);
- iv. Tejas Restricted Stock Unit Plan 2017 (RSU Plan 2017);
- v. Tejas Restricted Stock Unit Plan 2022 (RSU Plan 2022).

During the year under review, on the recommendations of the Nomination and Remuneration Committee, the Board granted 11,31,092 Restricted Stock Units to Employees of Tejas and its Subsidiaries under the RSU Plan 2017 and RSU Plan 2022.

The details of the ESOP / RSU Plans as required under the applicable provisions of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is provided in **Annexure - 5** which forms part of the Board's Report. The disclosure information as required under the SEBI (SBEB) Regulations is available on the Company's website at www.tejasnetworks.com/disclosures.php.

The disclosure in the form of a certificate from the Secretarial Auditors on the implementation of the ESOP/RSU Schemes is available on the Company's website at www.tejasnetworks.com/disclosures.php.

c. Prevention of Sexual Harassment

The constant endeavor of the Company is to create a secure and safe work environment for everyone in the Company. The Company has zero tolerance towards sexual harassment at the workplace. The Company has adopted a Policy on prevention of sexual harassment at workplace in line with the Provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. All employees (permanent, contractual, temporary, trainees) as defined under the Act are covered in this Policy. The POSH Policy is gender inclusive and the framework ensures complete anonymity and confidentiality and the POSH policy is available on the intranet portal for employees to access and refer when required.

The Company has constituted Internal Committee on Prevention of Sexual Harassment as required under the Provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee is headed by an Independent person and with majority of members constituting women members who holds senior position in organization working closely with the Board Committee and obtain inputs and feedback for improvement from time to time.

The Company expects all its employees to act in accordance with the highest professional and ethical standards and in this regard, expectations around compliance are communicated to the employees through multiple channels. The Company as an equal opportunity employer seeks to ensure that the workplace is free of any kind of harassment or inappropriate behavior. Comprehensive policies and procedures have been laid down to create an environment where there is respect and dignity in every engagement.

The following are the summary of the complaints received and disposed off during FY 2024:

Particulars	
No of Complaints of sexual harassment received in the year	1
No of Complaints disposed off during the year	1
No of cases pending as on March 31, 2024	Nil

d. Industrial and Employee Relations

Tejas's focuses on propagating proactive and employee centric practices. The transformational work culture initiative that aims to create an engaged workforce with an innovative, productive and a competitive shop-floor ecosystem which continues to grow in strength. The Employee Relations Council is dedicated towards building a positive work culture and leads the design and implementation of the programs and reviews its progress. With the objective of capability building, developing future ready workforce and fostering togetherness at the workplace, the Company implements multiple training and engagement programs on an ongoing basis. These include various behavioral and functional programs such as continuous improvement, decision making, learning agility and programs on skill building etc. To enable self-paced learning, Learning Management System (LMS) on digital platform for associates has been helping immensely during this fast paced work environment.

At Tejas academy, a holistic approach to enhance the skill and capabilities of the associates, is receiving good participation across manufacturing facilities. This year emphasis was also laid towards raising awareness on health and wellness of employees in addition



to regular annual medical check-ups. Proactive and employee-centric practices, a focus on transparent communication of business goals, an effective concern resolution mechanism, and a firm belief that employees are the most valuable assets of the Company, are the cornerstone of Company's employee relations approach. An 'open door policy' with constant dialogue to create win-win situations have helped your Company build trust and harmony. The sustained efforts towards building a transformational work culture resulted in zero production loss for FY 2024 and helped create a collaborative, healthy and productive work environment.

10. Directors, Key Managerial Personnel and Senior Management Personnel

During the year under review, the following appointments, re-appointments and resignations were made to in the Board of Directors, Key Managerial Personnel and Senior Management of the Company.

a. Appointments/ Inductions to the Board

- The approval by the Shareholders in their 23rd Annual General Meeting held on June 20, 2023 for the appointment of Alice G Vaidyan (DIN: 07394437), as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company for a period of 5 years from March 29, 2023 till March 28, 2028.
- The approval by the Shareholders in their 23rd Annual General Meeting and by the Central Government for the appointment of Anand Athreya (DIN:10118880) for a period of 5 years as Managing Director and CEO (designate) from April 21, 2023 to June 20, 2023 and as Managing Director and CEO from June 21, 2023 to April 20, 2028.

b. Re-appointment to the Board

- The Shareholders have approved by way of postal ballot, the appointment of Arnob Roy (DIN: 03176672) as Executive Director and Chief Operating Officer for a period of five (5) years with effect from March 25, 2024 to March 24, 2029 or the date of superannuation as per the superannuation policy for the Directors of the Company, whichever is earlier including remuneration payable.
- The Board in its meeting held on April 22, 2024, based on the recommendation of the Nomination and Remuneration Committee, recommended to the Shareholders to consider re-appointment of Arnob Roy (DIN: 03176672) as Director liable to retire by rotation in terms of provisions of the Act at the ensuing Annual General Meeting of the Company. The necessary resolution seeking the approval of the Shareholders to re-appoint Arnob Roy forms part of the Notice of the Annual General Meeting.

The brief particulars and expertise of Arnob Roy seeking re-appointment together with their other Directorships and Committee Memberships have been given in the annexure to the Notice of the AGM in accordance with the requirements of the Listing Regulations and Secretarial Standards.

c. Retirement from the Board

- Sanjay Nayak (DIN: 01049871), has voluntarily retired from the services of the Company from his role as Managing Director and CEO with effect from closing of business hours and also on the closing of 23rd Annual General Meeting on June 20, 2023 to pursue other personal interests. Consequently, he ceased to be Member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Board.

- Chandrashekhar Bhaskar Bhawe, Independent Director (DIN: 00059856) retired from the Directorship after completion of his first term of five years as an Independent Director of the Company with effect from closing of business hours of March 24, 2024 and has decided not to seek re-appointment, though eligible, for a second term as Independent Director of the Company on account of personal reasons. Consequently, he ceased to be the Chairman of the Audit Committee and as a Member of the Nomination and Remuneration Committee and Risk Management Committee of the Board.

The Board and the Management places on record their sincere appreciation for the invaluable contributions to the Company's success and the assistance and guidance provided by Sanjay Nayak and Chandrashekhar Bhaskar Bhawe during their tenure as Members of the Board/ Committees of the Company.

d. Resignation from the Board

A S Lakshminarayanan (DIN: 08616830) resigned as Non-Executive and Non-Independent Director of the Board with effect from closing of business hours of March 19, 2024. The Company has received confirmation from A S Lakshminarayanan stating that he is resigning from the Board due to professional reasons and that there are no other material reasons for his resignation. Consequently, he ceased to be the member of the Audit Committee of the Board. The Board and the Management places on record their sincere appreciation for the invaluable contributions to the Company's success and the assistance and guidance provided by A S Lakshminarayanan during his tenure as a Member of the Board/ Committees of the Company.

e. Key Managerial Personnel

In terms of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Key Managerial Personnel of the Company are:

- Sanjay Nayak, Managing Director and Chief Executive Officer (upto June 20, 2023).
- Anand Athreya, Managing Director and Chief Executive Officer (effective from June 21, 2023).
- Arnob Roy, Executive Director and Chief Operating Officer.
- Venkatesh Gadiyar, Chief Financial Officer (upto November 30, 2023).
- Sumit Dhingra, Chief Financial Officer (effective from December 1, 2023).
- N R Ravikrishnan, General Counsel, Chief Compliance Officer and Company Secretary.

During the year under review, Venkatesh Gadiyar, Chief Financial Officer of the Company resigned and is relieved from the services of the Company with effect from closing of business hours of November 30, 2023. Venkatesh Gadiyar has stated in his Letter of Resignation dated October 20, 2023 that he is resigning from the position of Chief Financial Officer due to personnel commitments and to pursue his other interests and that there are no other material reasons for his resignation. The Board of Directors of the Company placed on record their appreciation for the valuable contribution made by Venkatesh Gadiyar to the Company, during his term as the Chief Financial Officer of the Company.

The Board based on the approval of the Audit Committee and on the recommendations of the Nomination and Remuneration Committee appointed Sumit Dhingra as Chief Financial Officer and a Key Managerial Personnel with effect from December 1, 2023.



f. Senior Management Personnel

In terms of the Listing Regulations, the Company has identified the "Senior Management Personnel" which comprise all the Key Managerial Personnel of the Company excluding Non-Executive and Independent Directors and includes the Chief Technology Officer, the Chief Supply Chain Officer and the Chief Human Resource Officer.

During the year under review the Company has appointed Venkatesan Sembian as Chief Supply Chain Officer and Sumit Dhingra, Chief Financial Officer and a Key Managerial Personnel and are part of the Senior Management Personnel.

Other than the above, there were no appointment, re-appointments or resignations in the Board, Key Managerial Personnel and Senior Management of the Company for the year ended March 31, 2024.

11. Governance

The Company's governance guidelines revolve around values based on transparency, integrity, professionalism and accountability. Governance is the framework that ensures appropriate business processes and tools are in place for adherence with all the applicable obligations under various regulations across the locations where the Company conduct its business including Board structure, subsidiary performance, code of conduct and it revolves around values based on transparency, integrity, professionalism and accountability which helps to implement the Company strategy effectively and transparently so as to deliver long-term value for the members, employees, business partners and other Stakeholders. At the highest level, the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward. The Company has a three-tier of governance structure, comprising of the Shareholders, the Board, and the Executive Management which not only ensures greater management accountability and credibility but also facilitates, increase autonomy to the businesses, performance discipline and development of business leaders.

I. Board Governance

Board Governance is the framework that structures the Board and its operation. The Company Board's governance guidelines covers aspects relating to composition and role of the Board, Chairman and its Directors, Board diversity, definition of independence, term of Directors, retirement age and committees of the Board. The Board governance guidelines also cover key aspects relating to nomination, appointment, induction and development of Directors, remuneration, oversight on subsidiary performances, code of conduct and Board effectiveness.

Board and Committee Constitution

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the Independence of the Board and separate its functions of governance and management. As on March 31, 2024, the Board consists of six members with one Non-Executive and Non-Independent Director, two Executive and Whole-time Directors, and three Non-Executive Independent Directors. The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters which are adopted by the Board, is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

The details of the constitution of the Board and of the Committees, the terms of reference etc. are given in the Corporate Governance Report which forms part of this Annual Report.

Meeting of the Board/ Committees

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee meetings are pre-scheduled and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation in the meetings. Only in case of special and urgent business, if the need arises, the Board's / Committee's approval is taken by passing resolutions through circulation or by calling Board / Committee meetings at short notice, as permitted by law.

All the Board Meeting and Committee Meeting were held in accordance with the guidelines issued by the MCA and by the SEBI. The intervening gap between any two meetings is within the period prescribed by the Act read with Listing Regulations.

The details of the Board, Committee meetings and also of the 23rd Annual General Meeting and the attendance of the Directors in these meetings are given in the Corporate Governance Report which forms part of the Annual Report.

Succession Planning

The Company believes that sound succession plans for the leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee coordinates with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in Senior Management. The Nomination and Remuneration Committee works with the Board on the Board succession plan to identify prospective Board members who possess the skills and experience required in the context of the Company's business and ensures a smooth transition in key Board positions. The HR department of the Company carries out detailed evaluation of each position including various criteria of identification of successors, their readiness/ development plan in the form of job rotation, exposure, coaching, mentorship, development and engagement etc. This framework involves skilling for the top leadership as well to foster successor readiness more effectively. The Company strives to maintain an appropriate balance of skills and experience within the organization in an endeavor to introduce new perspectives while maintaining experience and continuity. In addition, promoting Senior Management within the organization fuels the ambitions of the talent force to earn future leadership roles.

Board Diversity

The Company recognizes that a Board composed of appropriately qualified members with a broad range of experience relevant to the business is important for effective corporate governance and sustained commercial success. The Board of Directors values the significance of diversity and firmly believes that diversity of background, gender, geography, expertise, knowledge and perspectives, leads to sharper and balanced decision-making and sustainable development. Tejas recognizes the importance of diversity and inclusion in the Boardroom, and a diverse composition that reflects the richness of the global community it serves. The Company believes that it has a truly diverse Board which leverages on the skills and knowledge, industry or related professional experience, age and gender, which helps the Company to retain its competitive advantage. The Board has adopted the Board Diversity



Policy to recognize the benefits of a diverse Board and to further enhance the quality of participation and performance. The policy on Board diversity is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

Board Charter / Policies

The Company has Charters for the Audit Committee, the Nomination and Remuneration Committee, the Risk Committee, the Corporate Social Responsibility Committee, the Stakeholders Relationship Committee and also policies and codes as required which are in line with the requirements of the Act and the Listing Regulations.

During the year, the Company amended the following policies

- The Policy on Nomination and Remuneration.
- The Policy for determining the Material Events.
- The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions.
- The Policy for determining Material Subsidiaries

Further during the year under review, the Company has adopted the Environmental, Social and Governance Charter and Policy and adopted the revised Code of Conduct and Ethics (Tata Code of Conduct). The details of the charter/ policies/ codes as adopted by the Board are provided in 'Annexure - 7' to the Board report.

Board Evaluation

The Board evaluated the effectiveness of its functioning, of the Committees and of individual Directors, pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards Stakeholders by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.
- Structure, composition and role clarity of the Board and Committees;
- Extent of co-ordination and cohesiveness between the Board and its Committees;
- Effectiveness of the deliberations and process management; Board/Committee culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the performance of the Board and of the Committees of the Board. The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties. The details of the process of performance evaluation are given in the Corporate Governance Report which forms part of this Annual Report.

Policy on Board's appointment

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors. This maintains the independence of the Board, and separate its functions of governance and management. The details of Board and Committee composition,

tenure of directors, areas of expertise and other details are available in the Corporate governance report which forms part of this Annual Report.

The Nomination and Remuneration Committee ('NRC') engages with the Board to evaluate the appropriate characteristics, skills and experience for the Board as a whole as well as for its individual members with the objective of having a Board with diverse backgrounds and experience in business, finance, governance, and public service. The NRC, basis such evaluation, determines the role and capabilities required for appointment of Director. Thereafter, the NRC recommends to the Board the selection of new Directors. The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on www.tejasnetworks.com/policies-codes.php.

Policy on Board's Remuneration

Based on the recommendations of the NRC, the Board has approved the Remuneration Policy for Directors and as part of the Policy, the Company strives to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Independent Directors, Non-Executive Directors, Executive Directors which are required to run the Company successfully;
- The relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and remuneration to Executive Directors involves a balance between fixed and incentive pay, reflecting short, medium and long-term performance objectives appropriate to the working of the Company and its goals.

The salient features of the Policy are:

- The Policy lays down the parameters based on which payment of remuneration (including sitting fees and remuneration) should be made to Independent Directors and Non-Executive Directors.
- The parameters based on which remuneration (including fixed salary, benefits and perquisites, bonus/ performance linked incentive, commission, retirement benefits) should be given to Executive Directors and also the remuneration payable to Director for services rendered in other capacity

The remuneration policy for the Board of Directors, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on www.tejasnetworks.com/policies-codes.php.

Directors' Responsibility Statement

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis (except for certain financial instruments, which are measured at fair values), the provisions of the Companies Act, 2013 (to the extent notified) and guidelines issued by SEBI. The Ind AS as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Further, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge, belief and ability confirms that:



- In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the annual accounts on a going concern basis.
- The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

II. Corporate Governance

The Company's Corporate Governance structure revolves around its Stakeholders (i.e) the Shareholders, the Board and its Committees and the Executive Management. By integrating these Stakeholders with the workforce and strategic business planning and with the necessary financial and human resources in place, the Company benchmarks its Corporate Governance practices with the best in the World as well as to achieve its objectives in an ethical and transparent manner.

The Report on Corporate Governance for the financial year ended March 31, 2024 along with the Secretarial Auditor's Certificate on compliance with the provisions of corporate governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015') forms part of the Annual Report.

Business Integrity and Ethics

Integrity is one of the fundamental values of your Company. Over the last two decades, Tejas has consistently demonstrated very principled conduct and has earned its reputation for trust and integrity while building a highly successful global business.

The Company's core values are: Integrity, Responsibility, Excellence, Pioneering and Unity. The Tata Code of Conduct serves as a moral guide and a governing framework for responsible corporate citizenship. It sets out guidelines on various topics including respect for human rights, prohibition of bribery and corruption, recognition of employees' freedom of association, and avoidance of conflicts of interest.

Every employee of the Company is required to sign the Tata Code of Conduct at the time of joining. Web-based annual refresher courses are mandated to ensure continued awareness of the Code. Further, frequent communications from the leadership, reiterate the importance of the Company values and the Tata Code of Conduct. Customers are made aware of the Tata Code of Conduct principles in contract discussions, and through inclusion of specific clauses in proposals and contracts.

Employees also undergo Web-based mandatory training every year on Anti-bribery and Ethical behaviour. They can raise ethics concerns which are investigated and tracked to closure by the HR department. Employees and other Stakeholders can also report any non-compliance to the Tata Code of Conduct or to the laws of the land by senior executives directly to the Chairman of the Audit Committee under the Whistle blower Policy without fear of retaliation. Information about these channels is communicated to employees as part of the mandatory training modules.

Internal Control Systems

The Company's philosophy towards internal controls is based on the principle of healthy growth and proactive approach. Aligned with this philosophy, the Company has deployed a robust framework of internal controls for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information ensures adherence to regulatory and statutory compliances that safeguard investor interest by ensuring the highest level of governance and have been assessed taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls of the Company Over Financial Reporting issued by The Institute of Chartered Accountants of India.

The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. The accounting and audit are driven centrally through the central financial reporting team which is responsible for the accuracy of books of accounts, preparation of financial statements and reporting the same as per the Company's accounting policies. regulatory and legal requirements, accounting standards, and other pronouncements are evaluated regularly to assess applicability and impact on financial reporting. To make the controls more robust and comprehensive, internal standardization and rationalization project were undertaken which has ensured comprehensive coverage cutting across all functions of the company. The Statutory and Internal Auditors have also carried out adequate due diligence of the control environment of the Company through rigorous testing.

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been laid down by the Company and that such controls are adequate and operating effectively. The Internal Control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies.

To maintain its objectivity and independence, the Independent Internal Auditors report to the Chairman of the Audit Committee. The Independent Internal Auditors develops an annual audit plan based on the risk profile of the business activities. The Internal Audit plan is approved by the Audit Committee, which also reviews compliance to the plan. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. The significant audit observations and corrective action(s) thereon are presented to the Audit Committee. The Audit Committee at its meetings reviews the reports submitted by the Internal Auditor and has independent sessions with the Statutory Auditor and the



Management to discuss the adequacy and effectiveness of internal financial controls. The Internal Auditors further submitted to the Audit Committee a Report on Design and Operating Effectiveness of Internal Financial Controls for the year ended March 31, 2024 stating the objectives, conduct of the procedures and approach to process mapping and test of operating effectiveness.

The CEO and CFO Certificate, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same. The Company's Code of Conduct requires adherence to the applicable laws and Company's policies and also covers matters such as financial integrity, avoiding conflicts of interest, workplace behaviour, dealings with external parties and responsibilities to the community.

Risk Management

Risk management is embedded in Tejas operating framework and believes that risk resilience is the key to achieve long term sustainable growth. The Company has constituted a Risk Management Committee of the Board as required under the Listing Regulations and also has in place a Risk Management Policy approved by the Board which focuses on to the determination of Company's risk appetite, risk tolerance, regular risk assessments and risk mitigation strategies. To this effect, there is a robust framework in place to identify key risks across the group and prioritize relevant action plans to mitigate these risks. The Company has a well-defined risk management framework in place and the risk management framework works at various levels across the enterprise and these levels form the strategic defence cover of the Company's risk management. The Company's robust organizational structure for reporting on risks and proactively identifies, assesses, treats, monitors and reports risks as well as to create a risk-aware culture within the organization. It also cover areas exposed to risk and provides a structured process for management of risks while considering the risks that impact mid-term to long-term objective of the business, including those reputational in nature.

The Company has duly approved Enterprise-wide Risk Management Framework. The objective of this framework is to have a well-defined approach towards risk and lays down broad guidelines for timely identification, assessment and prioritization of risks affecting the Company in the short term and in the foreseeable future. The framework suggests developing a response action for the key risks identified, so as to make sure that the risks are adequately addressed or mitigated.

The Chief Operating Officer who is also the Chief Risk Officer is the custodian of the framework and oversight of the framework provided by Risk Management Committee of Directors and is responsible for assisting the Risk Management Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

The detailed report on Risk Management is disclosed separately in this Annual Report. The Risk Management Charter and Policy is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

Protection of minority Shareholders' interests

The Company governance philosophy centers around minority Shareholders' interests which emphasizes fairness and transparency to all Stakeholders. Further a qualified, diverse and Independent Board ensures that minority Shareholders' interests are protected.

The Company strives to reduce information asymmetry through transparency, extensive disclosures and detailed commentary of the demand environment and the state of the business, and material developments. The Company provides a variety of channels through which minority Shareholders can interact with the Management or the Board. Shareholders can communicate concerns and grievances and the Stakeholders' Relationship Committee oversees the redressal of these complaints.

Vigil Mechanism/ Whistle Blower Policy

Tejas always believes in promoting a culture of trust and transparency and the Vigil Mechanism resonates. The Company has adopted a Vigil Mechanism as envisaged in the Act and the Listing Regulations and is implemented through the Company's Whistle-Blower Policy which forms a part of Code of Conduct. The Whistle Blower Policy outlines the method and process for the Stakeholders to voice genuine concerns about unethical conduct that may be an actual or threatened breach with the Company's Code of Conduct. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimization and also allows for anonymous reporting of complaints. and makes provision for direct access to the Chairman of the Audit Committee. A quarterly report on the whistle-blower complaints, is placed before the Audit Committee for its review.

The details of complaints received / disposed/ pending during the year ended March 31, 2024.

Particulars	
No of Complaints of received in the year	Nil
No of Complaints disposed off during the year	Nil
No of cases pending as on March 31, 2024	Nil

The Vigil Mechanism/Whistleblower policy is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

Compliance Framework

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and providing updates to the Board periodically. The Company's structured and digitized compliance framework are regularly being monitored and updated basis the changing requirements of law. Proactive automated alerts are sent to compliance owners to ensure compliance within stipulated timelines. The Audit Committee and the Board of Directors periodically review the status of the compliances with the applicable laws.

The Company complies with applicable laws, rules and regulations impacting Company's business through a Compliance Tracking Tool. Each business head updates the compliances as applicable to their functions they are heading in the compliance tool on a periodic basis which are reviewed by the Compliance department of the Company as well as by the Internal Auditors on a periodic basis. The business heads gives the compliance certificate as applicable to their function to the Chief Compliance Officer who based on these confirmations, certifies to the Managing Director and CEO on the status of the compliances. The Managing Director and CEO, then updates the Board of the same on a quarterly basis.



III. Secretarial Governance

Appointment/ Resignation of the Senior Management / Key Managerial Personnel

The appointments and resignation of the Senior Management/ Key Managerial Personnel of the Company for the year ended March 31, 2024 are mentioned under "Directors and Key Managerial Personnel and Senior Management Personnel in this Report.

Related Party Transactions

The Company has a well-defined and structured governance process for related party transactions undertaken by the Company. In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the Listing Regulations. The Policy can be accessed on the Company's website at <https://www.tejasnetworks.com/policies-codes.php>.

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis.

The SEBI Listing Regulations states that if any Related Party Transactions exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require Shareholder's approval. In this regard, for the year ended March 31, 2024, the Company has taken necessary Shareholder's approval.

Further, none of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2024 and hence does not form part of this report. The details of transaction(s) of the Company with entities belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required under para A of Schedule V of the Listing Regulations is provided as part of the financial statements.

Pursuant to SEBI Listing Regulations, the resolution for seeking approval of the Shareholders on material related party transactions is being placed at the AGM and forms part of the AGM Notice.

Investor Education and Protection Fund (IEPF)

The Companies Act, 2013 read with the IEPF Rules states that all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat Account of the IEPF Authority. The Company has declared its maiden dividend during the year ended March 31, 2019 and hence the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer has not arisen till date. The Company hosted the details of Unclaimed dividend as on March 31, 2024 in its website at <https://www.tejasnetworks.com/shareholders.php>.

Statement of deviation(s) or variation(s)

In accordance with the SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019 and pursuant to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015 states that where a listed entity has raised funds through preferential allotment or qualified institutions placement, the listed entity shall disclose every year, the utilization of such funds during that year in its Annual Report until such funds are fully utilized. In this connection, the Company has fully utilized the amount raised through Preferential Issue of Equity Shares and Share Warrants and the purpose for which these proceeds were raised has been achieved and there is no deviation in the use of the amount raised through Preferential Issue of Equity Shares and Share Warrants.

Micro, Small and Medium (MSME) Enterprises

The Company is not categorized as a Micro, Small and Medium Enterprises (MSME) under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, the MSME Act requires all large corporates to register under a portal for facilitating MSME vendors of all large corporates and PSUs. The Company has registered in the platform with Receivables Exchange of India Limited (RXIL) as a "Buyer" for MSMEs to electronically factor/discount their receivables, on a without recourse basis, at highly competitive and transparent financing terms.

Credit Rating

The Rating Committee of ICRA, after due consideration has reaffirmed the long-term Rating at [ICRA]A+ (pronounced ICRA A plus). The Rating Committee of ICRA, after due consideration has also reaffirmed the short-term rating at [ICRA]A1+ (pronounced ICRA A one plus). Outlook on the long-term Rating is Stable. ICRA has advised that the Company in its publicity material or other document wherever the Company are using the above Ratings, it should be stated as [ICRA]A+(Stable)/[ICRA]A1+.

Demat Suspense Account/Unclaimed shares account

The Company opened a Demat account as Tejas Networks Limited–Unclaimed Share Suspense Account with the ICICI Bank Limited and transferred all unclaimed shares into one physical folio and further dematerialized the said equity shares under a demat account. When any Shareholder claim, the Company will transfer the same to the Shareholders demat account by following the procedure as prescribed under the regulations. These shares primarily belong to the former employees of the Company and their whereabouts are not known though the Company has taken sufficient steps to inform them based on the records available with the Company to claim the same by following the procedure as prescribed under the regulations.

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the Demat Suspense Account/Unclaimed shares account as on March 31, 2024:

Particulars	No. of Shareholders	No. of Equity shares
Aggregate Number of Shareholders and the outstanding shares as on April 1, 2023	55	73,785
Less: Number of Shareholders who approached the Company	Nil	Nil
Aggregate number of Shareholders and the outstanding shares as on March 31, 2024	55	73,785



Reconciliation of Share Capital

The Company carried out the Share capital audit by a qualified practicing Company Secretary to reconcile the total admitted equity share capital with the NSDL and CDSL and the total issued and listed equity share capital issued by the Company. The Report is available on the Company's website at www.tejasnetworks.com/reconciliation-of-share-capital-audit-report.php.

Annual return

In accordance with the Companies Act 2013, a copy of the Annual Return as on March 31, 2024 in the prescribed format is available on the Company's website at www.tejasnetworks.com/disclosures.php.

Listing and Dematerialisation of equity shares

The equity shares of the Company are listed in the National Stock Exchange of India Limited (scrip code: TEJASNET) and BSE Limited (scrip code: 540595) and for the purpose of dematerialisation of shares established a connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the International Securities Identification Number (ISIN) allotted under the Depository System is INE 010J01012 through Link Intime India Private Limited, our Registrar and Share Transfer Agents.

Deposits from Public

The Company has not accepted any deposits from the public during the year under review. No amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2024.

Register of Members

The Register of Members and Share Transfer Books of the Company will remain closed from June 21, 2024 till June 28, 2024 (both days inclusive), for the purpose of 24th Annual General Meeting and for the financial year ended March 31, 2024.

12. Material Changes and Commitments between the end of the Financial Year and Date of the Report

There are no other material changes and commitments affecting financial position between the end of the financial year and date of the report.

13. Audit and Auditor

a. Statutory Auditor - M/s. Price Waterhouse Chartered Accountants LLP

M/s. Price Waterhouse Chartered Accountants LLP were re-appointed by the Shareholders in their 22nd Annual General Meeting for second term as the Statutory Auditor of the Company for a period of five consecutive years from the conclusion of 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company on terms and conditions as mutually agreed upon between M/s. Price Waterhouse Chartered Accountants LLP and the Company. M/s. Price Waterhouse Chartered Accountants LLP has furnished a certificate confirming their eligibility and consent for their continuance as the Statutory Auditor of the Company for FY 2025 and also in terms of the Listing Regulations, the Statutory Auditor have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The remuneration in the form of fees (excluding GST and out of pocket expenses) for the year ended March 31, 2024 to M/s. Price Waterhouse Chartered Accountants LLP are as follows:

in ₹ crore	
Engagement	Amount
Statutory audit including limited reviews	0.81
Other audit related services	0.27
Total	1.08

b. Internal Auditor - M/s. Singhvi, Dev and Unni Chartered Accountants LLP

The Board based on the recommendations of the Audit Committee, has re-appointed an Independent Auditor M/s. Singhvi, Dev and Unni Chartered Accountants LLP as Internal Auditor of the Company on such terms and conditions as mutually agreed upon between M/s. Singhvi, Dev and Unni, Chartered Accountants LLP and the Company, to carry out the internal audit function for FY 2025.

The remuneration in the form of fees (excluding GST) for the year ended March 31, 2024 to M/s. Singhvi, Dev and Unni Chartered Accountants LLP are as follows:

in ₹ crore	
Engagement	Amount
Audit fees	0.30
Other audit related service	0.04
Total	0.34

c. Secretarial Auditor - Dwarakanath C, Practicing Company Secretary

The Board based on the recommendations of the Audit Committee, has re-appointed Dwarakanath C, Practicing Company Secretary as the Secretarial Auditor of the Company on terms and conditions as mutually agreed upon between Dwarakanath C, Practicing Company Secretary and the Company, to conduct Secretarial Audit for FY 2025.

The remuneration in the form of fees (excluding GST) for the year ended March 31, 2024 to Dwarakanath C, Practicing Company Secretary are as follows:

in ₹ crore	
Engagement	Amount
Audit fees	0.05
Other audit related services	0.02
Total	0.07

d. Cost Auditor - M/s. GNV & Associates, Cost and Management Accountants

As per Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the re-appointment of M/s. GNV and Associates, Cost and Management Accountants in Practice as the Cost Auditor of the Company on terms and conditions as mutually agreed upon between M/s. GNV and Associates, Cost and Management Accountants and the Company, to conduct cost audits for relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 for FY 2025. The



Cost Accounts and Records of the Company are duly prepared and maintained as required under Section 148(1) of Act. A resolution seeking approval of the Shareholders for ratifying the remuneration payable to the Cost Auditor for FY 2025 is provided in the Notice of the ensuing Annual General Meeting.

The remuneration in the form of fees (excluding GST) for the year ended March 31, 2024 to M/s. GNV & Associates are as follows:

Engagement	in ₹ crore	
	Amount	
Audit fees		0.02
Other audit related services		0.02
Total		0.04

e. Auditor's report

The Statutory Auditor's and the Secretarial Auditor's report do not contain any qualifications, reservations, or adverse remarks or disclaimer. The Secretarial audit report is attached to this report as **Annexure - 3** and Statutory Auditors report forms part of the Consolidated and Standalone financial statements.

f. Key Audit Matters

M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditor of the Company rendered an opinion regarding the fair presentation in the financial statements of the company's financial condition and operating results. Their audits are conducted in accordance with GAAP and include a review of the internal controls, to the extent necessary, to determine the audit procedures required to support their opinion. The Statutory Auditor of the Company have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone and Consolidated) for the year ended March 31, 2024.

The Key Audit Matters are those matters which in the opinion of the Statutory Auditor of the Company were of most significance in the Audit of the Standalone / Consolidated IND AS financial statements for the year ended March 31, 2024 and these matters were addressed in the context of the audit of the Standalone / Consolidated IND AS financial statements for the year ended March 31, 2024 as a whole. The Key Audit Matter forms part of the Audit report of Standalone / Consolidated IND AS financial statements.

14. Business Responsibility and Sustainability Report

The Securities and Exchange Board of India ('SEBI'), in May 2021 introduced new sustainability related reporting requirements to be reported in the specific format which is a notable departure from the existing Business Responsibility Report and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of environment, social and governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalization, to transition to Business Responsibility and Sustainability Reporting from FY 2022-23 onwards.

In line with the above, the Business Responsibility and Sustainability Report forms part of this report and is also available on the Company's website at www.tejasnetworks.com/disclosures.php.

15. Cyber Security

The Company believes that in the modern digital age, cyber security is not an IT/information security issue, but a business issue. The Company adopted a multidimensional approach to

cyber security which enables the Company to protect the data using a multi-layered defense mechanism and a combination of tools and techniques which complement and augment each other. The processes and systems in the Company reduces the threat and to mitigate the negative financial and reputational impacts, and created an organizational culture of cyber security which consistently practices effective cyber security policies, processes and procedures including spear-phishing campaigns and cyber data breach table-top exercises.

Tejas cybersecurity and risk management policies and standards, aligned to leading industry standards and regulatory requirements, provide the foundation of our cybersecurity program and centered on protecting the confidentiality, integrity and continuously improving the security of the systems. The Company also engaged an Independent Cyber Security agency for Cyber Security Posture Assessment and the assessment report shared with the Board and Risk Committee.

Further, the Company:

- Created an organizational culture of cybersecurity which consistently promotes and supports all employees practicing effective cybersecurity policies, processes and procedures via a comprehensive cybersecurity awareness, education, and training program including spear-phishing campaigns and cyber data breach table-top exercises.
- Implemented advanced cyber diagnostic assessments, on a regular basis, including email cyber-attack assessments, network and endpoint cyber-attack assessments, vulnerability scanning assessments, penetration testing and spear-phishing campaign.
- Established a rapid cyber-attack incident response plan and periodically tested an enterprise-wide well-coordinated information system incident response plan to quickly identify, contain, eradicate, and recover from cyber-attacks.
- Continuously monitoring, detection and response which monitored, detected, and responded to all cyber incidents including email systems, network, software applications and all information system endpoints, using advanced Security Information Event Management (SIEM) software, data visualization tools and automation.
- Ensured information system resilience and implemented and periodically tested Business Continuity Plan and Disaster Recovery Plan.

The cyber security governance encompasses management oversight at various levels with the ultimate responsibility assumed by the Board of Directors. The governance structure of information/cyber security risk is helmed by the Risk Committee and Audit Committee, all being Board-level Committees and chaired by Independent Directors. At the executive management level, there is a specialized Committee to review key areas of IT and cyber risk.

16. Data Protection and Privacy

Protecting personal and financial information, and handling it responsibly, are of utmost importance to the Company. Considering the wide range of services Tejas offers, it is important to provide a safe and secure experience while using the services. Tejas always strives to assure users that their personal information is protected. To this end, data privacy, data protection, and information security form an intrinsic part of Tejas's service design across the entire lifecycle.



Tejas's privacy and security programme focuses on three key aspects of embedding security in design, effective governance and enabling organization-wide security awareness. Tejas tries to minimize the chances of security incidents by defining and implementing a highly effective governance structure. It has implemented a holistic information security management programme to protect its business, customers, infrastructure, services, and internal users from security threats. The Company has policies (including Data Privacy Policy), standards, and processes in place.

Tejas has a formal privacy incident management process in place to respond to any suspected or actual incident involving unauthorized access to or disclosure of personal information, its availability, or an impact to its integrity. Tejas also conducts security risk assessments to evaluate and identify security flaws in services, products, and technology. It has implemented security monitoring infrastructure and effective incident detection and management processes. Suspected events are analyzed and verified for its impact on assets and organization. The incident movement processes define the criticality level for every incident and are managed in line with documented processes.

17. Corporate Social Responsibility

The objective of the Company's Corporate Social Responsibility initiatives is to improve the quality of life of communities through long-term value creation for all Stakeholders. The Company's Corporate Social Responsibility policy provides guidelines to conduct Corporate Social Responsibility activities of the Company. The Company addresses the societal challenges through societal development programmes and remains focused on improving the quality of life and implements its Corporate Social Responsibility programmes either individually or in association with eligible implementing agencies registered with the Ministry of Corporate Affairs which works in close collaboration with public systems and partners. Through its Corporate Social Responsibility, the Company envisions an enlightened, equitable society in which every individual realizes their potential with dignity through creating transformative, efficient and lasting solutions to their development challenges and is committed to act in the best interests of its Stakeholders and with a sense of purpose by its involvement in socio-economic development which always been integral to the Company strategic objectives. The Company's Corporate Social Responsibility and sustainability initiatives and practices covers various activities in the field of education, healthcare and communities, ecology and environment, etc.

In pursuance of the CSR Policy and in line with the requirement of the Companies Act, 2013, every company has to spend 2% of the average net profits of the Company for the preceding three years towards the CSR activities as stated in the Companies Act, 2013. In view of the average net loss before tax for the last 3 years based on the computation as per Section 135 of the Companies Act, 2013, is ₹ 11.48 crore there is no requirement to comply with the CSR regulations for the year under review. The CSR policy is available

on the Company's website at www.tejasnetworks.com/policies-codes.php. The Annual Report on the CSR activities in the format prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out in **Annexure – 4**.

18. Green Initiatives

Electronic copies of the Annual report for the year 2024 and the Notice of the 24th Annual General Meeting are sent only to Shareholders whose email addresses are registered with the Company/ depository participant(s). To support the "Green Initiative", Shareholders who have not registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronics form and with RTA in case the shares are held by them in physical form.

19. Cautionary Note

Certain statements in this report 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.

20. Acknowledgement

The Board places on record its thanks to its customers, vendors, investors, bankers, financial institution, employees and all other Stakeholders for their continued support during the year. The Board places on record our appreciation of the contribution made by the employees at all levels as the Company consistent growth was made possible only by their hard work, solidarity, cooperation and support.

The Board also places on record its thanks to the Government of various countries where we operate. Tejas thanks the Government of India particularly the Ministry of Labour and employment, the Ministry of Communications, the Ministry of Electronics and Information Technology, the Ministry of Commerce and Industry, the Ministry of Finance, the Ministry of Corporate Affairs, the Central Board of Direct Taxes, the Central Board of Indirect Taxes and Customs, the Reserve Bank of India (RBI), the Securities Exchange Board of India (SEBI), the various departments under the state government and union territories and other government agencies for their support and look forward to their continued support in the future.

Bengaluru
April 22, 2024

Sd/-
N Ganapathy Subramaniam
Chairman
(DIN:07006215)

Sd/-
Anand Athreya
Managing Director and CEO
(DIN: 10118880)



Annexure – 1

FORM NO. AOC -1

(Pursuant to First proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / associate companies / joint ventures

Part “A”: Subsidiaries

(in ₹ crore except % of shareholding)

Name of the Subsidiary	Financial period ended	Reporting currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (loss) before Taxation	Provision for Taxation	Profit / (loss) after Taxation	Proposed Dividend	% of share holding
Tejas Communication Pte Ltd. Singapore	April 01, 2023 to March 31, 2024	USD	17.15	(12.18)	18.31	13.34	0.27	5.99	(13.34)	-	(13.34)	-	100%
Saankhya Labs Private Limited	April 01, 2023 to March 31, 2024	INR	8.70	76.84	175.38	89.84	6.94	104.28	6.07	1.39	4.68	-	64.40%
Saankhya Labs Inc.	April 01, 2023 to March 31, 2024	USD	10.43	(9.56)	2.05	1.18	-	1.68	(0.12)	-	(0.12)	-	64.40%
Saankhya Strategic Electronics Private Limited	April 01, 2023 to March 31, 2024	INR	0.10	0.33	0.47	0.04	-	-	(0.07)	0.02	(0.09)	-	64.40%

Notes:

- The annual accounts of the Subsidiary Companies and the related detailed information is made available on the website at www.tejasnetworks.com/financial-information-subsidiaries.php.
- Details of reporting currency and the rate used in the preparation of consolidated financial statements.

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (in ₹)	Closing Rate (in ₹)
Tejas Communication Pte Ltd.	USD	82.83	83.41
Saankhya Labs Inc.			

- Names of Subsidiaries which are yet to commence operations: Tejas Communications (Nigeria) Limited (a subsidiary of Tejas Communication Pte Ltd) is yet to commence its operations.
- Names of Subsidiaries which have been liquidated or sold during the year: Nil

Part “B”: Associates and Joint Ventures

The Company does not have any Associate or Joint Ventures Companies.

For and on behalf of the Board of Directors

Sd/-
N Ganapathy Subramaniam
Chairman
(DIN:07006215)

Sd/-
Anand S Athreya
Managing Director and CEO
(DIN:10118880)

Sd/-
Arnob Roy
COO and Whole-time Director
(DIN:03176672)

Bengaluru
April 22, 2024

Sd/-
Sumit Dhingra
Chief Financial Officer

Sd/-
N R Ravikrishnan
General Counsel, Chief Compliance
Officer and Company Secretary

Annexure – 2

Information pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

Particulars of Energy Conservation, Research and Development, Technology absorption and Foreign exchange earnings and outgo required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of Energy

The steps taken or impact on conservation of energy;	<ul style="list-style-type: none"> Energy efficient LED lighting are been used in the facility. Lift operation is scheduled to ensure minimum power consumption
The steps taken by the Company for utilizing alternate sources of energy;	As an environmentally friendly organisation we are exploring various energy initiatives such as solar roof tops, water saving or replenishment, etc.,
The capital investment on energy conservation equipment;	During year under review, the Company had not made significant investment on the energy conservation equipment as the same were not warranted.

(B) Technology Absorption

i. Tejas products are developed with a high level of domestic value addition through indigenous R&D, in-house IPR creation and local manufacturing. We have a strong commitment to R&D, with over 60% of our employees engaged in R&D activities. Today, all large private telecom operators, telecom PSUs and utilities use Tejas products in their pan-India networks instead of imported equipment from foreign multinational companies, thus leading to valuable foreign exchange savings for the country. Tejas is the leading domestic supplier of optical, wireless and data networking products for various government projects of national importance, with security and strategic implications such as Bharatnet, defence networks and smart cities. As one of the leading innovators in India's ICT sector, Tejas, along with its subsidiary Saankhya Labs, has filed more than 445 patent applications and generated 350+ semiconductor IPs that underpin our wide range of home-grown telecom products. Additionally, Tejas is actively contributing to global 5G and 6G standards through its work in India's telecom standards organization (TSDSI), ITU-T, B6GA, IEEE, 3GPP and O-RAN thereby ensuring that Indian requirements are effectively captured in all emerging telecom standards.

Tejas' R&D team made significant advancements in its cutting-edge wireline and wireless offerings in FY 2024:

- Enhanced our GPON/XGS-PON/Multi-PON OLT and ONT product portfolio to enable better delivery of multi-gigabit broadband services.
- Expanded the 4G/5G radio portfolio with increased band support and duplexing modes.
- Integrated advanced 5G backhaul functionalities into our TJ1400 Ultra-converged Broadband access product.
- Successfully deployed routing networks nationwide for a major tier-1 operator
- Enhanced DWDM and OTN solutions to facilitate multi-terabit transmission and switching capabilities.

ii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)–

(a)	the details of technology imported	Nil
(b)	the year of import;	Nil
(c)	whether the technology been fully absorbed	Nil
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil

The Company continuously evaluates new technologies and invests for making infrastructure more energy efficient. The Company has identified thought leadership areas in knowledge management and collaborative commerce which will in turn help product enhancements and building collaborative commerce across various platforms.

(C) Research & Development (R&D)

The Board understands that the overall success of the Company lies in its R&D efforts. Therefore, continuous R&D investments will be made to enhance designs, hardware optimizations, new technology development and adoption, re-engineering, etc. in the areas that the Company is involved.

Expenditure on R&D for the year ended March 31, 2024 and March 31, 2023 towards development of the Company's products is as follows:

Particulars	Standalone	
	2024	2023
Capital Expenditure*	367.47	218.31
Revenue expenditure	123.06	78.51
Total R & D expenditure	490.53	296.82
Total R&D expenditure/ Standalone Revenue from operations (%)	20.69%	34.08%

*Capital expenditure includes R&D manpower salaries/wages towards product development amounting to ₹ 241.30 (March 31, 2023: ₹150.33) and ₹ 22.66 (March 31, 2023: ₹ 9.06) towards cost of technical services. For eligible R&D expenditure refer note 30.6 of standalone financial statements.

(D) Foreign Exchange earnings & outgo

Particulars	Standalone	
	2024	2023
Foreign exchange earnings*	231.47	208.83
Foreign exchange outgo [#]	1,729.37	625.68

*This does not include ₹ 747.22 crore raised from bank in foreign currency on account of vendor financing for FY 2024.

[#]This does not include ₹ 747.22 crore paid to vendors in foreign currency which was raised from bank on account of vendor financing for FY 2024.



Annexure – 3

Secretarial Audit Report - for the financial year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
Tejas Networks Limited,
(CIN: L72900KA2000PLC026980)
Regd. Office: J P Software Park, Plot No 25,
Sy.No.13,14,17,18 Konnapana Agrahara Village,
Begur Hobli, Bengaluru - 560100

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tejas Networks Limited** (“**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 (“**Audit Period**”), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for Audit Period, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under (“**Act**”);
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under (“**FEMA**”) to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings [The Company has not raised any External Commercial Borrowings during the Audit Period];
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) :
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the audit period**;
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the audit period**;
- i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the audit period**;
- j. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not Applicable during the audit period**; and

(vi) Other laws informed by the management of the Company as applicable to the Company.

Further, I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit Period, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc., mentioned above and filed requisite forms and returns with in the due date except for an instance where they have filed beyond due date, with additional fee and the same were approved by the Ministry of Corporate Affairs.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (and by complying with prescribed procedure where the meetings are called with less than seven days' notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at the Board Meetings and Committee Meetings are passed with requisite approvals, as recorded in the minutes.



I further report that:

- There are systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- During the audit period, the Hon'ble National Company Law Tribunal, Bengaluru Bench had directed the Company to hold separate meetings of the Equity Shareholders and Unsecured Creditors for purpose of considering and approving the Scheme of Amalgamation. The meeting of the Equity Shareholders and Unsecured Creditors of the Company was held on Friday February 9, 2024 (IST) through Video Conference / Other Audio-visual Means ("VC / OAVM") and resolutions were passed with requisite majority by the Equity Shareholders and Unsecured Creditors of the Company.
- During the audit period, the Company has allotted 12,52,590 (Twelve Lakhs Fifty-Two Thousand Five Hundred and Ninety) shares under various Employee Stock Option Plans of the Company.
- During the audit period, the Company has allotted 10,84,617 (Ten lakhs Eighty Four Thousand Six Hundred and Seventeen) shares under Restricted Stock Units under RSU 2017 and RSU 2022 plan to eligible employees of the Company and its' Subsidiaries.
- During the audit period, the Company has granted 11,31,092 Restricted Stock Units under Tejas Restricted Stock Unit Plans to eligible employees/KMP of the Company and its Subsidiaries.

Bengaluru
April 22, 2024

Note: This report is to be read with my letter of even date which is annexed as Annexure - 1 hereto and forms an integral part of this report.

Sd/-
C. Dwarakanath
Company Secretary in Practice
C.P: 4847; FCS: 7723
UDIN: F007723F000218549
Peer Review Certificate No. : 674/2020

Annexure - 1 to Secretarial Audit Report

To
The Members
Tejas Networks Limited
(CIN L72900KA2000PLC026980)
J P Software Park, Plot No 25,
Sy. No.13,14,17,18 Konnapana Agrahara Village,
Begur Hobli, Bengaluru - 560100

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a random test basis to ensure that the correct facts are reflected in the secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and books of accounts of the Company and have relied upon the Statutory Audit report made available by the Company to me, as on the date of signing this report.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc., is the responsibility of the management of the Company. My examination was limited to the verification of procedures on random test basis.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit Report is neither an assurance nor a confirmation that the list is exhaustive.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Bengaluru
April 22, 2024

Sd/-
C. Dwarakanath
Company Secretary in Practice
C.P: 4847; FCS: 7723
UDIN: F007723F000218549
Peer Review Certificate No. : 674/2020



Annexure – 4

Corporate Social Responsibility

1. Brief outline on CSR Policy of the Company.

Tejas has adopted CSR initiatives so as to attain sustained economic performance, environmental and social stewardship. The Company engages with society beyond business as it believes a good business needs to create higher impact in building a better future for communities in its environment. The Company works towards removing malnutrition, improving healthcare infrastructure, supporting primary education, rehabilitating abandoned women and children, and preserving Indian art and culture. The Company's focus has always been to contribute to the sustainable development of the society and environment, and to make our planet a better place for future generations. The CSR activities shall be undertaken within the territory of the Republic of India, and the Company shall give preference to the local area/ areas around which it operates, for spending the amount earmarked for CSR activities.

Tejas' CSR activities will focus on:

- **Hunger, Poverty Malnutrition and Health:** Eradicating extreme hunger, poverty and malnutrition, promoting preventive healthcare and sanitation, Disaster Management and making available safe drinking water.

- **Education:** Promoting and engaging in deep and meaningful systemic work in the area of school and college education including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled, livelihood enhancement projects, contributing towards improving the infrastructure of schools by building additional classrooms and other infrastructure (such as public libraries), providing study and play materials, and providing special care to introduce digital technology in primary and secondary education for improving quality of education.

- **Environmental Sustainability:** Ensuring environmental sustainability, ecological balance, and conservation of natural resources and maintaining the quality of soil, air and water.

- **National Heritage, Art and Culture:** Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries and promoting and developing traditional arts and handicrafts.

2. Composition of CSR Committee as on March 31, 2024:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prof. Bhaskar Ramamurthi	Chairman, Independent	4	4
2	Alice G Vaidyan	Member, Independent	4	4
3	Arnob Roy	Member, Non-Independent	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

The Composition of the CSR Committee, CSR Policy as approved by the Board of the Company is available on the website at www.tejasnetworks.com/policies-codes.php.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	Nil	Nil	Nil

6. Average net profit/loss of the company as per section 135(5)

The average net loss before tax for the last 3 years is ₹ 11.48 crore based on the computation as per Section 135 of the Companies Act, 2013.



7. (a) Two percent of average net profit of the company as per section 135(5)	Nil
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c) Amount required to be set off for the financial year, if any	Nil
(d) Total CSR obligation for the financial year ended March 31, 2024 (7a+7b- 7c)	Nil

8. a) CSR amount spent or unspent for the financial year ended March 31, 2024

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Nil	Nil	Nil	Nil	Nil	Not applicable

b) Details of CSR amount spent against ongoing projects for the financial year ended March 31, 2024:

1	2	3	4	5		6	7	8	9	10	11	
Sl No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

c) Details of CSR amount spent against other than ongoing projects for the financial year ended March 31, 2024:

1	2	3	4	5		6	7	8	
Sl no	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

d) Amount spent in Administrative Overheads - Nil

e) Amount spent on Impact Assessment, if applicable - Nil

f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Nil

g) Excess amount for set off, if any - Nil

Sl No.	Particular	Amount (in ₹)
1	Two percent of average net profit of the company as per Section 135(5)	Nil
2	Total amount spent for the Financial Year	Nil
3	Excess amount spent for the financial year [(ii)-(i)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil



9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - Not applicable

(asset-wise details).

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5).

In view of the average net loss before tax for the last 3 years having been ₹ 11.48 crore based on the computation as per Section 135 of the Companies Act, 2013, there is no obligation or requirement for the Company to make a CSR contribution for the financial year 2023-2024.

Bengaluru
April 22, 2024

Sd/-
Prof. Bhaskar Ramamurthi
Chairman, CSR Committee

Sd/-
Anand Athreya
Managing Director and CEO

Certification by the Chief Financial Officer for the year ended March 31, 2024

I, Sumit Dhingra, Chief Financial Officer of Tejas Networks Limited hereby confirm that based on the computation as per Section 135 of the Companies Act, 2013, the Company is not required nor obligated to make contribution in respect of the Corporate Social Responsibility for the year ending March 31, 2024, in view of the average net loss before tax for the last 3 years was ₹ 11.48 crore.

Further, I confirm as follows:

- The Corporate Social Responsibility Committee (the "CSR Committee") duly constituted in accordance of Section 135 of the Companies Act, 2013 consisting of three directors of which two are independent director with the Chairman of the Committee being an Independent Director.
- For the purpose of determining the CSR contribution, the calculation of Net Profits does not contain any profit arising from any overseas branch or branches of the Company nor any dividend received from other Companies in India.

Bengaluru
April 22, 2024

Sd/-
Sumit Dhingra
Chief Financial Officer



Annexure – 5

Details of ESOP / Restricted Stock Unit Plan

1. Tejas Networks Limited Employees Stock Option Plan – 2014 (“ESOP Plan 2014”)

The Company pursuant to resolutions passed by the Board and the Shareholders, dated May 29, 2014 and September 24, 2014, respectively, has adopted ESOP Plan 2014. This was subsequently modified pursuant to the Shareholders' resolutions dated March 28, 2016 and November 19, 2016. Pursuant to ESOP Plan 2014, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2014). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2014, shall not exceed 71,01,767 Equity Shares. The ESOP Plan 2014 is compliant with the SEBI Regulations and the Act.

The details of the ESOP Plan 2014 as on March 31, 2024 are given below:

ESOP Plan 2014	
Options granted	69,26,635
Options vested	68,78,563
Options exercised	67,20,770
Total number of shares arising as a result of exercise of option	67,20,770
Options lapsed	1,17,368
Exercise price	₹ 65/-
Variation of terms of options	Pursuant to a resolution of the Board of Directors dated March 2, 2016 and a resolution of the Shareholders dated March 28, 2016, the size of the ESOP pool was amended. Further, pursuant to a resolution of the Board of Directors dated September 23, 2016 and a resolution of the Shareholders dated November 19, 2016, the exercise period under ESOP 2014 was amended in order to ensure compliance with the SEBI Regulations. Further, amendments were made to the definitions of 'employee', 'promoter', 'promoter group' and 'independent director' to ensure compliance with the SEBI ESOP Regulations and the Act.
Money realized by exercise of options	₹ 43.69 crore
Total number of options in force	88,497
Employee wise details of options granted to:	No options were granted to the KMP's during the year
(i) Key managerial personnel	
(ii) Any other employee who receives a grant of options amounting to 5% or more of options granted during the year.	Nil
(iii) Identified employees who were granted option equal to or exceeding 1% of the issued capital of the Company at the time of grant.	Nil

2. Tejas Networks Limited Employees Stock Option Plan – 2014-A (“ESOP Plan 2014 - A”)

The Company pursuant to resolutions passed by the Board and the Shareholders, dated June 27, 2016 and July 25, 2016, respectively has adopted ESOP Plan 2014-A. This was subsequently modified pursuant to the Shareholders resolution dated November 19, 2016. Further modified by resolution passed by board dated October 21, 2020 Pursuant to ESOP Plan 2014-A, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2014-A). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2014-A, shall not exceed 20,00,000 Equity Shares. ESOP Plan 2014-A is compliant with the SEBI Regulations and the Act.

The details of the ESOP Plan 2014-A as on March 31, 2024 are given below:

ESOP Plan 2014-A	
Options granted	19,78,215
Options vested	19,03,847
Options exercised	15,58,526
Total number of shares arising as a result of exercise of option	15,58,526
Options lapsed	1,44,475
Exercise price	₹ 85/-
Variation of terms of options	Pursuant a resolution of the Board of Directors dated September 23, 2016 and a resolution of the Shareholders dated November 19, 2016, the exercise period under ESOP 2014-A was amended in order to ensure compliance with the SEBI Regulations. Further, amendments were made to the definitions of 'employee', 'promoter', 'promoter group' and 'independent director' to ensure compliance with the SEBI ESOP Regulations and the Act.
Money realized by exercise of options	₹ 13.25 crore
Total number of options in force	2,75,214
Employee wise details of options granted to:	No options were granted to the KMP's during the year
(i) Key managerial personnel	
(ii) Any other employee who receives a grant of options amounting to 5% or more of options granted during the year.	Nil
(iii) Identified employees who were granted option equal to or exceeding 1% of the issued capital of the Company at the time of grant.	Nil



3. Tejas Networks Limited Employees Stock Option Plan – 2016 (“ESOP Plan 2016”)

The Company pursuant to resolutions passed by the Board and the Shareholders, dated August 02, 2016 and August 29, 2016, respectively has adopted ESOP 2016. This was subsequently amended pursuant to the Shareholders resolution dated November 19, 2016. Further modified by resolution passed by board dated October 21, 2020 Pursuant to ESOP 2016, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP 2016). The aggregate number of Equity Shares, which may be issued under ESOP 2016, shall not exceed 50,00,000 Equity Shares. The ESOP plan 2016 is compliant with the SEBI Regulations and the Companies Act, 2013.

The details of the ESOP Plan 2016 as on March 31, 2024 are given below:

ESOP Plan 2016	
Options granted	26,26,415
Options vested	24,53,694
Options exercised	19,04,192
Total number of shares arising as a result of exercise of option	19,04,192
Options lapsed	3,26,030
Exercise price	Weighted average exercise price of options granted - ₹ 101.16/-
Variation of terms of options	Pursuant to a resolution of the Board of Directors dated September 23, 2016 and a resolution of the Shareholders dated November 19, 2016, the exercise period under ESOP 2016 was amended in order to ensure compliance with the SEBI Regulations. Further, amendments were made to the definitions of 'employee', 'promoter', 'promoter group' and 'independent director' to ensure compliance with the SEBI ESOP Regulations and the Act.
Money realized by exercise of options	₹ 19.26 crore
Total number of options in force	3,96,193
Employee wise details of options granted to:	No options were granted to the KMP's during the year
(i) Key managerial personnel	
(ii) Any other employee who receives a grant of options amounting to 5% or more of options granted during the year.	Nil
(iii) Identified employees who were granted option equal to or exceeding 1% of the issued capital of the Company at the time of grant.	Nil

4. Tejas Restricted Stock Unit Plan – 2017 (“RSU Plan 2017”)

The Company pursuant to resolutions passed by the Board and the Shareholders, dated August 26, 2017 and September 27, 2017, respectively has adopted RSU Plan 2017. The total number of RSU's to be granted to the Eligible Employees under RSU Plan 2017 shall not exceed 30,00,000 (Thirty Lakhs) Equity Shares. The RSU Plan 2017 is compliant with the SEBI Regulations and the Act.

The details of the RSU Plan 2017 as on March 31, 2024 are given below:

RSU Plan 2017	
RSU granted	32,64,230
RSU vested#	23,04,085
RSU exercised	18,53,512
Total number of shares arising as a result of exercise of RSU	18,53,512
RSU lapsed*	5,50,319
Exercise price	₹ 10/-
Variation of terms of RSU	Nil
Money realized by exercise of RSU	₹ 1.85 crore
Total number of units in force	8,60,399
Employee-wise detail of RSU's granted to:	
(i) Key managerial personnel	Nil
(ii) Any other employee who receives a grant of RSU amounting to 5% or more of RSU granted during the year.	Nil
(iii) Identified employees who were granted RSU equal to or exceeding 1% of the issued capital of the Company at the time of grant.	Nil



5. Tejas Restricted Stock Unit Plan – 2022 (“RSU Plan 2022”)

The Company pursuant to resolutions passed by the Board and the Shareholders, dated April 22, 2022 and July 26, 2022 respectively, has adopted RSU Plan 2022. The total number of RSU's to be granted to the Eligible Employees under RSU Plan 2022 shall not exceed 50,00,000 (Fifty Lakhs). The RSU Plan 2022 is compliant with the SEBI Regulations and the Act.

The details of the RSU Plan 2022 as on March 31, 2024 are given below:

RSU Plan 2022	
RSU granted	36,30,652
RSU vested [#]	8,90,524
RSU exercised	5,90,617
Total number of shares arising as a result of exercise of RSU	5,90,617
RSU lapsed [*]	2,05,814
Exercise price	₹ 10/-
Variation of terms of RSU	Nil
Money realized by exercise of RSU	₹ 0.59 cr
Total number of units in force	28,34,221

Employee-wise detail of RSU's granted to:	Anand S Athreya	2,41,192
	Arnob Roy	50,000
(i) Key managerial personnel	Sumit Dhingra	20,850
	N R Ravikrishnan	5,000
(ii) Any other employee who receives a grant of RSU amounting to 5% or more of RSU granted during the year.	Nil	
(iii) Identified employees who were granted RSU equal to or exceeding 1% of the issued capital of the Company at the time of grant.	Nil	

Note: The Company does not intend to grant further ESOPs to employees as it had formulated the Restricted Stock Unit Plan.

[#]RSU vesting is based on company and individual performance.

^{*}RSU's lapsed indicate units which did not vest due to individual/ Company performance and discontinuation of employment and RSU lapsed can be re-issued and will form part of RSU pool to be granted.



Annexure – 6

Particulars of Employees

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the (Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31, 2024 is given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024:

Non-Executive Directors/ Independent Directors	Ratio to the median remuneration
N Ganapathy Subramaniam	-
Chandrashekhar Bhaskar Bhawe	2.60
P R Ramesh	3.12
Prof. Bhaskar Ramamurthi	2.68
Alice G Vaidyan	1.86
A S Lakshminarayanan	-

Executive Directors	Ratio to the median remuneration
Anand Athreya	76.99
Arnob Roy	19.56
Sanjay Nayak	Refer note 5

- b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, and Company Secretary for the financial year ended March 31, 2024

Directors, Chief Executive Officer, Chief Financial Officer, and Company Secretary	Percentage of increase in remuneration in the financial year
N Ganapathy Subramaniam	-
Chandrashekhar Bhaskar Bhawe	153.60%
P R Ramesh	Refer note 6
Prof. Bhaskar Ramamurthi	Refer note 6
A S Lakshminarayanan	-
Alice G Vaidyan	Refer note 6
Anand Athreya	Refer note 6
Arnob Roy	40%
Sumit Dhingra	Refer note 6
N R Ravikrishnan	10%
Sanjay Nayak	Refer note 6
Venkatesh Gadiyar	Refer note 6

- c) The percentage increase in the median remuneration of employees for the financial year ended March 31, 2024 was 3.34%.
- d) The number of permanent employees on the rolls of the Company as on March 31, 2024, was 1843 employees.
- e) The percentage increase in average salaries excluding KMP is 17.62% and the increase in salaries for KMP is 40% for Arnob Roy and 10% for N R Ravikrishnan. Average salary excluding KMPs computed based on the employees on rolls as on March 31, 2024.
- f) Remuneration increases are granted based on various factors including market trends and performance criteria. Variable components of remuneration are typically determined based on a combination of various factors including individual performance and company performance.
- g) The Company affirms that the remuneration is as per the Remuneration Policy of the Company.
- h) The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Shareholders excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Shareholder interested in obtaining a copy of the same may write to the corporate@tejasnetworks.com.

Notes:

- Sitting Fees paid to Directors has been excluded for the purpose of calculation of remuneration.
- In line with the internal guidelines of the Tata Group of Companies, no payment is made towards commission to the Non-Executive Directors of the Company, who are in employment with any other Tata Group of Companies. Accordingly, no commission is paid to N Ganapathy Subramaniam and A S Lakshminarayanan, Non-Executive and Non-Independent Directors who are employed in the executive position in other Tata Group of Companies.
- All the above ratios and calculations are based on the salaries excluding the ESOP / RSU perquisites and RSU cost.
- Remuneration to Anand Athreya includes ₹ 3.75 crore of one-time compensation to be paid on completion of first year (April 02, 2024).
- For median calculations employees on rolls as of the end of each year have been considered.
- % increase in remuneration is provided only for those directors and KMPs who have drawn remuneration from the company for full financial year ended March 31, 2023 and March 31, 2024.



Annexure – 7

Board Governance Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires adoption of certain Policies /Codes/Charters for all listed companies. These Policies /Codes/Charters are reviewed periodically by the Board based on the requirements.

The policies that were adopted by the Board are as follows:

Name of the Policy /Codes/ Charters	Brief Description	Web link
Risk Management Policy	The Policy encompasses policies and procedures relating to the risk management mechanism of the Company.	www.tejasnetworks.com/main-control/download/Risk-assessment-and-Management-and-mitigation-policy-and-procedures.pdf
Policy on Archival and Preservation of Documents	The policy deals with the retention and archival of records of the Company.	www.tejasnetworks.com/main-control/download/Document-retention-and-Archival-Policy.pdf
Policy on Material Subsidiaries	The policy is used to determine the material Subsidiaries and material non-listed Indian Subsidiaries of the Company and to provide the governance framework for them.	https://www.tejasnetworks.com/main-control/download/Policy-on-determining-material-subsidiaries.pdf
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to contribute to the sustainable development of the society and environment and to make our planet a better place for future generations.	www.tejasnetworks.com/main-control/download/CSR-Policy.pdf
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a Director (Executive / Non-Executive) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other employees.	www.tejasnetworks.com/main-control/download/NRC-Policy.pdf
Whistle Blower Policy and Vigil Mechanism	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior.	www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf
Policy on Board Diversity	The policy sets out a framework to promote diversity on Company's Board of Directors.	www.tejasnetworks.com/main-control/download/Policy-on-Board-diversity.pdf
Policy for Determining Material Related Party Transaction	The Policy is to determine the 'materiality' of Related Party Transaction and to provide a governance framework thereof.	www.tejasnetworks.com/main-control/download/Policy-for-determining-Related-Party-transaction.pdf



Name of the Policy /Codes/ Charters	Brief Description	Web link
Dividend Distribution Policy	This policy sets out the parameters and circumstances including external and internal factors and financial parameters that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend and also the circumstances under which the Shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized.	www.tejasnetworks.com/main-control/download/Dividend-Distribution-Policy.pdf
Policy for determining Material events	The Policy is to determine the materiality of events / information of the Company for the purpose of disclosure to the stock exchanges on which the Company's shares are listed and to provide frame work relating to disclosure of such information.	www.tejasnetworks.com/main-control/download/policy-for-determining-material-events.pdf
Code of Conduct and Ethics	This Code shall provide, inter alia, a guide for professional conduct for all the Directors and Employees and to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning and in compliance with the applicable laws.	www.tejasnetworks.com/main-control/download/Code-of-Conduct-and-Ethics.pdf
Code of Conduct for Insider Trading	The policy provides the framework in dealing securities of the Company.	www.tejasnetworks.com/main-control/download/code-of-conduct-under-sebi-pit.pdf
Code of practices and procedures for fair disclosure of Unpublished price sensitive information	The Code ensures timely and adequate disclosure of Unpublished Price Sensitive Information as defined in Regulation 2(n) of the Regulations ("Unpublished Price Sensitive Information" or "UPSI by the Company, its Subsidiaries and associates and other Stakeholders.	www.tejasnetworks.com/main-control/download/code-of-practices-and-procedures-for-fair-disclosure-of-upsi.pdf
Code of conduct for intermediaries and fiduciaries	The Code regulates and monitors the trades executed by the Designated Persons in order to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This is applicable to all designated persons and their immediate relative as defined in this Code in respect of trading in Securities of the Company.	www.tejasnetworks.com/main-control/download/code-of-conduct-for-intermediaries-and-fiduciaries.pdf
Supplier Code of Conduct	This Code seeks to establish Tejas' expectations from its suppliers in relation to the ethical, social and environmental risks, opportunities & working conditions that the supplier provides to its employees.	https://www.tejasnetworks.com/main-control/download/supplier-code-of-conduct.pdf
ESG Policy	The policy framework states the Company's commitment to ESG and integration of ESG practices in business strategy with a structured implementation framework comprising of focus areas and key performance indicators and periodic monitoring of performance and measures to improve performance.	https://www.tejasnetworks.com/main-control/download/esg-framework-and-policy.pdf



Annexure – 8

Disclosures

The following disclosures are made to the extent applicable to the Company for the year ended March 31, 2024:

The Board

- The composition and constitution of the Board is in accordance with the requirements of the Companies Act, 2013 and Listing Regulations.
- The offices held by the Directors are in compliance with the Companies Act, 2013 and the Listing Regulations.
- There are no inter-se relationships between the Board members.
- None of the Directors on the Board are members of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he/she is a Director as required under the Listing Regulations.
- None of the Independent Directors on the Board is an Independent Director in more than seven listed Companies as required under the Listing Regulations.
- All the Directors have disclosed their interest in other companies, Directorship and membership of Committees and other positions held by them.
- The Board of Directors of the Company have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such Statutory Authority as per the Company's Act and Listing Regulations.
- The appointment of the Directors on the Board is based on the recommendation of the Nomination and Remuneration Committee and approved by the Board, subject to the approval of the Shareholders and is in line with the Statutory requirements of the Company's Act and Listing Regulations, Company policy and employment contracts as entered into.
- The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company, Statutory Regulations and as approved by the Board and the Shareholders.
- The annual remuneration payable to a single Non-executive Director does not exceed 50% of the total annual remuneration payable to Non-executive Director.
- The Company has received necessary declaration from each Independent Director of the Company stating that they meet the criteria of Independence as laid down in the Companies Act, 2013 and in the Listing Regulations and that as on April 1, 2024, the Independent Directors have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Ministry of Corporate Affairs or any such statutory authority as mentioned in the Listing Regulations.
- The Independent Directors are paid remuneration by way of Sitting fees, Commission and are also reimbursed any out of pocket expenses incurred by them for the purpose of attending meetings of the Board and its Committees.
- The Independent Directors are not granted Stock Options/ Restricted Stock Units under the existing Employee Stock

Options scheme/ Restricted Stock Unit Plan of the Company.

- The Non-Executive Directors and Independent Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee(s) of the Company as applicable.
- Except for Sanjay Nayak who retired before completion of his term as Managing Director and CEO and A S Lakshminarayanan who resigned before expiry of his term as Non-Executive Director on account of professional reasons, none of the other Director (s) on the Board of the Company had resigned/retired before the expiry of their respective tenure(s).
- The Independent Directors have submitted a declaration stating that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties.
- The Independent Directors have also submitted a declaration in compliance with the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding the requirement relating to enrollment in the Data Bank created by MCA for Independent Directors.
- No changes or amendments have been carried out in the policy on Director appointment and remuneration for the year under review.

Financial Statements

- The recommendations made by all the Committees of the Board including Audit Committee and which requires the Board approval and adoption were duly adopted and approved by the Board.
- The Company has adopted all the applicable IND-AS and the adoption was carried out in accordance with applicable transition guidance.
- The financial results for the year ended March 31, 2024 do not contain any false or misleading statement or figures and do not omit any material statements which may make the statements or figures contained therein misleading.
- The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated from March 27 to 31, 2024, for all relevant transactions recorded in the software, other than for direct database changes, where the audit trail record does not contain the pre-modified value.
- The Financial statements have been prepared in accordance with Indian Accounting Standards (IND- AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions.



Related party transactions

- The Company has not entered into any materially significant related party transactions with its Directors, or Management, or relatives, etc. that may have potential conflict with the interests of the Company at large.
- The Company has received disclosures from the Senior Managerial Personnel confirming that they have not entered into any material, financial and commercial transactions in which they or their relatives may have a personal interest.
- All Related Party Transactions are placed before the Audit Committee for review and approval including transactions which are of repetitive in nature and entered in the ordinary course of business and are at arm's length.
- The Company has filed the necessary return within the due date as stipulated under the listing regulations with the Stock Exchanges and also updated the same in the website of the Company at <https://tejasnetworks.com/stock-exchange-filing-other-filing.php>.
- The Company is in the process of obtaining prior approval of the Shareholders for the proposed material related party transaction.

Audit Report / Certificates

- The Statutory Audit Report of M/s. Price Waterhouse Chartered Accountants LLP for the year ended March 31, 2024 does not contain any qualification, reservation or adverse remark nor instances of fraud committed by the Company, its officers or employees and the report is unmodified report which is enclosed with the financial statements and forms part of this Annual Report.
- The Secretarial Audit Report of Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor for the year ended March 31, 2024 does not contain any qualification, reservation or adverse remark and is set out in **Annexure-3**.
- The Annual Secretarial Compliance report issued by Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor for the year ended March 31, 2024 states that the Company has complied with all the applicable SEBI Regulations and circulars/ guidelines issued thereunder and is disclosed at www.tejasnetworks.com/disclosures.php.
- The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company as well as declaring that they have not taken up any prohibited non-audit assignments for the Company.
- The audit report on reconciliation of the Share capital by a qualified Practicing Company Secretary confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Internal Financial controls

- The Company has implemented and documented Internal Financial Controls as required under the Companies Act, 2013 and the same are being reviewed as part of the quarterly internal audit activity by the Internal Auditors.
- The Internal Auditors have also confirmed that they did not note any significant deficiencies which could result in operational or financial risk to the Company.

- Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, work performed by the Statutory, Internal and Secretarial Auditors including audit of Internal Financial Controls over financial reporting by the Statutory auditors and based on the summary report submitted by the Internal auditors and the reviews performed by the management and the relevant Board committees, including the Audit committee, the Company's Internal Financial Controls were adequate and operated effectively during FY 2024.
- The Company has sound Internal Financial Control which are commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist for the year ended March 31, 2024.

Corporate Governance

- The Certificate on Corporate Governance for the year ended March 31, 2024, issued by Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor pursuant to the Listing Regulations regarding compliance of conditions of corporate governance forms part of the report which states that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to Regulation 27 and clauses (b) to (i) of Regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024 and is disclosed at www.tejasnetworks.com/disclosures.php.
- The Certificate of Non – disqualification of Directors for the year ended March 31, 2024 issued by Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor states that as on April 1, 2024, the Directors on the Board of the Company have not been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority as per of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and is disclosed at www.tejasnetworks.com/disclosures.php.

Cyber Security

- The Company implemented advanced cyber diagnostic assessments, on a regular basis, including email cyber-attack assessments, network and endpoint cyber-attack assessments, vulnerability scanning assessments, penetration testing and spear-phishing campaign.
- The Company established a rapid cyber-attack incident response plan and periodically tested an enterprise-wide well-coordinated information system incident response plan to quickly identify, contain, eradicate, and recover from cyber-attacks.
- The Company conducted 24 x 7 x 365 monitoring, detection and response which monitored, detected, and responded to all cyber incidents including email systems, network, software applications and all information system endpoints, using advanced Security Information Event Management (SIEM) software, data visualization tools, automation and Artificial Intelligence (AI) capabilities.
- The Company ensured information system resilience and implemented and periodically tested an enterprise-wide Business Continuity Plan and Disaster Recovery Plan.



Subsidiaries

- No Company has become or ceased to be joint venture or associate of the Company within the meaning of Section 2(6) of the Companies Act, 2013.
- The Company does not have any Joint-Venture or Associate Companies nor ceased to be joint venture or associate Company of any other Company within the meaning of Section 2(6) of the Companies Act, 2013 and there has been no material change in the nature of the business of the subsidiary including the step-down subsidiary.
- The Company does not have any material listed / non-listed Indian subsidiary whose income or net worth exceeds 20% of the consolidated income or net worth respectively in the immediate preceding accounting year.
- The policy for determining 'material' Subsidiaries is disclosed in <https://www.tejasnetworks.com/policies-codes.php>.

Employee Stock Options (ESOP) / Restricted Stock Units (RSU)

- There were no material changes made to the aforesaid schemes during the financial year under review.
- The Employee Stock Option Plans and Restricted Stock Unit Plan are in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.
- No employee was granted options/ RSU / Shares during the year, equal to or exceeding 1% of the issued capital.
- The Company did not grant any Stock Options under any of the ESOP plan of the Company after the implementation of the RSU plan.
- The Auditors Certificate under SEBI (Share Based Employee Benefits) Regulations 2014 issued by Dwarakanath C, Company Secretary in Practice and Independent Secretarial Auditor states that the Company Employee Based Share Schemes for the year ended March 31, 2024 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 is disclosed at www.tejasnetworks.com/disclosures.php.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Companies Act, 2013

The Company has constituted committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Companies Act, 2013.

Code of Conduct

- The Managing Director and CEO has confirmed that the Company has adopted a Code of Conduct for its employees which also includes the Non-Executive Director and Independent Directors and has received a declaration of compliance with the Code of Conduct as applicable to them.
- The Annual declaration affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the year ended March 31, 2024 forms part of the Corporate Governance Report.

Vigil Mechanism / Whistle Blower Policy

In terms of the Listing Regulations, the Company has established Vigil Mechanism and Whistle Blower Policy and hereby affirms that no Director/Employee has been denied access to the Chairman of the Audit Committee and that no complaint has been received during FY 2024.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards on Meetings of the Board of Directors ("SS-1") and Secretarial Standards on General Meetings ("SS-2"), mandated by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

Borrowings including Fixed deposits

The Company has not accepted any fixed deposit including from the public or borrowed from Financial Institutions/ Banks and hence no amount of principal or interest was outstanding as of March 31, 2024.

Investor Education and Protection Fund (IEPF)

The IEPF Rules are not applicable to the Company and hence the transfer of the unpaid dividend nor the shares in respect of which the dividend were unclaimed by the respective allottees, to IEPF are not applicable to the Company.

Micro, Small and Medium (MSME) Enterprises

- The Company as on March 31, 2024 has made payments to all MSME suppliers within a period of 45 days from the date of acceptance or from the day of deemed acceptance.
- There are no outstanding as on March 31, 2024 which exceeded 45 days from the date of acceptance or the day of deemed acceptance.
- The company has registered in the platform with Receivables Exchange of India Limited (RXIL) as a "Buyer" for MSMEs.

Listing and Custodial Fees

- The annual listing fees for FY 2025 has been paid to both the Stock Exchanges where the shares of the Company are listed (i.e.) the National Stock Exchange of India Limited and the BSE Limited.
- The annual custodial fees for FY 2025 has been paid to both depositories (i.e.) the National Securities Depositories Limited and Central Depositories Securities Limited.

Share transfers

Share transfers are registered and returned in the normal course within a period of 30 days from the date of receipt. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.



Significant or Material Orders passed by Regulators or Courts or Tribunal

- There are no significant orders that have been passed by any Regulator or Court or Tribunal which can have implications on the going concern status and the Company's operations in future and there are no material litigation outstanding.
- There are no cases pending or filed against the Company or any liabilities attached to the Company in respect of any of the matters pertaining to securities.

Other disclosures

- No Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 by or against the Company.
- The Company has not entered into any agreement with any Media Company and/or its associates.
- The Company has complied with the requirements of the Stock Exchanges or SEBI on matters related to Capital Markets, as applicable, during the last three years. No penalties or strictures have been imposed on the Company.
- The Board reviews and approves the annual operating plan and budgets including capital budgets for each financial year in line with the Company's long-term strategy. An internal management committee approves all capex investments within the annual capex budget approved by the Board. An update on key capex approvals is generally provided to the Board periodically.
- The Company has formulated a policy on maintaining and preserving timely and accurate records uploaded on the website of the Company. The same is available on the website of the Company at <https://tejasnetworks.com/policies-codes.php>.
- The Company also complies with applicable non-mandatory requirement the Listing Regulations including having separate posts of Chairman and Managing Director and Chief Executive Officer.
- Authorization of Key Managerial Personnel to determine the materiality of the event for the purpose of disclosing to Stock Exchange in terms of Regulation 30(5) of the Listing Regulations.
- Constituted Senior Management Personnel in terms of the Listing Regulations.
- The Company does not deal in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.
- The Company has not issued any GDRs / ADRs in the past and hence the Company does not have any outstanding GDRs.
- The Company identifies all contractual receivables and payables over the short-term and medium term to arrive at its gross and net exposure across key currency pairs. To the extent possible, the company nets-off exposures occurring in the same accounting period and within the same currency pair, and hedges the remaining foreign exchange risk to the extent it deems it to be feasible based on its exchange rate forecast.



Management Discussion and Analysis



Management Discussion and Analysis

A landmark year for Tejas Networks



I. Industry Overview

A robust telecommunications infrastructure is now an essential service for delivering high-speed connectivity to people, homes, offices and governments. A combination of factors such as increased adoption of newer generations of mobile broadband technologies (4G/5G), multi-gigabit fiber broadband, bandwidth-intensive applications such as high-speed business Ethernet, cloud connectivity, proliferation of web-enabled internet devices (IoT) and data center inter-connections are resulting in an expansion of the telecom equipment market. With internet becoming more ubiquitous and use of high-bandwidth services such as high-definition video streaming, social networking, online gaming and e-commerce becoming commonplace, there is a dramatic increase in data traffic in telecom networks. As a result, telecom operators are increasing capital investments in mobile infrastructure, optical transmission, broadband access and packet switching networks to ensure that mobile and fixed broadband services are delivered with the requisite quality, reliability and in a cost-effective manner.

The global telecom service provider equipment market can be broadly classified into wireless and wireline segments. The wireless segment predominantly consists of Mobile RAN (Radio Access Network) and Mobile Core products whereas the wireline segment mainly includes Broadband Access, Optical Transmission, Switches and Routers. With our current portfolio of products, we are able to address a significant portion of this market. At a global level, the total addressable market (TAM) for Tejas's wireline products is estimated to grow from US\$33 Billion in 2024 to US\$50 Billion by 2029. Similarly, the global TAM for Tejas's wireless products is

estimated to grow from US\$44 Billion in 2024 to US\$58 Billion by 2029. All of the major geographic markets in the world are significant addressable markets for these product segments.

Our Business

Tejas Networks designs, develops, manufactures and sells high performance carrier-class equipment required for building telecommunication networks. We provide an extensive, end-to-end portfolio of wireline and wireless products that are sold to telecommunications service providers, internet service providers, utility companies, enterprises, defence and government entities to build both fixed and mobile networks. Our end-to-end product portfolio spans across "customer premises" (i.e., networking devices such as fiber modems or switches used at homes, offices or campuses to connect to wide-area networks), "access/edge" (i.e., the outer perimeter of a telecommunications network comprising cell towers, telco offices and edge data centers which connect to end consumers over radio bands, copper or fiber), "metro" (i.e., networks that aggregate and distribute traffic collected from access/edge networks within a large city or region) and "core" (i.e., networks that interconnect metro networks using high bandwidth transmission) networks.

Product Portfolio

Our portfolio of leading-edge telecom products includes 4G/5G mobile base stations, carrier-grade, multi-terabit optical transmission and switching, fiber broadband access, multi-gigabit



Ethernet/IP switches, as well as access and metro routing products.

- Our products are based on global technology standards such as ITU, IEEE, IETF, MEF, 3GPP and are used at different locations in a telecom network including at cell towers, at exchanges, in data centers, utility sites, on customer premises as well as at the point-of-presence (POP) sites of a metro, state-wide or national network.
- The Company's products can address bandwidth requirements starting from a few megabits up to tens of terabits and are used for network applications such as mobile backhaul, broadband access, enterprise services, wholesale bandwidth services, data center interconnectivity, critical infrastructure and network modernization.
- Our products are modular and our programmable software-defined hardware™ architecture employing field-programmable silicon allows us to remotely upgrade our hardware with new capabilities and features as per new customer requirements, standards or technology trends. This enables our customers to adopt a “pay-as-you-grow” approach (i.e., purchase our products/ services incrementally as needed) while adopting new services, and also enables them to extend the life of installed systems through regular feature upgrades without having to invest in new hardware purchases.
- Our software-defined-hardware™ architecture also enables us to deploy the same products in multiple geographies by making country-specific adaptations, thus allowing us to save costs and realize economies of scale.

Our products have been deployed in 75+ countries and we are ranked as a top-10 global supplier of optical aggregation and broadband access equipment.

Competitive Strengths

Since our inception, Tejas has been successfully competing against many of the world's leading telecom equipment vendors from Europe, USA and China as well as local vendors from India. Our customers often cite the competitiveness of our products and our ability to keep them updated for future, our industry knowledge, technology strengths, world-class quality, highly responsive technical and supply chain support and a proven track record, as reasons for preferring us over our competitors both in India and internationally.

The core competitive strengths of our business are summarized below:

Software-Defined Hardware™ Product Architecture:

Our products are characterized by a flexible architecture based around a proprietary software base and a common hardware platform. We have a portfolio of re-usable “building blocks” of hardware as well as software, which enables us to develop cost-effective and highly customizable products and also provides a time-to-market advantage. Our products utilize a programmable software-defined hardware architecture implemented with FPGAs (field programmable gate arrays), network processors, DSPs (digital signal processors) enabling future-proof hardware realizations and a common software code-base that delivers an app-like ease of development and upgrades of new features and technology standards. Further, our advanced software and hardware integration leads to higher performance and lower costs. We are able to help our customers manage costs by enabling them to extend the life of installed systems through regular software upgrades which help them transition across technology changes in their networks, without having to invest in new hardware purchases. Our software-

led product approach also enables us to sell the same product globally by easily making country specific adaptations.

Platform Convergence with Multi-technology Integration:

Our products deliver a greater degree of service flexibility and performance to our customers through cost-effective integration of diverse technologies, access modalities and telecom functions in the same platform. Our leading-edge optical Access/Edge products combine 4G LTE/5G NR mobile RAN, xPON-based fiber-to-the-home (FTTH) broadband, multi-gigabit IP/Ethernet access (GE/10GE/100GE) with terabit-scale backhaul using optical and packet technologies in a compact and energy-efficient shelf ensuring lower total cost of ownership (TCO) for our customers. Similarly, our optical Metro Core/Backbone products converge terabit-scale DWDM transport with multi-terabit OTN switching to help our customers achieve significantly lower cost per bit than our competitors. Moreover, we offer a versatile network management system that delivers substantial savings in operational costs to our customers by unifying service provisioning, monitoring and management across multiple technology layers in the same software.

Next-generation Wireless Products for 4G and 5G:

We have a differentiated portfolio of 4G/5G products for building both mobile and fixed wireless networks. Our company, along with its subsidiary Saankhya Labs, offers a diverse range of high-power 4G and 5G radio units operating in multiple frequency bands, supporting both TDD and FDD multiplexing technologies, while delivering advanced features such as massive MIMO, 5G broadcasting and software-defined radio (SDR) designs. Our novel 4G/5G baseband unit (BBU) platform also integrates optical transport and IP/MPLS routing functions thereby avoiding hardware duplication and simplifying network management. We are currently one of the few telecom equipment companies in the world to offer both 3GPP and O-RAN compliant products for 5G RAN (Radio Access Networks).

Scalable, Low Operating Cost Business Model:

Our business model is based on locating substantially all of our operations in India, except for international sales and support, which results in significantly lower operating expenses as compared to our global competitors. Further, since all our research and development is based in India, we are able to develop state-of-the-art products and are able to generate significantly better returns on our investments, by leveraging the availability of qualified and cost-effective engineering talent in India. We manufacture our products in India through partnerships with multiple, reputed Electronics Manufacturing Services (EMS) companies, enabling us to stay asset-light and cost-efficient in our production while delivering economies of scale to fulfill large production orders. We ensure high customer shipment quality by having an in-house manufacturing facility, that is focused on final integration, testing and quality control of our products, both wireless and wireline. Our turn-key EMS model allows us to adjust our manufacturing capacity to meet changes in customer demand, while optimizing our working capital, since the EMS takes the responsibilities of sourcing and managing long-lead components. For our international sales, in addition to our direct sales force, we leverage our partnerships with local systems integrators as well as other telco OEMs to sell in to their customer base in the global markets. This allows us to keep our sales costs relatively low, while – expanding our reach to customers that may otherwise not be accessible to us.



Market Leadership in India:

Tejas is a leading Company in India's optical networking market. Our products have been deployed by leading telecommunications operators in India, such as Bharti Airtel Limited, Reliance Jio Infocomm Limited, Vodafone-Idea Limited, Tata Communications Limited, Tata Teleservices Limited and Bharat Sanchar Nigam Limited, and others, with whom we have long-standing customer relationships. Further, large public sector utilities such as Power Grid Corporation of India, RailTel Corporation of India, Indian Railways, Indian Oil Corporation, Oil India Limited, Delhi Metro, Gas Authority of India Limited have been our customers for many years. Our products incorporate several key requirements of emerging markets and are hence well suited for Indian market conditions. Our GPON products have also been selected by multiple pan-India and regional broadband operators for their FTTx rollouts. As a domestic company, Tejas is able to build deeper customer relationships through superior local market support and first-hand knowledge of domestic customer needs to build more relevant products.

Technology and Thought Leadership:

Tejas has been actively participating in various technology and industry forums and Tejas management personnel are well respected thought-leaders. Tejas is one of the founding members of India's Telecom Standards Development Organization (TSDSI) that aims at developing and promoting India-specific requirements, standardizing solutions for these requirements and contributing to global standardization activities in the field of telecommunications. Our Chief Technology Officer was the first chairman of TSDSI. Senior members of our technology office are contributing to TSDSI's work related to new optical backhaul and 5G RAN standards. Tejas was the founding member and chair of VoICE (Voice of Indian Communication Technology Enterprises) which was established in 2021 to foster the development of Indian Digital Communications Technology (DCT) ecosystem through consolidated efforts of homegrown enterprises and continues to contribute actively to this association. Tejas is a Governing Council member of TEPC (Telecom Equipment and Services Export Promotion Council) set up by the Government of India to promote exports of telecom equipment and services. We also hold memberships in international standards bodies such as 3GPP, BBF (Broadband Forum), WBBA (World Broadband Association), ORAN Alliance and in domestic industry associations such as CII, FICCI and B6GA.

Innovative Products for Focus Applications:

While our products are based on global telecom standards and can be used widely, our focus has been to build highly differentiated feature sets for certain target applications that have a large market potential. Our unique software-defined hardware architecture gives us a competitive edge to our products and enables us to win against global competitors. Our advanced alien wavelength solution on TJ1600 platform for seamlessly transporting high-capacity 100G/200G/400G+ wavelengths without guard bands, on a third-party 10G DWDM network is field-proven with multiple optical vendors and is gaining strong market traction with Tier-1/ Tier-2 bandwidth service providers in emerging markets. TJ1600S/I is a versatile OTN and packet cross-connect product for backbone networks with a novel disaggregated "pay-as-you-grow" architecture that can realise multi-terabits of packet-optical switching. Across our product portfolio, we have one of the densest realizations of circuit emulation function in the industry today

that allows a service provider to efficiently support legacy TDM services while transitioning to a next-generation packet switched infrastructure. Our mobile backhaul products can transcend multiple technology generations and the same base platform can transition from 2G/3G to 4G/5G through suitable hardware and software upgrades. Unlike competitive offerings in this space, all our products can be managed from a single Network Management System (NMS) that can provide services across multiple technology layers viz., Ethernet, MPLS-TP, IP/MPLS, DWDM, OTN and GPON/XGS-PON.

Proven Quality with Mature Development Processes:

We are TL9000 and ISO9001: 2008 certified for our quality management system. We have established sophisticated design, development and testing infrastructure in-house, which helps us monitor our quality management closely. Our optical networking products have successfully passed all tests and have received approvals from the Telecommunication Engineering Centre of India and have received Technical Specification Evaluation Certificate, signifying that our products meet the specifications set out by PSU customers in India. We have also been approved under various international standards such as MEF CE2.0, CE marking, cTUVus mark, FCC, ICES, Safety standard IEC60950-1 in connection with our products. Our in-house manufacturing facility complies to both ANSI (USA) and IEC (Europe) standards for Electrostatic Discharge (ESD) control. We also comply with European Union directives on electronics waste, Waste of Electrical and Electronics Equipment and Restriction on the use of Hazardous Substances and our Environmental Management System is ISO 14001 certified. We have built a reputation for technologically-advanced, high-quality products that are supported by our reliable customer service. In FY 2022 we also received ISO 27001 certification for our information security management. We have shipped over 900,000 systems since inception and our products have consistently delivered a field uptime exceeding 99.999% since 2008.

Our Strategic Priorities

Our overarching vision is to create a global-scale, top-tier telecom and networking products company from India. The foundation for this vision will be built on three strategic pillars that include R&D and Innovation, Sales and Marketing, and Supply Chain Management.

R&D and Innovation:

The company will continue to invest in R&D to enhance and expand our world-class product portfolio to deliver end-to-end communication networks for both service provider and enterprise applications. Our R&D efforts are geared towards defining and developing a future-ready product portfolio with leading-edge features, in line with market trends and customer requirements. We will continue to hire top-notch R&D talent and teams to expand the breadth and depth of our product and technology offerings that will enable us to address a larger share of the global telecom and networking capex spend. The company will focus on growing its technological competitiveness by expanding its participation in global standards bodies, strengthening its intellectual property base in cutting-edge areas through in-house design innovations and collaborations with leading research institutes and academia. We will maintain requisite R&D facilities and testing infrastructure to optimize commercialization time and to develop competitive products that meet the required technical and regulatory standards.



Sales and Marketing:

As the country's leading R&D-driven domestic telecom equipment vendor, we will target to gain a dominant market share in India to gain economies of scale and play a key role in the national mission to build an "Atmanirbhar" telecom sector. Meanwhile, we will continue to expand our international business by capitalizing on the Tata brand strength, synergies and deep customer relationships with global telcos. We are seeing growing traction for our state-of-the-art optical, broadband and data networking products in the international markets and will continue to focus on growing our business share by increasing our product competitiveness and making appropriate sales investments. The new geo-political developments are also motivating customers to diversify their sourcing to reduce their supply chain risks, and we are well positioned to benefit from this trend.

Supply Chain Management:

The company will leverage Government of India's PLI scheme to build a global-scale supply chain operations with adequate manufacturing capacity to execute large wireline and wireless orders while meeting global industry standards of quality, timeliness and cost-effectiveness. We will enhance our asset-light operational model by diversifying partnerships with leading EMS companies in the country while developing a strong back-end operations for global technical support for pre- and post-sales, from India.

State of the Business

FY24 was a landmark year for Tejas Networks with the company registering the highest-ever annual net revenues in its corporate history of ₹ 2471 crore which was a y-o-y growth of 168%. The company maintained its strong business momentum through significant order wins in the wireline and wireless equipment segments and ended the year with a highest-ever closing order book of ₹ 8,221 crore. The company also delivered solid financial performance in terms of operating margins and profitability.

A Year of Record-breaking Project Wins

1. BSNL's Pan India 4G/5G Network Roll-out

In response to the Government of India's 'Atmanirbhar Bharat' call, Tata Consultancy Services Limited (TCS), Centre for Development of Telematics (C-DOT) and Tejas collaborated to design and develop an indigenous telecom stack. Post a well-structured proof of concept and satisfactory evaluation of the indigenous telecom stack, BSNL awarded the mandate to TCS to supply, install and commission the pan-India 4G/5G mobile network across 100,000 sites.

Tejas is the supplier of 4G/5G baseband and radio units for this network and received its single largest order of ₹ 7,492 crore from TCS. We have shipped equipment for over 10,000 sites by the end of FY24 and are well-poised to complete the project by end of this year.

This project is a landmark development in Tejas' corporate history. This is a one-of-its-kind project in terms of scale, indigenously development technology and execution complexity. Tejas is playing its part in bridging the digital divide and in enabling BSNL to enhance its competitiveness. It is the first wireless project for Tejas and demonstrates our strong product development and execution capabilities. The company is fully dedicated and focused on its successful execution which will also position us strongly for similar opportunities in future across India and the World.

2. **Single Largest Wireline Equipment order of ₹ 696 cr**
Tejas won the single largest wireline equipment order of ₹ 696 crore in our company's history for supplying over 13,000 units of its state-of-the-art TJ1400 access and aggregation routers for BSNL's nationwide IP/MPLS based Access and Aggregation Network (MAAN). The company won this tender while competing with global top tier vendors basis technical and commercial evaluation. The company completed supplies for the MAAN network by the end of FY24.
3. **Transformative Network Deployment in Italy**
Fibreconnect, a wholesale telecom infrastructure developer in Italy, commissioned a country-wide, end-to-end fiber network using our full range of optical networking and broadband access products. Tejas was the sole supplier of optical networking and broadband access products and deployed its full range of products including GPON/XGS-PON, fixed LTE and PTN technologies for Access and Aggregation, multi-terabit OTN/DWDM systems for metro and backbone, and ONTs for business and industrial premises. The entire network is being managed using TejNMS, the company's universal multi-technology network management system.
4. **Partnership with Telecom Egypt**
The company entered into a strategic partnership with Telecom Egypt for the replication of India's BharatNet and NKN (National Knowledge Network) projects in Egypt.

R&D and Manufacturing Highlights

1. Tejas significantly scaled up its R&D and Manufacturing infrastructure and also opened a new R&D facility in Chennai. The company registered a 2.5x growth in R&D strength over the last two years.
2. The company launched and shipped several world-class products in the wireline and wireless segments. These include 4G/5G Multiband Radios, IP/MPLS Access/Aggregation Routers, GPON/XGS-PON Micro-OLTs, Multi-terabit DWDM with 1.2Tbps transmission per wavelength, and SaaS-based Advanced Broadband Manager.
3. Tejas continued to strengthen its IPR repository with 446 patent filings at the end of FY24.
4. Tejas received ₹ 32.66 crore as design-linked PLI incentives for FY23. The company is approved under the design-linked PLI scheme for five years.

Awards and Recognition

1. Tejas received the 2023 Voice and Data Excellence Award in the "Make in India" category for our Carrier Router portfolio
2. Our TJ1600 product selected as the "Best Indian IPR of the Year in Telecom" at the India Mobile Congress (IMC), New Delhi
3. Tejas won the "Leading PON-based Smart City Service" solution award at Network X event in Paris
4. Tejas was honored as the "2023 Public Company of the Year" by Light Reading, USA at their annual Leading Lights Awards
5. Tejas was voted as the "Most Outstanding Company in India" in the Technology Hardware & Equipment sector at the 2023 Asiamoney Outstanding Companies Poll (Singapore)
6. Tejas was conferred DataQuest India's "Pathbreaker of the Year" Award in 2023
7. Tejas was recognized as a representative vendor in 2023/2024 Gartner® market reports on Optical Transport Networks and O-RAN/vRAN/RIC.



II. Results of our operations

Our statement of function wise profits and losses is as below:

in ₹ crore except for share data

Particulars	Standalone				Consolidated			
	2024	%	2023	%	2024	%	2023	%
Revenue from operations (A)	2,370.46	100.0	871.05	100.0	2,470.92	100.0	921.54	100.0
Cost of materials consumed	1,584.76	66.9	559.31	64.2	1,589.28	64.3	561.10	60.9
Manufacturing Expenses	76.59	3.2	27.42	3.1	86.61	3.5	30.83	3.3
Service Expenses	66.66	2.8	54.60	6.3	92.33	3.7	87.93	9.5
Total Cost of Goods Sold (B)	1,728.01	72.9	641.33	73.6	1,768.22	71.6	679.86	73.8
Gross Profit (C) = (A) – (B)	642.45	27.1	229.72	26.4	702.70	28.4	241.68	26.2
Operating Expenses:								
Research & Development (Gross)	387.02	16.3	237.90	27.3	403.42	16.3	258.97	28.1
Less: R&D Capitalized	(263.96)	(11.1)	(159.39)	(18.3)	(273.11)	(11.1)	(176.56)	(19.2)
Research & Development (Net)	123.06	5.2	78.51	9.0	130.31	5.3	82.41	8.9
Selling, Distribution & Marketing	147.84	6.2	94.90	10.9	156.79	6.3	101.00	11.0
Allowance for expected credit loss	17.76	0.7	(33.32)	(3.8)	15.21	0.6	(32.97)	(3.6)
General & Administrative	88.49	3.7	42.34	4.9	124.96	5.1	72.34	7.8
Operating Expenses (Net) (D)	377.15	15.9	182.43	20.9	427.27	17.3	222.78	24.2
Profit from operations (EBITDA) (E) = (C) - (D)	265.30	11.2	47.29	5.4	275.43	11.1	18.90	2.1
Depreciation and amortization (F)	161.23	6.8	105.13	12.1	182.45	7.4	122.50	13.3
Profit/(loss) before interest and tax (EBIT) (G) = (E) - (F)	104.07	4.4	(57.84)	(6.6)	92.98	3.8	(103.60)	(11.2)
Other Income	64.08	2.7	77.18	8.9	64.66	2.6	78.56	8.5
Foreign exchange loss	9.32	0.4	2.85	0.3	9.50	0.4	2.41	0.3
Finance costs	35.08	1.5	5.20	0.6	47.92	1.9	15.20	1.6
Profit/ (Loss) before tax	123.75	5.2	11.29	1.3	100.22	4.1	(42.65)	(4.6)
Tax expense:								
Current tax expense/(benefit)	21.66	0.9	-	-	21.79	0.9	(0.32)	(0.0)
Deferred tax expense/(benefit)	20.11	0.8	8.25	0.9	15.45	0.6	(5.92)	(0.6)
Profit/(Loss) after tax	81.98	3.5	3.04	0.3	62.98	2.5	(36.41)	(4.0)
Earnings/ (Loss) per share (Par Value ₹10 each)								
(a) Basic	4.83		0.20		3.71		(2.46)	
(b) Diluted	4.75		0.19		3.65		(2.46)	

Revenue from operations

in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Product revenue	2,138.10	805.46	2,148.77	806.56
Service revenue				
Installation and commissioning revenue	13.01	8.41	13.44	8.42
Annual maintenance revenue	54.95	52.31	55.17	52.77
Other service revenue	7.80	2.90	96.94	51.82
Total services revenue	75.76	63.62	165.55	113.01
Other operating revenue	156.60	1.97	156.60	1.97
Revenue from operations	2,370.46	871.05	2,470.92	921.54

All the below discussions are based on consolidated financials

Revenue from operations (Net revenues)

Our revenue from operations increased by 168.1% from ₹ 921.54 crore for FY 2023 to ₹ 2,470.92 crore for FY 2024.

In FY 2024, our India business grew by 197% YoY overall. Within

that, we saw growth in the India-Government segment (247% YoY growth), led by business from BSNL. The India-private segment grew 172% YoY, led by business from TCS and we also secured new application wins in major telecom operators. India-private business contributed to 54% of the total revenues on a larger revenue base compared to 50% in the previous year.

During the year, total international revenue share was 10% as against 24% during the previous year. On an absolute basis, international revenue increased 3% YoY.

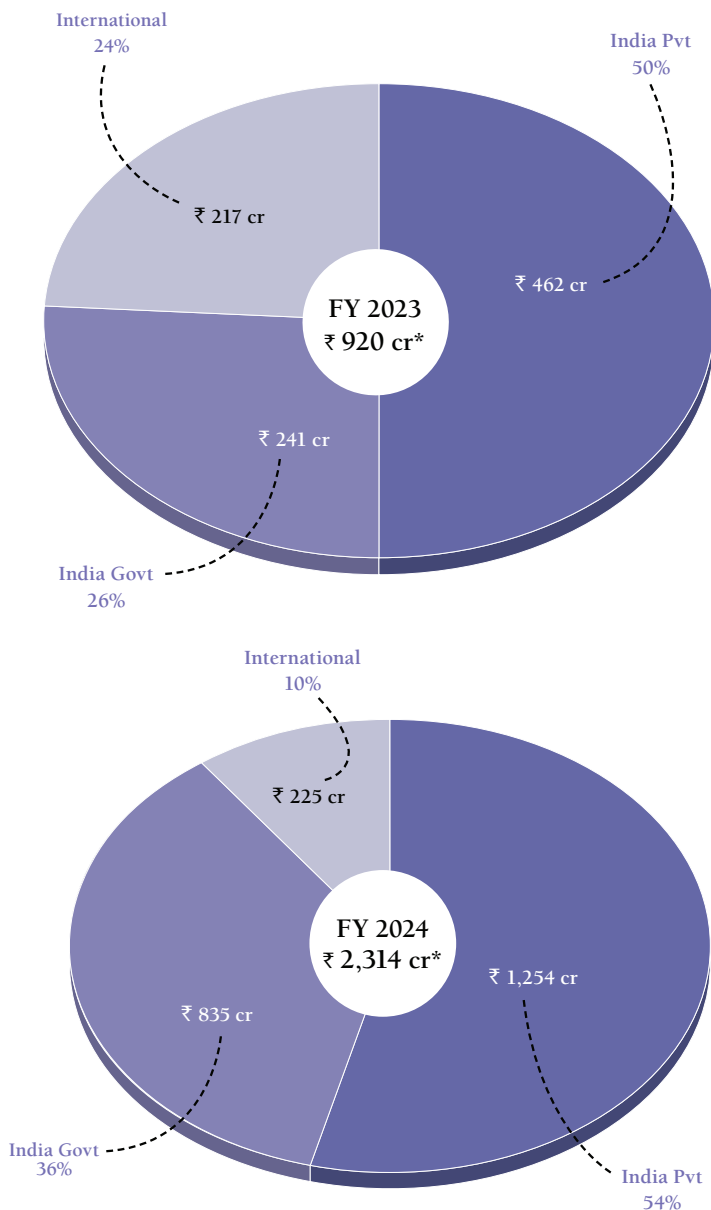
Sale of products

Our revenue from the sale of products grew by 166.4% from ₹ 806.56 crore for FY 2023 to ₹ 2,148.77 crore for FY 2024. The revenue increase was primarily due to increase in our India-private revenue. Product revenues were 93% of net revenues (excluding other operating revenue) for FY 2024 (previous year 88%).

Sale of services

Our revenue from the sale of services grew by 46.5% from ₹ 113.01 crore for FY 2023 to ₹ 165.55 crore for FY 2024. AMC revenues contributed to 33% of the total service revenues. Service revenues were 7% of net revenues (excluding other operating revenue) for FY 2024 (previous year 12%).





*excludes other operating revenue

Other operating revenue

Other operating revenue majorly consist of PLI income. Based on an application made by the Company during the year for the PLI for the financial year ended March 31, 2023, the Company has received ₹ 32.66 crore by March 31, 2024 which has been recognized as income during the year. Further, the Company is eligible for the PLI for the year ended March 31, 2024, for which there is reasonable assurance that the company will comply with the conditions attached to the PLI scheme and that the grant will be received and thus has recognized an income of ₹ 123.70 crore towards such PLI. Hence the total PLI accounted is ₹ 156.36 crore.

Customer concentration

We are in a B2B business and significant portion of our revenues are derived from small number of customers, which is inherent nature of our industry. This may lead to quarterly fluctuation and seasonality in our revenues.

We saw strong order inflows during the year and our backlog increased to ₹ 8,221 crore as of March 31, 2024 (₹ 1,934 crore as

of March 31, 2023). This increase was significantly led by TCS (BSNL 4G/5G project). Our backlog represents the PO's received from the customers which remain unexecuted as of March 31, 2024 and consists of product as well as service orders. Out of this, the Company expects to recognize revenue of around 93% within the next one year and the remaining thereafter.

Cost of materials consumed

Our cost of materials consumed increased by 183.2% from ₹ 561.10 crore for FY 2023 to ₹ 1,589.28 crore for FY 2024. The increase is pre-dominantly on account of increased revenue.

Function wise expenses

- Our manufacturing expenses increased by 180.9% from ₹ 30.83 crore for FY 2023 to ₹ 86.61 crore for FY 2024 primarily due to increase of production capacity and warehouse and also increase in employee benefit expenses and subcontractor charges. The increase was broadly in line with the increase in scale of operations. As a percentage of our net revenues, the manufacturing expenses in FY 2024 increased to 3.5% from 3.3% in FY 2023.
- Our service expenses increased by 5% from ₹ 87.93 crore for FY 2023 to ₹ 92.33 crore for FY 2024 primarily due to increase in employee benefit expenses and warranty expenses. As a percentage of our net revenues the services expenses in FY 2024 decreased to 3.7% as compared to 9.5% in FY 2023.
- As a result, our gross profit in absolute terms increased by 190.8% from ₹ 241.68 crore for FY 2023 to ₹ 702.70 crore for FY 2024. During the year the gross margin increased to 28.4% of net revenues.
- Our research and development expenses on a gross basis increased by 55.8% from ₹ 258.97 crore (28.1% of net revenues) for FY 2023 to ₹ 403.42 crore (16.3% of net revenues) for FY 2024 primarily attributable to increased employee benefit expenses and technical consultancy charges. Our research and development expenses, net of capitalisation grew by 58.1% from ₹ 82.41 crore for FY 2023 to ₹ 130.31 crore for FY 2024. As of March 31, 2024 we have filed for 446 patents of which 335 have been granted.
- Our selling, distribution and marketing expenses grew by 55.2% to ₹ 156.79 crore (6.3% of net revenues) during FY 2024 from ₹ 101 crore (11.0% of net revenues) during FY 2023. This is primarily on account of the increase in employee benefit expenses, travel expenses and freight cost.
- Allowance for expected credit loss (ECL) has increased from ₹ (32.97) crore in FY 2023 to ₹ 15.21 crore in FY 2024. The company has provided for the Allowance for ECL as per the policy in the current year. The current year provision for ECL is a result of increase in debtors balance. We continue to focus on collecting the overdue amount receivable from customers.
- Our general and administrative expenses grew by 72.7% to ₹ 124.96 crore (5.1% of net revenues) during FY 2024 from ₹ 72.34 crore (7.8% of net revenues) during FY 2023 primarily on account of increased employee benefit expenses and professional charges.

Employee benefits expense

Our gross employee benefits expenses grew by 52.3% from ₹ 394.46 crore for FY 2023 to ₹ 600.93 crore for FY 2024. This was primarily due to increase in head count and also on account of increase in annual compensation required to retain talent. The head count has



increased from 1,417 as on March 31, 2023 to 1,980 as on March 31, 2024 of which 1,272 are from the R&D function. In addition to R&D, we continue to focus on recruiting talented workforce across all functions, in line with our expected growth plans.

The employee benefit expense includes share based compensation expense (for ESOP/RSU granted), recognised in accordance with Ind AS 102 of ₹ 107.30 crore for FY 2024 compared to ₹ 59.92 crore for FY 2023.

Other Expenses

Our other expenses increased by 73.6% to ₹ 253.19 crore for FY 2024 from ₹ 145.85 crore for FY 2023. The increase in other expenses was primarily on account of increase in subcontractor charges by ₹ 21.93 crore (on account of increase in head count), increased travel expenses by ₹ 9.83 crore and increased professional charges by ₹ 9.36 crore.

EBITDA

Our EBITDA as a % of net revenues increased during the year to 11.1% compared to 2.1% in the previous year. The EBITDA % increase was primarily on account of increase in revenue and the impact of operating leverage as significant portion of the costs are fixed in nature.

Finance Costs

Our finance costs increased by 215.3% from ₹ 15.20 crore for FY 2023 to ₹ 47.92 crore for FY 2024. The increase was mainly on account of interest expense on borrowings of ₹ 21.91 crore incurred during the current year on account of borrowings for working capital purposes and ₹ 12.31 crore towards recording of non-controlling interest cost of Saankhya Labs Private Limited as financial liability.

Depreciation and amortization

Our depreciation and amortization costs increased by 48.9%, from ₹ 122.50 crore for FY 2023 to ₹ 182.45 crore for FY 2024. This was attributable to increase in amortisation of intangible assets by an amount of ₹ 31.29 crore (mainly due to higher capitalization of product development expenses) increase in depreciation on property, plant and equipment amount by ₹ 23.09 crore and increase in depreciation of right-to-use assets by ₹ 5.57 crore. As a % of net revenue, depreciation and amortization costs reduced from 13.3% in FY 2023 to 7.4% in FY 2024.

Other income

Other income decreased from ₹ 78.56 crore for FY 2023 to ₹ 64.66 crore for FY 2024. This was primarily on account of decrease in treasury income on deposits kept with banks and financial institutions.

Profit before tax

As a result of the foregoing, our profit before tax increased from a loss before tax of ₹ 42.65 crore for FY 2023 to a profit before tax of ₹ 100.22 crore for FY 2024. As a % of net revenues, our profit before tax for FY 2024 was 4.1% compared to (4.6)% for FY 2023. The primary reason for the profit is strong revenue growth and the impact of operating leverage as significant portion of the costs are fixed in nature.

Tax expense

On Standalone basis the Company continues to pay the income tax on MAT basis. During the current year, company had accrued current tax expense of ₹ 21.79 crore. The company had a deferred tax charge of ₹ 15.45 crore mainly due to increase in timing differences which was offset by increase in MAT credit and losses.

Profit after tax

As a result of the foregoing, our profit increased from a loss of ₹ 36.41 crore for FY 2023 to profit of ₹ 62.98 crore for FY 2024. As a % of net revenues, our profit after tax for FY 2024 was 2.5% compared to loss after tax of 4.0% for FY 2023.

Earnings per share (EPS)

The details of EPS on standalone and consolidated basis are as follows:

Particulars	Standalone			Consolidated		
	2024 (₹)	2023 (₹)	% Increase	2024 (₹)	2023 (₹)	% Increase
Basic	4.83	0.20	2,315.0%	3.71	(2.46)	250.8%
Diluted	4.75	0.19	2,400.0%	3.65	(2.46)	248.4%

Weighted average equity shares used in computing earnings per equity share as follows:

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Basic	169,704,867	153,677,077	169,704,867	153,677,077
Diluted	172,495,689	157,058,060	172,495,689	153,677,077

On a consolidated basis, our basic and diluted EPS increased by 250.8% and 248.4% respectively on a YoY basis. The increase in weighted average basic share numbers for the year ended March 31, 2024 was on account of exercise of employee stock options and restricted stock units by the eligible employees.

III. Financial condition

A. Sources of Funds

1. Equity share capital

We only have one class of shares, equity shares of par value of ₹ 10 each. Our authorised share capital is ₹ 260 crore divided into 26,00,00,000 shares of ₹ 10 each.

During the year ended March 31, 2024 the Company has issued 23,37,207 equity shares consequent to the exercise of the employee stock options and restricted stock units by the eligible employees of the Company. The outstanding paid-up equity share capital stands at ₹ 170.71 crore comprising of 17,07,08,060 equity shares of ₹ 10/- each fully paid up as on March 31, 2024. On July 25, 2016, 3,27,27,930 partly paid equity shares issued by the Company to the Tejas Employees Welfare Trust (TEWT) on July 11, 2010, were forfeited. The outstanding paid-up equity share capital including forfeited shares stands at ₹ 173.98 crore as on March 31, 2024.

Employee Stock Option Plans (ESOPs) and Restricted Stock Units (RSUs):

The total option pool authorised for grant across three ESOP schemes (ESOP 2014, 2014-A and 2016) is 1,41,01,767. Of these, 7,59,904 are outstanding as on March 31, 2024.



Pursuant to Members resolution, the RSU 2017 plan was approved during FY 2018. The aggregate number of Equity Shares, which may be issued under RSU Plan - 2017, shall not exceed 30,00,000. During the year 25,400 RSUs were granted and an aggregate of 8,60,399 RSUs are outstanding as on March 31, 2024.

Further, Pursuant to Members resolution, the RSU 2022 plan was approved during FY 2023. The aggregate number of Equity Shares, which may be issued under RSU Plan - 2022, shall not exceed 50,00,000. During the year 11,05,692 RSUs were granted and an aggregate of 28,34,221 RSUs are outstanding as on March 31, 2024.

2. Other equity

Securities premium reserve

On standalone and consolidated basis, the securities premium reserve increased from ₹ 2,773.34 crore as at March 31, 2023 to ₹ 2,830.53 crore as at March 31, 2024. The increase was on account of ₹ 8.09 crore for exercise of employee stock options and transfer of a sum of ₹ 49.10 crore from employee stock compensation reserve to securities premium reserve upon exercising of ESOP/RSU in accordance with Ind AS 102.

Employee stock compensation reserve

On standalone basis, the balance as at March 31, 2023 and March 31, 2024 amounted to ₹ 75.92 crore and ₹ 133.43 crore respectively. On consolidated basis, the balance as at March 31, 2023 and March 31, 2024 amounted to ₹ 77.12 crore and ₹ 135.32 crore respectively. The increase is on account of ESOP as well as RSU grants resulting in employee share based payment expenses of ₹ 106.61 crore (includes ₹ 31.95 crore cross charged to Saankhya Labs Private Limited) (previous year ₹ 58.72 crore) on standalone basis and ₹ 107.30 crore (previous year ₹ 59.92 crore) on consolidated basis as per Ind AS 102 and transfer of ₹ 49.10 crore (previous year ₹ 12.09 crore) to securities premium reserve upon exercising of ESOP/RSU both on a standalone and consolidated basis.

Retained earnings

On a standalone basis, the balance in retained earnings as at March 31, 2024 and March 31, 2023 was ₹ 64.28 crore and ₹ (13.63) crore respectively. On a consolidated basis, balance in retained earnings as at March 31, 2024 and March 31, 2023 was ₹ 6.58 crore and ₹ (52.07) crore respectively. Standalone retained earning includes profit ₹ 81.98 crore for the current year and consolidated retained earnings include profit of ₹ 62.98 crore for the current year. As per the Company's dividend policy, the Board may recommend to distribute dividend upto 25% of the free cash flow of the corresponding Financial Year, out of retained earnings, after taking into account the relevant provisions of the Companies Act. For the year ended March 31 2024, the Board has reviewed and decided not to recommend any dividend.

Networth

On a consolidated basis our networth has increased to ₹ 3,149.49 crore as at March 31, 2024 compared to ₹ 2,972.96 crore as at March 31, 2023 on account of profits during the year. Our book value per share increased to ₹ 184.50 as of March 31, 2024 from ₹ 176.57 as of March 31, 2023.

B. Application of funds

1. Property, plant and equipment

Additions to gross block

On a consolidated basis, during the year, we incurred expenditure on property, plant and equipment of ₹ 173.70 crore (previous year ₹ 64.35 crore), comprising ₹ 96.18 crore (previous year ₹ 29.45 crore) in Laboratory equipment, ₹ 51.27 crore (previous year ₹ 15.54 crore) in Plant & Machinery- Cards/Prototypes and Others, ₹ 9.92 crore (previous year ₹ 6.03 crore) in Computing Equipment, ₹ 6.42 crore (previous year ₹ 2.14 crore) in Electrical Installation, ₹ 4.66 crore (previous year ₹ 5.69 crore) in Servers, ₹ 2.08 crore (previous year ₹ 1.85 crore) in Furniture and Fixtures, ₹ 1.95 crore (previous year ₹ 2.50 crore) in Networking equipment, and ₹ 1.22 crore (previous year ₹ 1.15 crore) in Office Equipment.

Deductions to gross block

During the year, we deducted from the gross block ₹ 0.35 crore on Computing Equipment (₹ 0.06 crore in the previous year) on a consolidated basis due to disposal of assets.

Capital expenditure commitments

The estimated capital expenditure commitments (net of advances and deposits) of ₹ 79.20 crore as at March 31, 2024 as compared to ₹ 39.21 crore as at March 31, 2023.

2. Intangible assets and Intangible under development

Intangible assets comprise of computer software as well as product development expenditure.

Additions of ₹ 10.42 crore was made in computer software, as against ₹ 11.81 crore in the previous year. During the year, ₹ 213.24 crore (previous year ₹ 76.59 crore) was capitalised from intangible assets under development to product development. As per accounting policy, the capitalised product development gets amortised over a period of 24 months.

Additions to intangible under development for the year amounted to ₹ 282.38 crore (previous year ₹ 190.56 crore) which includes capitalisation of employee benefit expense and consultant costs, incurred towards development of the products, of ₹ 273.11 crore (refer note 23 and note 25 of consolidated financials) and ₹ 9.27 crore towards software.

3. Inventories

During the year ended March 31, 2024 inventory increased by ₹ 3,090.88 crore and the inventory balance was ₹ 3,737.74 crore as at March 31, 2024, compared to ₹ 646.86 crore as at March 31, 2023. Average inventory days outstanding increased to 505 days as at March 31, 2024 as against 301 days as at March 31, 2023.

The increase in inventory is on account of securing some long lead components for expediting delivery of several orders - primarily BSNL 4G RAN. The same will be converted to finished goods and shipped in upcoming months.

4. Financial assets

a) Investments

Investment in subsidiaries is carried at cost as per Ind AS 27, Separate Financial Statements. Investment includes ₹ 294.81 crore (previous year ₹ 294.81 crore) out of which ₹ 10.87 crore is towards investment in the 100% subsidiary company Tejas Communications Pte Ltd and ₹ 283.94 crore investment in majority owned subsidiary Saankhya Labs Private Limited.



Pursuant to a definitive agreement entered into by the Company with Saankhya Labs Private Limited (Saankhya Labs) and its shareholders on March 30, 2022, the Company acquired majority stake in Saankhya Labs Private Limited on July 1, 2022. The Company during the quarter ended September 30, 2022, acquired 64.40% of equity shares in Saankhya Labs Private Limited (Saankhya Labs) through secondary purchase at a price of ₹ 454.19 per equity share amounting to ₹ 283.94 crore (refer note 40 of standalone financials).

Other investment comprises of investment in mutual funds amounting to ₹ 333.71 crore as at March 31, 2024 (previous year ₹ 262.24 crore), and investment in ELCIA ESDM cluster of ₹ 11,000/- as at March 31, 2024 (previous year ₹ 11,000/-).

b) Trade receivables

We manage credit risk by regularly monitoring individual customer payment capability, their creditworthiness, their past payment performances, and through routine communication with those customers and the concerned parties.

On a consolidated basis, trade receivables amounted to ₹ 1,457.90 crore and ₹ 518.03 crore as of March 31, 2024 and March 31, 2023, respectively. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. On a consolidated basis, Average days sales outstanding (DSO) was at 132 days as at March 31, 2024, compared to 140 days as at March 31, 2023.

As per Ind AS 109, we are required to apply Expected Credit Loss (ECL) model for recognising the allowance for doubtful debts.

We use a simplified approach to compute the ECL allowance for trade receivables and contract assets. The movement in ECL during FY 2024 is as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Loss allowance as on April 01, 2023	94.06		105.26	
Forex movement	-		(0.28)	
Changes in loss allowance	25.53		26.44	
Receivables Written Off	(7.77)		(11.23)	
Loss allowance as on March 31, 2024	111.82		120.19	

c) Cash and Cash Equivalents

in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Bank balances and deposits with original maturity up to three months	156.62	78.98	192.55	85.39
Bank balances other than above				
Current ⁽¹⁾	92.11	652.06	109.35	656.42
Deposits with remaining maturity of more than twelve months	-	-	4.91	-
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	-	-	-	2.31

Investment in mutual funds	333.71	262.24	333.71	262.24
Deposits with financial institutions disclosed under other current financial assets	-	300.00	-	300.00
Cash and cash equivalents including margin money	582.44	1,293.28	640.52	1,306.36

⁽¹⁾ Deposits with original maturity of more than three months but less than twelve months, balances with banks in unpaid dividend account & balances held as margin money or security against fund and non-fund based banking arrangements.

On a consolidated basis, during the year our total cash and cash equivalents (including investment in liquid mutual funds and deposits with financial institutions) reduced by ₹ 665.84 crore and stood at ₹ 640.52 crore as at March 31, 2024, as compared to ₹ 1,306.36 crore as at March 31, 2023. During the year, the decrease in the cash and cash equivalents was primarily due to higher working capital requirements.

d) Other Financial Assets

The details of other financial assets are as follows: in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Non-current				
Security deposits	9.90	5.44	10.27	7.04
Current				
Security deposits	1.30	0.67	2.85	0.67
Interest accrued but not due	0.42	3.98	0.64	4.12
Foreign exchange forward contracts	2.57	0.02	2.57	0.02
Government grant (Production & design linked incentive) receivable	123.70	-	123.70	-
Other Receivables*	143.34	60.36	80.71	30.02
Total	281.23	70.47	220.74	41.87

The Company is eligible for the PLI for the year ended March 31, 2024, for which there is reasonable assurance that the company will comply with the conditions attached to the PLI scheme and the grant will be received and thus ₹ 123.70 crore has been accrued towards such PLI.

Other receivables majorly comprises of outstanding balances from contract manufacturers of ₹ 75.04 crore as on March 31, 2024 (previous year ₹ 30.02 crore).

*On a standalone basis, other receivables, comprises primarily of outstanding balances from contract manufacturers amounting to ₹ 75.04 crore and ₹ 62.53 crore of receivable from Saankhya Labs Private Limited.

5. Other assets

The details of other assets are as follows: in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Non-current				
Pre-paid gratuity contributions (asset)	0.14	0.30	0.14	0.30
Prepaid expenses	0.69	0.27	0.69	0.27
Contract assets	94.61	-	94.61	-



Capital Advances	3.20	8.54	3.20	8.54
Balances with government authorities	3.48	15.52	15.25	25.26
Current				
Advances to suppliers	88.82	59.69	90.56	59.88
Capital Advances	-	-	0.04	0.17
Balances with government authorities	638.58	113.06	638.58	113.06
Prepaid expenses	8.69	4.58	10.80	5.80
Contract assets	32.21	-	32.21	-
Advances to employees	1.61	1.26	2.09	1.41
Others	0.08	0.02	0.21	0.02
Total	872.11	203.24	888.38	214.71

During the year, on a consolidated basis advances to suppliers stood at ₹ 90.56 crore as at March 31, 2024 as compared to ₹ 59.88 crore as at March 31, 2023 primarily due to advance payment to few vendors to secure the inventory on time.

Balance with Government Authorities primarily consists of ₹ 650.55 crore (Previous year: ₹ 122.42 crore) towards GST Receivable which can be utilised in the subsequent years.

During the year, the Company has supplied goods to certain customers wherein the right to collection is after completion of future other contractual obligation. The Company expects these contract assets to be reclassified to Trade Receivables on completing other contractual obligations.

6. Tax

in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Advance Income Tax (net)	28.26	25.82	34.66	31.71
Deferred Tax Assets (net)	82.98	103.09	26.64	42.09
Total	111.24	128.91	61.30	73.80

in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
The balance in Deferred Tax Assets comprises temporary differences attributable to:				
Difference between tax base and carrying amounts of assets and liabilities (including expenses deductible upon payment)	(121.16)	(52.69)	(185.41)	(123.56)
Lease Liabilities	48.98	16.85	49.00	17.32
Unabsorbed depreciation and allowances under section 35	127.89	109.78	135.79	119.59
MAT credit	71.91	44.14	71.91	44.14
Total deferred tax assets	127.62	118.08	71.29	57.49
Right of use assets	(44.64)	(14.99)	(44.65)	(15.40)
Net deferred tax assets	82.98	103.09	26.64	42.09

Effective the Ind AS transition date, the Company has recognised deferred tax assets on losses comprising unabsorbed depreciation and unutilised expenditure on scientific research carried forward from previous years. The Company has estimated that the deferred tax assets will be recoverable using the estimated future taxable

income. Deferred tax assets primarily comprise of deferred taxes on property, plant and equipment, tax losses, tax credits and unabsorbed depreciation of previous years.

During the year, the Company has accrued ₹ 0.68 crore of interest recognized on the income tax refund on account of the receipt of the order giving effect for few assessment years.

During the year, the Company has received refund from Income Tax Department amounting to ₹ 0.73 crore for one Assessment Year.

On Standalone basis the Company continues to pay the income tax on MAT basis and recognized a charge of ₹ 21.66 crore during the year. The company also recognized deferred tax charge amounting to ₹ 20.11 crore on account of timing differences and creation of asset based on carry forward of losses. On a consolidated basis we have accrued a deferred tax charge of ₹ 15.45 crore mainly due to decrease of deferred tax liability on intangible assets accounted as part of Purchase Price Allocation (PPA).

7. Financial liabilities

The details of trade payables and other financial liabilities are as follows:

in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Borrowings	1,744.09	-	1,744.09	-
Merger Liability	-	-	168.99	156.68
Trade payables for goods & services	1,844.82	307.28	1,839.32	301.02
Lease Liabilities	140.19	48.23	140.23	49.82
Due to employees	60.46	43.67	69.80	50.02
Capital Creditors	49.80	17.57	49.80	17.57
Unpaid dividend	0.03	0.03	0.03	0.03
Other payables	0.15	0.15	0.15	0.15
Total	3,839.54	416.93	4,012.41	575.29

On a consolidated basis, trade payables for goods & services stood at ₹ 1,839.32 crore as at March 31, 2024 as compared to ₹ 301.02 crore as at March 31, 2023. The increase in payable was on account of increased procurement of inventory. On a consolidated basis, our average days payable outstanding (DPO) increased by 3 days from 81 days as at March 31, 2023 to 84 days as at March 31, 2024. Amount due to employees increased from ₹ 50.02 crore as at March 31, 2023 to ₹ 69.80 crore as at March 31 2024, comprising of the employee compensation benefits (including year end performance linked variable pay) payable as of the respective year end.

During the year, the Company had borrowings for working capital purposes amounting to ₹ 1,744.09 crore.

As per the Shareholders agreement between the company and the shareholders of Saankhya Labs Private Limited ("SHA"), in the event the merger is not completed within the "Merger Long Stop Date", the Company shall purchase and the remaining shareholders of Saankhya Labs Private Limited shall sell the balance equity shares to the Company, as per the agreed price provided for in SHA. As the contract contains an obligation for the entity to deliver cash in exchange for its own equity shares (Non-Controlling interest), such an obligation is in the nature of financial liability under the provisions of Ind AS 32 "Financial instruments-Presentation". Hence, a financial liability has been recognized amounting to ₹ 168.99 crore (includes an amount of ₹ 12.31 crore pertaining to interest cost recognized) as at March 31, 2024.



8. Other Liabilities

The details of other liabilities are as follows: in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Advances received from customers	968.41	4.11	974.00	14.71
Deferred revenue	4.05	4.80	14.58	13.07
Liabilities on Corporate Social Responsibility	-	-	-	0.30
Statutory dues	15.36	10.24	16.95	11.47
Total	987.82	19.15	1,005.53	39.55

Deferred revenue represents the billings towards Annual maintenance contract (AMC) in excess of earnings. Revenue from AMC is recognized on accrual basis pro-rated over the period of the contract. Statutory dues comprise of the withholding and other local taxes payable as on the date of the Balance sheet for the respective year end.

9. Provisions

The details of provisions are as follows: in ₹ crore

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Non-current provisions				
Gratuity	-	-	0.90	0.09
Warranty	13.13	2.03	13.13	2.03
Current provisions				
Compensated Absences	12.25	7.77	14.00	9.57
Gratuity	-	-	-	0.20
Warranty	4.13	2.34	4.79	2.34
Others	2.28	-	2.28	-
Total	31.79	12.14	35.10	14.23

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled over a period of 3 years. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

IV. Liquidity

Our principal sources of liquidity are cash and cash equivalents (including the investments in liquid mutual funds and deposits with financial institutions) and also we borrowed working Capital loans to meet our short term working capital requirements this year.

Particulars	Standalone		Consolidated	
	2024	2023	2024	2023
Cash flow from operating activities				
Cash generated from operating activities	334.53	39.51	375.73	43.11

Movement in working capital	(2400.03)	(421.53)	(2,389.12)	(434.54)
Tax refund/(paid)	(22.56)	12.71	(23.09)	11.29
Net cash used in operating activities (A)	(2,088.06)	(369.31)	(2,036.48)	(380.14)
Cash flows from investing activities				
Capital expenditure (B)	(403.18)	(235.79)	(408.44)	(249.12)
Other investing activities	853.68	(372.78)	838.98	(332.32)
Net cash generated from/(used in) investing activities	450.50	(608.57)	430.54	(581.44)
Cash flows from financing activities				
Proceeds from ESOP/RSU	10.43	8.83	10.43	8.83
Proceeds from issue of equity shares through private placement	-	1,012.50	-	1,012.50
Proceeds from short-term borrowings (Net)	1,726.89	-	1,726.89	-
Others	(21.81)	(10.53)	(23.91)	(22.48)
Net cash generated from financing activities	1,715.51	1,010.80	1,713.41	998.85
Closing cash and cash equivalents	582.44	1,293.28	640.52	1,306.36
Free Cash Outflow (A+B)	(2,491.24)	(605.10)	(2,444.92)	(629.26)

On a consolidated basis, the net cash outflow from operations for FY 2024 was ₹ 2,036.48 crore, as compared to ₹ 380.14 crore for FY 2023. The increase in operating cash outflow is primarily due to increase of inventories by ₹ 3,090.88 crore as compared to the previous year. The capital expenditure comprises of expenditure on property, plant and equipment of ₹ 151.01 crore and payment for intangible assets (including Product under development) of ₹ 257.43 crore. Other investing activity comprises of the investment in Mutual fund and the deposit kept with the banks and financial institutions.

Net cash generated from financing activities was ₹ 1,713.41 crore for FY 2024, as compared to ₹ 998.85 crore for FY 2023. During FY 2024, the Company received ₹ 10.43 crore towards exercise of ESOP and RSUs by employees (Previous year ₹ 8.83 crore). The Company has proceeds from borrowings of ₹ 1,726.89 during the current year (previous year ₹ Nil). The free cash outflow for FY 2024 was ₹ 2,444.92 crore as compared to ₹ 629.26 crore for FY 2023.

The closing cash and cash equivalents including the investment in liquid mutual funds and deposits with financial institutions stood at ₹ 640.52 crore as at March 31, 2024, as compared to ₹ 1,306.36 crore as at March 31, 2023.



Key Financial Ratios

Sl. No.	Particulars	Consolidated			Reasons for variance in excess of 25%
		2024	2023	Variance	
1	Current Ratio (times)	1.43	6.26	-77%	Current assets increased by 1.54 times, Trade Payables & others increased by 6.02 times and working capital borrowings by ₹ 1,744.09 crore on account of increased operations resulted in reduced ratio.
2	Debt-equity ratio (times)	0.60	0.02	2,900%	Nil borrowings in FY 2022-23 vs working capital borrowings of ₹ 1,744.09 crore in FY 2023-24 increased the debt equity ratio.
3	Debt service coverage ratio (times)	9.19	10.42	-12%	Not Applicable
4	Return on Equity Ratio (%)	0.02	(0.01)	300%	Increased due to higher profits.
5	Inventory turnover ratio(times)	0.72	1.21	-40%	Decreased due to higher levels of inventory holding as at March 31, 2024 for project executions in FY 2025.
6	Trade Receivables turnover ratio (times)	2.76	2.60	6%	Not Applicable
7	Trade payables turnover ratio (times)	4.37	4.49	-3%	Not Applicable
8	Net capital turnover ratio (times)	1.22	0.41	198%	Increased due to higher revenue from operations.
9	Net (loss)/profit ratio (%)	0.03	(0.04)	175%	Positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.
10	Return on Capital employed (%)	0.03	(0.01)	400%	Positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.
11	Return on Investment (%)	0.03	(0.01)	400%	Increased due to EBIT 6.40 times higher as compared to previous year as against increase in average total assets by 1.07 times and positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.

Detailed Explanation of Ratios

- i. **Current Ratio:** The Current Ratio indicates a Company's overall liquidity position. It measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.
- ii. **Debt Equity Ratio:** Debt Equity ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing total debt (borrowings plus lease liabilities) by shareholder's equity.
- iii. **Debt Service Coverage Ratio:** Debt Service coverage ratio is used to analyse the firm's ability to pay-off current interest and instalments. It is calculated by dividing earnings available for debt service (PAT + Depreciation + Allowance for expected credit loss + Finance Cost + Other non-cash items) by debt service [interest and lease payments for the current year (excludes short term working capital borrowing repayments)].
- iv. **Return on Equity (ROE):** It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders. It is calculated by dividing PAT by average equity.
- v. **Inventory Turnover ratio:** Inventory Turnover ratio measures the efficiency with which a Company utilises or manages its inventory. It establishes the relationship between sales and average inventory held during the period. It is calculated by dividing cost of materials consumed by average inventory.
- vi. **Trade Receivables Turnover Ratio:** Debtors Turnover ratio measures the efficiency at which the firm is managing the receivables. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or is paid. It is calculated by dividing revenue from sale of goods and rendering of services including GST by average trade receivables.
- vii. **Trade payables turnover ratio:** It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing purchases by average trade payables.
- viii. **Net capital turnover ratio:** It indicates a company's effectiveness in using its working capital. The working capital turnover ratio is calculated by dividing revenue from operations by the amount of working capital during the same period.
- ix. **Net (loss)/profit ratio:** It measures the relationship between net profit and sales of the business.
- x. **Return on Capital Employed(ROCE):** ROCE indicates the ability of a Company's management to generate returns for both the debt holders and the equity holders. It measures a Company's profitability and the efficiency with which its capital is used. ROCE is calculated by dividing the EBIT by total equity.
- xi. **Return on investment (ROI):** ROI is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost. The higher the ratio, the greater the benefit earned. ROI is calculated by dividing EBIT by average total assets.



Government support

Government of India has formulated various supportive policy measures for encouraging Indian electronics and telecom industry and proposed several incentive schemes which are applicable to the Company. The Company's products are eligible for Preference to Make in India (PMI) policy which is applicable for government procurement of telecom equipment. The company is also eligible to receive capital subsidy from the Modified Special Incentive Package (MSIPS) scheme. In FY 2024, the company received ₹ 32.66 crore as incentives for the fiscal year FY 2023 under the design-linked Production Linked Incentive (PLI) scheme for telecom and networking products. Our subsidiary, Saankhya Labs, has also been approved under Government of India's Semiconductor PLI scheme. In FY 2022, the company and its products have also received approval from National Security Council Secretariat (NSCS) under the new Trusted Sources Mandate. The Company has been registered as a Karnataka ESDM company and is eligible for certain incentives as specified under the state ESDM policy from time to time. As a Department of Scientific and Industrial Research (DSIR) approved R&D center we are also eligible for benefits as specified by DSIR from time to time.

Research and development expenses

The Company tracks the latest telecom/networking industry standards, technology trends, consumer usage patterns, advancements in semiconductor as well as optical components and software development trends. Company's R&D efforts are geared towards defining and developing future-ready product portfolio with leading-edge features, in line with market trends and customer requirements. The Company maintains requisite R&D facilities, technology competence and skillsets that optimize product development time to deliver competitive products that meet the required technical and regulatory standards. Our Intellectual Property is in the form of our product design, software, know-how and know-why and some of it has been captured in the form of patents. As of March 31, 2024, our company and Saankhya Labs have cumulatively filed 446 Patents of which 335 patents have been granted.

V. OPPORTUNITIES

Investments in High-Speed Mobile Broadband Networks (4G and 5G):

The telecom industry is witnessing an increasing adoption of high-speed mobile broadband technologies based on 3GPP standards. Mobile networks are rapidly evolving from 2G/3G to 4G/5G technologies driving a strong demand for 4G and 5G RAN (Radio Access Network) equipment, comprising both baseband and radio units. Although 5G has been launched in several markets, 4G has significant room to grow in developing countries. As per GSMA, over 60% of mobile subscribers in Sub-Saharan Africa continue to be on 2G/3G. In India, the country's leading public sector telco has launched a pan-India 4G/5G network of 100,000+ sites and we are the sole supplier of baseband equipment and radios for this large rollout. The 4G network is likely to be expanded to cover more locations and a portion of the sites will also be upgraded to 5G as part of the tender requirement. We are also undergoing POC (Proof of Concept) trials of our RAN products with a few other private operators and utilities which could translate into business in the coming years. Further, success in India will serve as a powerful reference with telcos in other emerging markets deploying similar 4G and 5G networks.

Accelerated Adoption of Fiber Broadband Services:

In wired broadband networks too, broadband access speeds are growing with multi-gigabit fiber-based home and office broadband fast replacing copper-based broadband services based on xDSL technologies. Today, on fiber-based access networks, popularly referred to as Fiber-to-the-Home/Curb/Premises (FTTx), next-generation xPON (GPON, XGS-PON) technologies can deliver up to ten gigabits of access speed to a fixed residence, cell tower or a business location. Newer xPON technology variants such as HS-PON are expected to increase this to 25G and 50G speeds in the near future. The pandemic further accelerated the need for high-speed, reliable and secured networks given the new trends such as work-from-home, remote learning, telemedicine, entertainment, e-commerce, etc. In India, less than 40 million homes have a wired broadband connection as of February 2024 (source: TRAI) and this represents a large growth opportunity for fiber-to-the-home (FTTx) services. As the mobile broadband market gets rapidly saturated, telecom and internet service providers are launching residential gigabit/ten gigabit FTTx- services, which are expected to increase the number of fiberised homes to over 100 million by 2030. The FTTx customer represent a very lucrative business opportunity for service providers in India, since the ARPU of an FTTx customer could be more than five times the ARPU of their mobile broadband subscriber. A similar trend for growth of FTTx customers is being witnessed in other countries as well.

Growing Demand for High-capacity Optical and Routing Products in Backhaul:

The proliferation of smart phones, tablets and IoT devices, rollout of new 5G networks for mobile and fixed broadband, and increased penetration of high-speed, fiber-based home and office broadband is driving an exponential surge in data traffic worldwide. This, in turn, is driving a greater demand for high-capacity transmission and routing equipment. India is expected to be one of the fastest growing markets in this segment since the country is vastly underserved in terms of fiber connectivity to cell-sites, with less than 38% connectivity. In FY24, Tejas supplied over 13,000 access and aggregation routers for BSNL's pan-India IP-MPLS based Access and Aggregation Network (MAAN) for converged multi-service backhaul of mobile, broadband, WiFi and VoIP traffic. Tejas is currently a leading supplier of state-of-the-art optical transmission products for leading private telcos and ISPs in the country. With its significant expanded and field-proven portfolio of optical and routing products, Tejas has an opportunity to gain a meaningful share of the backhaul equipment market, both in India and globally.

Increasing Government Investments to Bridge Digital Divide:

As an always-on, high-speed broadband has emerged as a basic necessity in the post-Covid world, Governments around the globe are making public funds available for ubiquitous fibre broadband to bridge the growing urban-rural digital divide in their countries. The government of India has rolled out one of the largest greenfield networks for rural broadband connectivity called Bharatnet on GPON-based fibre broadband technology. In BharatNet Phase-1 and Phase-2, over 200,000 gram panchayats have been connected. In Phase-3, BharatNet's reach will be extended to nearly 700,000 villages in the country and Government of India has budgeted Rs 1.39 lakh crore for this project and one part of this project is currently in the tendering stage. Similarly, USA and Europe too have announced significant investments to transform rural communities. Significant investments are also happening in other government networks such as for defence, knowledge networks,



municipal and public safety. Our secured Ethernet switches are widely deployed in such mission-critical networks, especially for campus networking and surveillance applications in Smart Cities and Safe City projects.

Favorable Policy Environment in India for Domestic Telecom Product Companies:

Government of India's focus on building an "Atmanirbhar Bharat" that is self-reliant in core telecom technology areas is benefiting domestic telecom equipment companies like us with strong R&D capabilities and in-house IPR. Our company has been approved under Government of India's design-linked PLI scheme with an investment commitment of ₹ 750 crore during the scheme period and received ₹ 32.66 crore as incentives for fiscal year FY23. Our subsidiary, Saankhya Labs, has also been approved under Government of India's Semiconductor PLI scheme. In addition, we benefit from Government policies such as Preference to Make in India ("PMI") Policy, which are targeted towards encouraging indigenous technology/ product development and design-led manufacturing companies like ours. With increased focus on telecom and cybersecurity, Government of India has recently amended telecom licensing rules to mandate use of only trusted products and sources (as defined by National Cyber Security Coordinator) by all public and private Telecom and internet service providers in the country from June 15, 2021 which is expected to help the domestic telecom vendors, who can be considered as a trusted source. Our company and products have been approved under the Trusted Sources mandate.

Structural Changes Favoring Alternative Vendors:

The global telecommunications industry is witnessing certain fundamental structural changes that are likely to allow newer companies with innovative offerings to disrupt and gain a larger share of the telecom equipment market. First, unlike previous mobile technology generations that required a tightly-coupled RAN and Core solution, 5G uses a more open, disaggregated architecture with a cloud-based core enabling service providers to adopt an unbundled multi-vendor solution for RAN (O-RAN) and Core. Secondly, with growing geopolitical tensions, the need for building secure and resilient telecom networks is gaining prominence. 5G networks are regarded as more susceptible to cybersecurity attacks due to the inherent vulnerabilities of its underlying technologies (IoT, IP, Cloud) and the mission-critical nature of its key use cases such as autonomous cars, public safety, drones etc. As a result, telecom service providers are shifting away from certain "high-risk" vendors and exploring newer trusted alternatives for their telecom equipment supplies. Developed countries like USA and Europe are providing funds to their domestic service providers to refresh their existing wireless and wireline networks with state-of-the-art products sourced from suppliers originating from trusted countries. Thirdly, besides the traditional consumer service component, 5G also opens up a large enterprise opportunity for vendors that can efficiently bundle network equipment, software and system integration to deliver industry-scale "Private 5G" solutions for multiple sectors such as manufacturing, healthcare, education, automotive and utilities.

Utility Network Modernization:

The emergence of bandwidth-intensive applications such as IP SCADA (Supervisory Control and Data Acquisition), Smart Grid, Video Surveillance, VoIP, LAN, Internet etc., is resulting in a rapid growth of data traffic in utility networks such as power, railways,

oil and gas, public safety etc., This is driving the need to upgrade and replace their operational networks, currently based largely on MSPP products, with packet technologies such as Carrier Ethernet, MPLS-TP/PTN, IP, and MPLS. However, given the large installed base of such TDM equipment and stringent quality of service demands of certain control applications (e.g., teleprotection in the power sector) it is operationally difficult for operators to replace this infrastructure abruptly and hence there continues to be a strong demand for both MSPP and IP based products in the interim especially in developing countries including India. Tejas is the one of the largest suppliers of telecommunications equipment to the utility sector in India and our products are used both in their captive operational networks and also as part of their carrier of carrier networks that provide bandwidth services to retail service providers. The company is therefore well positioned to benefit from this large global opportunity for cost-effective optical and packet solutions to effectively address the utility network modernization challenge.

Digital Transformation of Enterprises and the rise of Hyperscalers:

Migration to cloud-based services is a major driver for network evolution. Businesses worldwide are increasing their usage of online applications and services that are delivered over the cloud which is driving the need for high-speed data services. In addition, the emergence of web-scale internet companies (ICPs) is leading to large-scale construction of hyper-scale data centres and a significant growth in data traffic and optical networks. ICPs have significant bandwidth requirements for data center interconnectivity (DCI) and are among the first to deploy high-speed 400G, 600G, 800G and 1.2T optical channels on optical networks. The emergence of DCI is also resulting in a demand for newer types of optical networking equipment that are specially optimized for such applications which has further enhanced its market potential. High bandwidth content such as mobile applications, games and high-definition videos are being created and consumed worldwide. Video-centric services such as Netflix, Amazon Prime and YouTube are dominating data traffic and traditional telecommunication services such as short message service are being replaced by Internet applications services such as instant messaging, social networking and e-mails.

VI. RISKS AND CONCERNS

Business Risks:

A significant portion of our business is generated from a limited number of large customers, who have substantial negotiating leverage with us. Our business operations may fluctuate due to a variety of factors such as loss of key customers, fluctuation in demand and sales volume, timing and size of customer capital spends, inventory management practices and timely collection of receivables. In particular, with our recent wireless and wireline contract wins with BSNL, India-Government segment is expected to account for a disproportionately large portion of our revenues in the near term. Any short-term spending slowdown in the Indian telecom market and/or India-Government segment could adversely impact our business. Our gross margins and revenues are a function of our product and geographical mix that can sometimes turn unfavourable and adversely impact our business prospects. The telecommunications industry is highly competitive and the acquisition of new customers often calls for aggressive pricing besides state-of-the-art technology, support and quality. Since many of our competitors are large global companies that possess significantly greater financial and marketing resources than we do,



these competitors may be able to offer lower prices, extend attractive long-term financing, run expensive promotional campaigns to attract customers or introduce other offers that we may not be able to match and hence adversely impacting our business.

Industry Risk:

The telecommunications industry is dynamic and displays significant demand variations and lumpiness in short periods of time due to changes in the risk appetite of our service provider customers that can either delay purchases or lower their purchase volumes in response to perceived risks in the external environment. In the Indian market, we may see short-term financial stress as well as industry consolidation amongst our customers, which may also impact our business. Although we expect the industry segments we operate in to stay healthy in the long and medium term, the industry has gone through multiple economic downturns in the past that have seen sharp drops in capital spending by telecom operators. Sometimes the slowdown in investments is seen to be restricted to certain geographies or limited to specific industry segments, in which case our business in those geographies or from those product lines could be adversely impacted. Besides this, our inability to effectively respond to new developments in our markets arising from a growth in IP-based communications, emergence of new buyer categories such as OTTs (Over The Top) etc., can reduce our market power and impair our financials.

Technology Risk:

Our industry is characterised by rapid technological changes, customer requirements, evolving industry standards and launch of new products and services by our competitors. Our future success will depend largely on our ability to effectively anticipate and adapt to such changes by incorporating these in the form of new hardware or software features in our products. We have developed our solutions based on certain widely accepted industry standards that may either undergo changes, become obsolete or have reduced market acceptance owing to competing standards. Moreover, the use of open standards makes it possible for our competitors to develop similar products and services that are based on the same technology which can increase competitive pressure. Unless we respond quickly enough to such market challenges, either by repositioning our solutions or introducing new solutions with superior characteristics, our business, revenues and growth prospects would be adversely affected. However, developing new products and services in this industry is complex, expensive and often requires long hardware and software development cycles with significant upfront investments which may not always be possible. We have recently expanded our portfolio to include wireless products which requires significant R&D investments within a short span of time to achieve portfolio competitiveness against incumbent vendors in this segment while balancing the technology development needs of our existing wireline customers.

In many cases, we may be required to obtain special certifications or approvals before our solutions can be introduced in new geographies or to new customers in existing geographies. Our ability to expand our international operations may sometimes be constrained by such country specific regulations or standards that may require us to redesign our existing solutions or develop new products suitable for these countries. The cost of complying with evolving standards and regulations, or our failure to obtain timely domestic or foreign regulatory approvals or certifications,

may prevent us from selling our solutions where such standards or regulations apply, thus adversely affecting our operating results and growth prospects. Further, due to the introduction of data protection and privacy laws in many countries, telecom products may be subjected to additional testing and validation for vulnerability assessments which may require us to enhance our products to support additional security features that could potentially extend the sales cycles in select geographies.

Operational and Supply Chain Risk:

We depend on a limited number of external EMS companies and component suppliers for our manufacturing needs. Any failure on their part to deliver our products on time or to meet performance and quality standards can have an adverse impact on our business. In order to ensure business continuity, we have arrangements with multiple EMS organizations to provide us additional flexibility to change organizations if there is any kind of disruption at one facility. In spite of these measures, depending on the severity of the disruption, it may not be possible for us to entirely alleviate its effects on the production of one or more of our product families. As far as possible, we source our components from multiple suppliers (multi-sourcing) to minimize impact of adverse events and to accommodate sudden, unforeseen increase in customer demand for our products. However, despite our best efforts, for certain specific functionalities, we continue to rely on a single supplier for certain critical components in our products. In such cases, we are subject to supply chain risks from these single-sourced components, which could be on account of their lead times, costs, availability and quality.

The global semiconductor chip shortage increased lead times and costs for many components used by us, including those which are single-sourced. While the rate of component End-of-Life (EOL) declarations by suppliers have reduced in recent times, there are still critical components used in multiple products, which are under risk of EOL and could have a disruptive effect on our business.

In order to mitigate this, we have to source long-term forecasts and place advance inventory actions with our suppliers, while we may not have similar forecasts available from all our customers. Any failure on our part to forecast, plan, procure and manage the requirement of chips and the rest of our components could have an adverse impact on our business with either excess levels of inventories or shortage of inventory to meet our customer demand. Although lead times for components have come down in general, certain classes of components continue to have longer lead times albeit with lower volatilities thus enabling us to plan our business around these. Moreover, the impact of previous EOL components has been mitigated with product redesigns and the company has made strong representations with specific vendors in order to ensure that the new design revisions go into production in a timely manner to meet customer commitments.

Our success of business execution depends to a significant degree upon our continued ability to attract and retain highly skilled personnel for our research and development, sales and marketing, customer support, manufacturing, finance and operations teams. While we continually strive to adopt best practices in human resources and provide attractive compensation, including equity-based rewards, to attract and retain talent, the loss of services of any of our key personnel, significant increase in attrition levels or our inability to attract new talent could make it difficult to execute our business.



Macro Risk:

The Company is subject to credit risks, interest rate risks, refinancing risks and liquidity risks and the Company will adopt various measures at different points in time to counter these risks successfully. However, if these risk mitigation strategies do not prove to be successful, the health of the Company is likely to be adversely affected. As our international sales increase, we will increasingly be subjected to foreign exchange risks. Besides foreign exchange risks, our prospects can be impacted by the political developments in the countries we operate in such as governance instabilities, degree of privatization or sudden restrictions on the flow of goods to/from these countries.

Legal and Regulatory Risk:

There are outstanding legal proceedings against the Company and certain subsidiaries that are incidental to our operations, related to various tax proceedings which are pending at different levels of adjudication before courts, tribunals and appellate tribunals. While we are contesting the same, if these are not decided in our favor, may adversely affect our business and reputation. Intellectual Property (IP) is a critical element of our business and we will continue to apply for both domestic and international patents to improve our competitive advantage in the market. However, it is possible that some of these patent rights may be overturned by our competitors that will prevent us from selling the products that make use of these patents in their manufacture or compel us to pay royalties or licensing fees to our competitors. The telecommunication industry is driven by regulations and standards. Evolution or emergence of new standards that directly impinge on the types of products we manufacture or regulations that have a bearing on the services that these products deliver can affect our development costs or lower the business potential of these products. Sometimes, there may be alternate standards that may evolve in parallel and our investments in a standard that eventually loses out can lead to a decline in sales for associated products.

Credit Risk:

We are exposed to credit risk on the amount owed to us by our customers and these trade receivables are typically with no security and collaterals which are unsecured in nature. We periodically monitor individual customer payment capability in granting such open credit arrangements, and consider its creditworthiness, its past payment performances and communication with those customers. If our customers do not pay us promptly and if we are not able to collect the same or at all, we may have to make provisions for, or write-off such amounts. Additionally cash flow challenges that can come due to delays in supply clearances from customers, delays in project execution and customer acceptance can lead to inventory build-ups and delays in collections, This can also increase our peak borrowings and company plans to mitigate this challenge by working closely with our suppliers to extend payment cycles.

Liquidity Risks:

Our principal sources of liquidity are cash and cash equivalents, and the cash flow that is generated from operations through internal accruals. We may be exposed to liquidity risks if we do not generate enough cash flows from operations, and free cash flows.

Pandemic Risk:

Post COVID-19, due to increased demand for semiconductor chips and disruptions in global supply chains, we faced challenges with regard to lead times as well as availabilities for many semiconductor components that are used in our products. In addition, many component suppliers declared End-of-Life for some of their older/slower moving products, which hampered our ability to fulfill certain customer orders in a timely manner. We closely monitored this situation and by taking appropriate advance inventory actions and realignment of our supply chain processes, have been able to mitigate these challenges to a large extent.



Corporate Governance Report



Corporate Governance Report

Corporate governance is the whole system of rights, processes and controls established internally and externally over the management of the business entity with the objective of protecting the interests of the Stakeholders. Corporate governance is not merely compliance but a philosophy to be professed and its objective is to create and adhere to a corporate culture of transparency and openness and to develop capabilities and identified opportunities that best serves the goal of value creation, thereby creating an outperforming organization. The Corporate governance structure specifies the distribution of rights and responsibilities among different participants of the Corporation such as the Board, Managers, Shareholders and other Stakeholders, and spells out the systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate Stakeholders and in a manner that is accountable and responsible to the Shareholders. In a wider interpretation, corporate governance includes Company's accountability to Shareholders and other Stakeholders such as employees, suppliers, customers and local community. With the increasing globalization, corporate governance has assumed great significance in India in the recent past. The increasing diversity of the investing community and the integration of global capital markets make corporate governance a key issue in the investment decision of the investor. The governance philosophy seeks to ensure truth, transparency, accountability and responsibility and is committed to meet the aspirations of all our stake holders.

The principles of corporate governance revolve around the following inter-related segments which are:

- Integrity, Fairness and Excellence.
- Transparency and Disclosures.
- Responsible leadership with accountability and responsibility.
- Good board practices and its commitment.
- Effective corporate governance structure with effective control environment
- Relationship with Stakeholders with well-defined Shareholders rights

Corporate Governance Framework at Tejas

Tejas adheres to both qualitative and quantitative corporate governance practices thereby ensuring it is properly run. The Company believes that the practice of each of these corporate governance principles creates the right corporate culture that fulfills the true purpose of Corporate Governance. In line with this, the corporate governance framework of the Company ensures transparency in all its dealings and in the functioning of the Management and the Board. The policies set and followed by the Company seeks to enhance the long-term Shareholder value without compromising on integrity, social obligations and regulatory compliances. This approach to value creation emanates from Tejas belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. Tejas Corporate Governance structure, systems and processes are based on the principles that the Management must have the executive freedom to drive the enterprise forward without undue restraints, and this freedom of Management should be exercised within a framework of effective accountability with checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet Stakeholders' aspirations and societal expectations.

The Company has set the following as its Corporate Governance Philosophy:

- Comply and act in the spirit of law and with integrity and not just the letter of law.
- Transparent procedures and practices and decisions based on adequate information and provide complete transparency in the operations – when in doubt disclose.
- Do what is ethically, legally and statutorily right and not what is convenient and comfortable.
- Complete, timely and high levels of disclosure of relevant financial and operational information to all Stakeholders and follow openness and clarity in the communication with all our Stakeholders.
- Well-defined policies on tenure of Directors, rotation of Auditors and a Code of Conduct for Directors and Senior Management and also corporate structure that establishes checks and balances and delegate decision making to appropriate levels in the organization though the Board always remains in effective control of affairs.

Corporate Governance structure of Tejas

The Board recognizes that governance expectations are constantly evolving and it is committed to keeping its standards of transparency and dissemination of information under continuous review to meet both letter and spirit of the law and its own demanding levels of business ethics. The Board of Directors is at the core of Tejas corporate governance practice. The Board oversees Management functions and protects the long-term interests of the Stakeholders. The corporate governance framework ensures that the Company makes timely disclosures and shares accurate information regarding the financials and performance, as well as the leadership and governance of the Company.

In line with the Tejas commitment to good corporate governance practices and compliance with the provisions of the Act and Listing Regulations, the Company has constituted Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee consisting of majority of Independent Directors. The Company has complied with all applicable norms of Corporate Governance as applicable to Listed Public Company as envisaged under the Companies Act, 2013, the Listing Regulations and applicable Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India.

Tejas constituents in the Corporate Governance are:

The Board of Directors

The Board of Directors is in a fiduciary position, empowered to oversee the Management functions to ensure that the Management functions are effective and enhance the Shareholders' value. The Board of Directors formulates the policies and procedures of the Company and provides leadership, strategic guidance, objective and independent view to the Company's Management while discharging its responsibilities, thus ensuring that the Management adheres to ethics, transparency and disclosures. Further, the Board has entrusted the specific tasks to the various Committees, constituted with majority of Independent Directors, in line with their charters and reference and they operate in line with the same, perform any other tasks or responsibilities entrusted to them by the Board.



The Chairman

The Chairman of the Board who is Non-Executive and Non-Independent provides the direction and guidance to the Board for arriving at effective decision making for realizing the approved strategic plan and business objectives and brings the leadership to the Board processes. The Chairman provides guidance and mentorship to Managing Director and CEO and the Executive Director for realizing the approved strategic plan and business objectives. The Chairman presides over the Board and the Shareholders' meetings.

The Independent Directors

The Independent Directors play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board meetings like formulation of business strategies and monitoring of performances. They bring in the external perspective and help the Company adopt industry best practices besides providing the Board with valuable inputs.

The Managing Director and Chief Executive Officer

The role of the Managing Director and CEO is to have vision for the Company and to take the business to newer heights within the overall guidance and superintendence of the Chairman as well as the Board. The Managing Director and CEO provides guidance to the Senior Leadership to enable them to make effective decisions and drive the innovation, transformation and enhancements to achieve the goals of the Company and assumes overall responsibility for strategic management of business and corporate functions including its governance processes and top management effectiveness and is fully accountable for the Company's business development, operational excellence, business results, leadership development and other related responsibilities.

The Executive Directors and the Senior Management Personnel

The Executive Director and Senior Management Personnel who comprises the leaders from different functions of the Company are responsible to the strategic management of the Company's businesses within Board approved direction and framework. They assume overall responsibility for strategic management of business and corporate functions including its governance processes and acts as an enabler for important decisions and also look into the management of the day-to-day affairs of the Company.

The composition of the Board and the Directorships held by them as on March 31, 2024 are as follows:

Name of the Director	Age	Executive / Non-executive	Position	Name of Indian listed companies	All Companies ¹	Committee memberships ²	Chairman of Committee ²
N Ganapathy Subramaniam	65	Non-Executive/ Non-Independent	Chairman and Nominee Director	Tata Consultancy Services Limited	5	-	-
				Tata Elxsi Limited			
				Tata Communications Limited			
				Tejas Networks Limited			
P R Ramesh	69	Non-Executive	Independent Director	Tejas Networks Limited	11	4	3
				Nestle India Limited			
				Cipla Limited			
				Crompton Greaves Consumer Electricals limited			
				Larsen and Toubro Limited			

1. The Board of Directors

The Board of Directors ('The Board') is ultimately responsible for the management, general affairs, direction, performance and long-term success of business as a whole. The Board recognizes that governance expectations are constantly evolving and it is committed to keeping its standards of transparency and dissemination of information under constant and continuous review to meet both letter and spirit of the law and demanding levels of business ethics and integrity. The Board sets out the overall corporate objectives and provides direction and independence to the Management to achieve these objectives for value creation through sustained growth and ensures compliance with laws and regulations impacting the Company's business. The operations of the Company are conducted under the supervision and directions of the Board of Directors within the framework set by the Act, the Memorandum and Articles of Association, SEBI Guidelines and Listing Regulations and has delegated the operational conduct of the business to the Managing Director and CEO of the Company.

a. Composition of the Board

In line with the Listing Regulations, the Company has an optimal combination of Executive and Non-Executive Directors. As on March 31, 2024, the Company has six Directors and the composition of the Board is as provided herein below. The Chairman of the Board is a Non-executive and Non-Independent Director and 67% of the Board's strength are Non-executive Directors. The Independent Directors constitute 50% of the Board strength with one woman member who is an Independent Director.

The profiles of directors is available on Company's website at www.tejasnetworks.com/board-of-directors.php.

Category	No. of Directors	Percentage of total strength of the Board (rounded-off)
Non-Executive and Non-Independent Directors	1	17
Executive Directors	2	33
Independent Directors	3	50



Prof. Bhaskar Ramamurthi	65	Non-Executive	Independent Director	Tejas Networks Limited	2	-	1
Alice G Vaidyan	64	Non-Executive	Independent Director	Geojit Financial Services Limited Tejas Networks Limited	10	3	2
Anand Athreya	60	Executive	Managing Director and Chief Executive Officer	Tejas Networks Limited	1	-	-
Arnob Roy	60	Executive	Executive Director and Chief Operating Officer	Tejas Networks Limited	2	1	-

Notes:

¹Directorships in companies (listed, unlisted and private limited companies) including Tejas Networks Limited and its Subsidiaries.

²The disclosure includes Membership/Chairman of the Audit Committee and Stakeholders' Relationship Committee in Indian public companies (listed and unlisted).

b. Appointment and Tenure of the Board

The Board, on recommendations of the Nomination and Remuneration Committee, subject to the approval of the Shareholders, considers the appointment and re-appointment of Directors. The Nomination and Remuneration Committee, based on defined criteria such as existing composition of the Board, the tenure as well as the years left of the existing members to serve on the Board and the need for new domain expertise for the appointment of new member, makes recommendations to the Board on the induction of new Directors who are appointed as Additional Directors and then the Board recommends appointment of the Director to the Shareholders for their approval.

The main criteria followed by the Board for appointment includes:

- The composition and size of the Board, commensurate with the size of the Company, its portfolio, geographical spread with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- The desired age and diversity of the Board Members; their personal characteristics, professional qualifications, expertise and experience in specific area of relevance to the Company;
- The avoidance of any present or potential conflict of interest;
- The availability of time and other commitments for proper performance of duties.

As regards the tenure of Directors, following is the policy adopted by the Board:

- Executive Directors** - The Executive Directors on the Board are appointed as per the provisions of the Act and serve in accordance with the terms of their contract of employment/service with the Company and are liable to retire by rotation.
- Non-Executive Directors** - The Non-Executive Directors on the Board are appointed as per the provisions of the Act and are liable to retire by rotation.
- Independent Directors** - The Independent Directors on the Board are appointed as per the provisions of the Act and Listing Regulations and their tenure is consistent with the Act and Listing Regulations. The Independent Directors can serve a maximum of two terms of five years each, subject to the approval of the Shareholders by way of special resolution and are not liable to retire by rotation.

c. Board Process and Meeting

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board businesses. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution by circulation, as permitted by law, which is noted and confirmed in the subsequent Board Meeting.

The notice of Board / Committee Meetings is given in advance and the Meetings are held in Bengaluru. The Agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairman and Managing Director of the Company which is circulated a week prior to the date of the Meeting. The Agenda covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable and includes an Action Taken Report comprising of actions emanating from the Board Meetings, status updates thereof and also includes detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision. With a view to leverage technology and as a part of green initiative and to reducing paper consumption, the Company sends the Board / Committee Agenda in electronic form.

To enable the Board to discharge its responsibilities effectively, the Managing Director and CEO appraises the Board at every Meeting of the overall performance of the Company, followed by presentation(s) by Chief Operating Officer, Chief Technology Officer and the Senior Management.

The Board in general considers and discuss on:

- The corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
- The fiduciary responsibility so that it ensures that the Company has clear goals aligned to maximizing Shareholder value and its growth and directs and exercises appropriate



control to ensure that the Company is managed in a manner that fulfills Stakeholders' aspirations and societal expectations.

- The Company's governance practices and effective monitoring of the Management and its accountability to the Company and the Shareholders.
- Board succession planning and strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations.

The maximum gap between any two Board meetings did not exceed 120 days during the year. There were six Board Meeting held for the year 2023-2024, the details of which are as follows:

1.	April 21, 2023	4.	January 19, 2024
2.	July 21, 2023	5.	February 21, 2024
3.	October 20, 2023	6.	March 19, 2024

The attendance of Directors at Board Meeting for the year ended March 31, 2024 and at the 23rd Annual General Meetings held on June 20, 2023 are as under:

Name of the Director	Whether attended last AGM	Board Meeting Number						Held during tenure (A)	Attended (B)	% of attendance (B/A)
		1	2	3	4	5	6			
N Ganapathy Subramaniam	Yes							6	6	100
Chandrashekhar Bhaskar Bhav ¹	Yes							6	5	83
A S Lakshminarayanan ²	Yes							6	6	100
P R Ramesh	Yes							6	6	100
Prof. Bhaskar Ramamurthi	Yes							6	6	100
Alice G Vaidyan	Yes							6	6	100
Anand Athreya ³	Yes							6	6	100
Arnob Roy	Yes							6	5	83
Sanjay Nayak ⁴	Yes							1	1	100

¹Retired wef March 25, 2024 | ²Resigned wef March 20, 2024 | ³Appointed wef April 21, 2023 | ⁴Retired wef June 21, 2023
: Present | : Leave of absence | : Not applicable

d. Core competencies of the Board

The importance of a diverse and skilled Board is recognized around the World. It is more than a necessity considering the complex and dynamic business environment. The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skillsets identified by the Board and illustratively whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven

academician in the field relevant to the Company's business. The Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed, basis the recommendation of Nomination and Remuneration Committee, are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

The Board of Directors has identified the following core competencies/ expertise/ skills required for the Company:

S.No	Skill Set and description	N G Subramaniam	P R Ramesh	Prof. Bhaskar Ramamurthi	Anand Athreya	Arnob Roy	Alice G Vaidyan
1	<p>Business Leadership and Operations: Deep knowledge of the telecom industry to provide important insights and perspectives to the Board on the Company's commercial, strategic, manufacturing, legal and other functions. Leadership experience resulting in a practical understanding of the Company's processes, develop talent, succession planning and driving the long term growth strategy of the Company and also appreciation of long-term trends, strategic choices and experience in guiding and leading management teams.</p>	E	E	E	E	E	E



2	Technological expertise: Background in technology, anticipation of technological trends, suggestions and creation of emerging business ideas.	E	P	E	E	E	P
3	Industry experience or knowledge: Knowledge and experience in telecom sector to provide strategic guidance to the management.	E	P	E	E	E	P
4	Financial and Risk Management: Wide-ranging financial skills, accounting and reporting, corporate finance and internal controls, including assessing quality of financial controls identify the key risks to the Company and monitor the effectiveness of the risk management framework and practices.	E	E	E	E	E	E
5	Governance: Experience in developing governance practices, serving the best interest of all Stakeholders, maintaining board and management accountability, effective stakeholder engagements and commitment to highest standards of corporate ethics and values.	E	E	E	E	E	E
6	Strategic Management: Guiding the executive management in formulation and implementation of the major goals and initiatives of the Company	E	E	E	E	E	E

P - Proficient, E - Expert

e. Board Evaluation

The Board Evaluation is a key pillar of the Corporate Governance framework and pursuant to the provisions of the Act, Listing Regulations and the Governance Guidelines, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and Individual Directors. The Board firmly believes that an effective Board Evaluation helps in delivering greater value to the Company and all its Stakeholders. This involves a comprehensive and transparent assessment, providing candid feedback and constructively using the outcome of the evaluation process to continuously enhance the overall effectiveness of the Board and optimize the individual strengths of the Board members. The Board works with Nomination and Remuneration Committee and lays down a structured framework, process, format, attributes, criteria and questionnaire for the performance evaluation of the Board, its Committees and individual directors including the Chairman and Managing Director and CEO, keeping in view the Board priorities and best practices.

During the year, Board Evaluation cycle was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees and of the Directors. The performance of the Directors was evaluated after seeking inputs from all the Directors other than the one who is being evaluated and the performance of the Committees was evaluated after seeking the inputs of Committee Members on the criteria such as understanding the terms of reference, Committee composition, independence, contributions to Board decisions, etc. The evaluation was also based on the criteria such as Director's knowledge, understanding and commitment of their role, Company's vision and mission, market potential, qualification, skill and experience, openness in communication, etc. The above criteria are as provided by the Guidance Note on the Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of Independent Directors, performance of Non-Independent Directors and the Board as a whole was evaluated. The Independent Directors in the said meeting also evaluated the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Additionally, the Chairman of the Board was also evaluated on key aspects of his role, taking into account the views of Executive Directors and Non-Independent Directors in the aforesaid meeting. The Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Board evaluation report is submitted to the Chairman of the Board and the Chairman of Nomination and Remuneration Committee. The Chairman of the Board discussed the outcome of evaluation of the individual Directors separately with them in detail. The evaluation report contains an executive summary of the findings and several key recommendations from the evaluation process. The report of the Board evaluation was adopted by the Nomination and Remuneration Committee and the Board.

Outcome of the Board Evaluation

The Board was satisfied with overall performance and effectiveness of the Board. The Board noted that the well-defined and distinct roles of the Chairman and the Managing Director and CEO reflect a high degree of cohesiveness, thereby enhancing the image and performance of the Company. The professional and transparent way in which Board and committee meetings are conducted, allows for robust debate on strategic matters and reflects the organization's value system based on integrity and fair play.



Further, the following major observations/suggestions emerged:

- There should be a strong focus on compliance and governance, good engagement on key business issues, and increasing focus on the core business;
- The Board needed to consider talent across various functions including management, technical and operational for strategizing the Company to the next level.
- The Board should ensure that the Company follows a policy of zero tolerance for all ethical violations or misconducts and an increased focus on safety is essential and should be emphasized across the Company;
- The Board also noted that given the changing external environment the Company should be prepared for any likely disruption;
- The Board agreed that the organization was focused in the right direction of creating a 'purpose-driven' organization;
- The need to have a better understanding of competitive landscape in a dynamic business environment and importance of being updated in the emerging technology areas relevant for the Company.

2. Independent Directors

The Independent Directors are the Board members who are required to meet baseline definition and criteria on 'Independence' as set out in the Listing Regulations and the Act read with rules and the schedule thereto and other applicable regulations.

The Company has three Independent Directors as on March 31, 2024 including one Woman Independent Director and all the Independent Directors satisfy the criteria of Independence as laid down in the Act and the Listing Regulations. The Board ensures that its Directors meet the eligibility criteria for the appointment as Independent Director and are independent to the Management.

Changes in the constitution of the Independent Directors

During the year under review, the following change occurred in view of resignation/ retirement/ induction of the Independent Director.

	Name of the Director	Date of Change	Reasons for change
1	Chandrashekhar Bhaskar Bhawe	March 25, 2024	Retired, consequent to not seeking reappointment for second term to the Board

Composition of the Independent Directors

The composition of the Independent Directors as on March 31, 2024 is in accordance with the Act and the Listing Regulations and consists of:

	Name of the Director
1	P R Ramesh
2	Prof. Bhaskar Ramamurthi
3	Alice G Vaidyan

Appointment

The following is the policy adopted by the Board in the appointment of Independent Director:

- i. The appointment and tenure of Independent Director to be in line with the requirements with the Act and the Listing Regulations.

- ii. The Independent Director must not be disqualified from being appointed as Director in terms of the applicable provisions of the Act and the Listing Regulations.
- iii. The Independent Director will serve a maximum of two terms of five years each in line with the requirements of the Act and are not to be on the Board of more than seven listed companies and if they are serving as a Whole-time Director in any listed Company then it shall be restricted to three listed companies.
- iv. The Company would not have any upper age limit of retirement of Independent Director from the Board.
- v. At the time of appointment and thereafter at the beginning of each financial year, the Independent Director submit a self-declaration, confirming their independence and compliance with various eligibility criteria laid down by the Act, Listing Regulations and by the Company, among other disclosures to the Board.

Meeting of Independent Directors

The Independent Directors play a pivotal role in upholding Corporate Governance norms and ensuring fairness in decision making. Being experts in various fields, they also bring independent judgment on matters of strategy, risk management, controls and business performance. The Independent Directors of the Company generally meet without the presence of the Executive Directors and members of the Management of the Company. The purpose of these meetings is to promote open and candid discussion among the Independent Directors and in particular they discuss, amongst other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board including the Chairman.

The following items are considered and reviewed by the Independent Directors:

- i. Review of performance of Executive Director and Non- Executive/ Non-Independent Directors and the Board as a whole;
- ii. Review of performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. The performance of the Company, Corporate Strategy, risks, competition, succession planning of the Board and the management;
- iv. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Familiarization program for Independent Directors

The Independent Directors as part of familiarization exercise are introduced to the Company's culture through orientation sessions wherein an overview of Company operations, matters relating to the values and commitments are provided along with an information kit containing documents about the Company such as annual reports, annual presentations, recent press releases, research reports, code of business conduct and ethics and the memorandum and articles of association etc. Periodic presentations are made at the Board and the Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved apart from regular presentations on Company's business strategies and associated risks, expositions are made on various topics covering the telecom industry. Visits to



plant location are organized for the Independent Directors to enable them to understand and get acquainted with the operations of the Company. The Company organizes a management strategy session with the Board to deliberate on various topics related to strategic alternatives, progress of ongoing strategic initiatives, risks to strategy execution and the need for new strategic programs required to achieve the Company objectives. The detailed familiarization program for Non-Executive and Independent Directors of the Company are available in the website at www.tejasnetworks.com/policies-codes.php.
















Formal letter of appointment to the Independent Directors



The Company has issued formal letters of appointment to all the Independent Directors on their appointment explaining inter-alia, their roles, responsibilities, code of conduct, functions and duties as Directors of the Company. The terms and conditions of appointment of Independent Directors is available on the Company's website www.tejasnetworks.com/disclosures.php.

3. The Committees of the Board

The Committees of the Board are the fulcrum for ensuring fair practices and transparency which is conducive for various Stakeholders by enabling fair and transparent disclosure practices. In compliance with the statutory requirements, the Board has constituted various Committees with specific terms of reference and scope. The objective is to focus effectively on specific areas and ensure expedient resolution and decision making. The Committees operate as the Board's empowered agents according to their charter/terms of reference.

The composition of committees as on March 31, 2024:

Name of the Director	Category	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
N Ganapathy Subramaniam	Non-Executive & Non- Independent	-		-	-	-
P R Ramesh	Independent			-	-	
Prof. Bhaskar Ramamurthi	Independent					
Alice G Vaidyan	Independent		-			
Anand Athreya	Executive	-	-	-	-	-
Arnob Roy	Executive	-	-			-
Total		3	3	3	3	3

 Chairman |  Member

I. Audit Committee

In accordance with the Listing Regulations and requirements of the Act, the Audit Committee of the Company is constituted with three Directors all of whom are Independent Directors including the Chairperson. All the members of the Committee are financially literate and have adequate accounting and financial management expertise. The Committee reports to the Board with the Company Secretary acting as Secretary to the Committee in addition to being the Compliance Officer of the Committee.

The Board currently has five Committees:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. Corporate Social Responsibility Committee
- v. Risk Management Committee

The terms of reference of the Board Committees are in compliance with the provisions of the Companies Act, 2013, Listing Regulations and are also reviewed by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members to the Committees. The meetings of each Committee of the Board are convened by the Company Secretary in consultation with the respective Chairperson of the Committee. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided hereinbelow.

The quorum for the meeting is the higher of two members or one-third of the total number of members of the Committee. Normally, all the Committees meet four times a year. The Chairperson of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The recommendations of the Committees are submitted to the Board for approval and the minutes of the meetings of all Committees are also placed before the Board for review.

Composition of the Committee

The Committees are constituted in accordance with the Act and the Listing Regulations consisting of majority of Independent Directors to deal with specific areas / activities as mandated by applicable regulations and by the Charter.

The Charter of the Audit Committee is available on the Company's website www.tejasnetworks.com/policies-codes.php.

The meetings of the Committee are also attended by the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees.

During FY 2024, four meetings were held on:

1.	April 21, 2023	3.	October 20, 2023
2.	July 21, 2023	4.	January 19, 2024



Changes in the Composition of the Committee

During the year under review, the following changes were made to the Committee in view of resignation/ retirement/ induction of the members of the Committee

	Name of the Member	Date of Change	Reasons for change
1	Prof. Bhaskar Ramamurthi	July 21, 2023	Inducted as Member of the Committee
2	Alice G Vaidyan	July 21, 2023	Inducted as Member of the Committee
3	A S Lakshmi-narayanan	March 19, 2024	Resigned, consequent to resignation from the Board
4	Chandrashekhar Bhaskar Bhawe	March 25, 2024	Ceased to be Member, consequent to the retirement from the Board

Composition of the Committee

The Composition and the attendance of the Members of Audit Committee for the year ended March 31, 2024 are as follows:

	Name of the Member	Category	Chairperson/ Member	Attendance
1	Alice G Vaidyan	Independent	Chairperson	100%
2	P R Ramesh	Independent	Member	100%
3	Prof. Bhaskar Ramamurthi	Independent	Member	100%

Terms of reference of the Committee

The Audit Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and the Listing Regulations. The Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed. In addition to quarterly meetings for consideration of financial results, special meetings of the Audit Committee are convened whenever required. The Audit Committee reviews various businesses, functions, risk assessment, controls and critical IT applications with implications of security and control assurance.

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with the management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval.
- Reviewing management discussion and analysis of financial condition and results of operations.
- Reviewing and approving the Related Party Transactions in accordance with the Related Party Transaction Policy of the Company.
- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors, Internal Auditors, Secretarial Auditors and Cost Auditors of the Company and approval for payment of any other services.

- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors and also discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues.
- Reviewing with Management, Statutory Auditor and Internal Auditor, the adequacy of internal control systems and risk management systems.
- Reviewing the functioning of the Company's Code of Conduct, Code of Conduct for Prevention of Insider Trading, Whistle Blowing / Vigil mechanism and Compliance system.
- Review, with the Management team, legal compliance and legal matters that could have a significant impact on the Company's financial statements.
- Reviewing the adequacy of Internal Audit function and discussing with Internal Auditors of any significant findings and follow up thereon.
- Any other matter referred to the Audit Committee by the Board.

Audit Committee Report for the year ended March 31, 2024

The Audit Committee helps the Board to monitor the Management's financial reporting process, and ensures that the disclosures are not only accurate and timely, but follow the highest levels of transparency, integrity and quality of financial reporting. The Committee also oversees the work of the Internal and the Statutory auditors, and reviews the processes and safeguards employed by them.

The Committee is constituted with three Directors all of whom are Independent Directors including the Chairperson and fulfills the requirements of Audit Committee Charter and in accordance with the Listing Regulations and requirements of the Act. The Committee complies with the SEBI Listing Regulations relating to its composition, independence of its members, financial expertise of members and the audit committee charter.

To carry out its responsibilities efficiently and transparently, the Committee relies on the Management's financial expertise, and that of the Internal and the Statutory Auditors. The Management is responsible for the Company's internal control over financial reporting and the financial reporting process. The Statutory Auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the Generally Accepted Auditing Principles, and for issuing a report based on the audit.

The Audit Committee met four times during fiscal 2024. The Management shared the Company's financial statements, prepared in accordance with the Indian Accounting Standards (IND AS) as specified under the Companies Act, 2013, read with the relevant rules thereunder with the Committee. The Committee held discussions with the Auditors (whenever necessary, without any member of the Management being present) regarding the Company's audited financial statements, including the Auditors' judgment about the quality and applicability of the accounting principles, the reasonableness of significant judgment and the adequacy of disclosures in the financial statements.

Relying on its review and the discussions with the Management and the Independent Auditors, the Committee believes that the Company's financial statements are fairly presented in conformity with IND AS and that there is no material discrepancy or weakness in the Company's internal control over financial reporting.



The Audit Committee reports as follows:

- Reviewed Quarterly, Half yearly and Annual Standalone and Consolidated Financials of the Company for the year FY 2024 prepared in accordance with the IND AS as specified under the Companies Act, 2013, read with the relevant rules thereunder including the Management's Discussion and Analysis of the financial condition and results of operations.
- Reviewed with the Statutory Auditors regarding the Company's financial statements, scope of their report and sought the auditors' judgment on the quality and applicability of the accounting principles, the reasonableness of significant judgments, the adequacy of disclosures in the financial statements and other matters as the Committee deemed necessary.
- Approved the payment of remuneration to the Statutory Auditors of the Company for the year ending March 31, 2024 and also approval of non-audit services and payment for such non-audit services.
- Reviewed and evaluated the Cost Auditors, Internal Auditors and Secretarial auditors on their independence, performance and effectiveness of audit process and recommending to the Board on their re-appointment including remuneration and terms of their appointment for the year ending March 31, 2024.
- Reviewed the compliance certificates confirming compliance with laws and regulations, including any exceptions to these compliances.
- Reviewed the process adopted by the Management on impairment of assets including financial assets, goodwill and intangibles.
- Matters on Related Party Transactions (i.e.) review of the related party transactions during preceding quarter, omnibus approval for the related party transactions proposed to be entered into by the Company and recommendation of related parties transactions to the Board.
- Reviewed the Policies relating to Related Party Transactions, Policy on the determining materiality of disclosures, Policy on Code of Conduct and Ethics, Policy on Treasury transactions, Policy on Risk Management, Policy on the Insider Trading, Policy on Whistle Blower/Vigil Mechanism, Policy on POSH etc.
- Considered and approved the report of Cost Auditors, Internal Auditors, Secretarial Auditors and any other statements and recommended the same to the Board for its adoption.
- Discussed the overall scope and plan for the Internal Audit, and requirements of SEBI and other regulatory bodies. The committee also reviewed with the Independent Auditors the adequacy and effectiveness of the Company's legal, regulatory and ethical compliance programs.

II. Nomination and Remuneration Committee

In accordance with the Listing Regulations and requirements of the Act, the Nomination and Remuneration Committee of the Company is constituted comprising of two-thirds of the Members of the Committee as Independent including the Chairman who is a Independent Director. The Committee reports to the Board with the Company Secretary acting as Secretary to the Committee in addition to being the Compliance Officer of the Committee.

The detailed terms of reference and policy of the Nomination and Remuneration Committee is available on the Company's website at www.tejasnetworks.com/policies-codes.php.

The meetings of the Committee are also attended by the Chief Executive Officer, Chief Operating Officer, and Chief Human Resource Officer as special invitees.

During FY 2024, five meetings were held on:

1.	April 21, 2023	4.	January 19, 2024
2.	July 21, 2023	5.	February 21, 2024
3.	October 20, 2023		

Changes in the Composition of the Committee

During the year under review, the following changes were made in the Committee in view of resignation/retirement/ induction of the members of the Committee.

	Name of the Member	Date of Change	Reasons for change
1	Chandrashekhar Bhaskar Bhawe	March 25, 2024	Ceased to be Member, consequent to the retirement from the Board
2	Prof. Bhaskar Ramamurthi	March 25, 2024	Inducted as Member of the Committee

Composition of the Committee

The Composition of the Committee as on March 31, 2024 and the attendance of members for the year were as follows:

	Name of the Member	Category	Chairman/Member	Attendance
1	P R Ramesh	Independent	Chairman	100%
2	N Ganapathy Subramaniam	Non-Independent	Member	100%
3	Prof. Bhaskar Ramamurthi	Independent	Member	NA*

*Prof. Bhaskar Ramamurthi was inducted as Member of the Committee on March 25, 2024.

The terms of reference of the Committee

The Nomination and Remuneration Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and the Listing Regulations. It coordinates with the Board to come out with a leadership succession plan to ensure orderly succession and is responsible for maintaining appropriate balance of skills and experience within the organization and also for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments.

The terms of reference of the Committee shall include:

- Assisting the Board in discharging its responsibilities relating to compensation of the Company's Directors and Key Managerial Personnel.
- Approval of Restricted Stock Unit Stock incentives to eligible employees of the Company and subsidiaries during the year under the Tejas Restricted Stock Unit Plan – 2017 and 2022.
- Recommending to the Board a policy, relating to the remuneration of the Company's Directors, Key Managerial Personnel and other employees.



- Designing, benchmarking and continuously reviewing the compensation program for the Board and the Executive Directors against the achievement of measurable performance goals.
- Review of the succession plans for key leadership positions, and recommending to the Board the appointment and removal of Senior Management.
- Overseeing the Company's nomination process for the top level management and identify, screen and review individuals qualified to serve as Executive Directors, Non-Executive Directors, Independent Directors and Senior Management consistent with criteria approved by the Board.
- Recommending appointment and removal of Directors including Independent Director and Key Managerial Personnel to the Board.
- Formulating the criteria for determining qualifications, attributes and independence of a Director and for performance evaluation of Board as a whole and developing leadership.
- Any other function as assigned by the Board in accordance with the Nomination and Remuneration Committee Charter.

Nomination and Remuneration Committee Report for the year ended March 31, 2024

The Nomination and Remuneration Committee helps the Board to monitor the Company key processes in recruiting new members to the Board and also the processes through which the Company recruits, motivates and retains outstanding Senior Management and oversees the Company's overall approach to human resources management. It also carries out the evaluation of the Board performance and develops leadership and maintains corporate governance policies applicable to the Company.

The committee is constituted with the majority of the Independent Directors and fulfills the requirements of Nomination and Remuneration Committee Charter, as well as the requirements of the Companies Act, 2013 and the SEBI Listing Regulations relating to its composition, independence of its Members and expertise of the Members.

During the year, the Committee performed the following functions:

- Reviewed the performance of the Executive Directors and also the Key Managerial Personnel and the Senior Management of the Company and their compensation and the variable payout for the year ended March 31, 2024.
- Granted 11,31,092 Restricted Stock Units to the employees under Tejas Restricted Stock Unit plans.
- Recommended to the Board and subject to the approval of Shareholders, the appointment of Anand Athreya (DIN:10118880) as Director of the Company, liable to retire by rotation and as Managing Director and CEO.
- Recommended to the Board and subject to the approval of Shareholders, the re-appointment of Arnob Roy (DIN: 03176672) as Director liable to retire by rotation under the designation of Executive Director and Chief Operating Officer of the Company and the terms and conditions of the remuneration.
- Recommended to the Board, the appointment of Sumit Dhingra as Chief Financial Officer and a Key Managerial Personnel with effect from December 1, 2023.
- Formal Evaluation of the Board performance and its Committees and Individual Directors.
- Approved the compensation (including variable payout) for Key Managerial Personnel and Senior Management of the Company for the FY 2024-25 including targets and Restricted Stock Units.

III. Stakeholders Relationship Committee

In accordance with the Listing Regulations and requirements of the Act, the Stakeholders Relationship Committee of the Company is constituted with two-thirds of the Members of the Committee as Independent with the Chairman being Independent Director. The Committee reports to the Board with the Company Secretary acting as Secretary to the Committee in addition to being the Compliance Officer of the Committee.

The Committee's charter is available in the Company's website www.tejasnetworks.com/policies-codes.php.

During FY 2024, four meetings were held on:

1.	April 21, 2023	3.	October 20, 2023
2.	July 21, 2023	4.	January 19, 2024

Changes in the Composition of the Committee

During the year under review, there were no changes in the composition of the Committee.

Composition of the Committee

The Composition of Committee and the attendance of the Members for the year ended March 31, 2024 are as follows:

S. N	Name of the Member	Category	Chairman/Member	Attendance
1	Prof. Bhaskar Ramamurthi	Independent	Chairman	100%
2	Alice G Vaidyan	Independent	Member	100%
3	Arnob Roy	Non-Independent	Member	100%

The terms of reference of the Committee

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to the handling of queries and grievances of security holders. It primarily focuses on:

- Resolving the grievances of the Security Holders in general and relating to non-receipt of declared dividends, non-receipt of Annual Reports, share transfers, transmissions, issue of new/duplicate certificates, general meetings etc. and formulating of policies and procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from Stakeholders from time to time.
- Review of measures taken for effective exercise of voting rights by Shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by LinkIntime India Private Limited, Registrar and Share Transfer Agent.
- Monitor and review any investor complaints received by the Company or through SEBI and SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance Officer and RTA of the Company.
- Review of the various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.
- Shareholders Engagement initiatives.
- Any other function as assigned by the Board in accordance with the Stakeholders Relationship Committee Charter.



Details of Shareholders/ Investors Complaints

The Committee is responsible to consider and resolve the complaints/ grievances of security holders, including queries related to transfer of shares, declaration of dividend and attendance at general meetings. The Committee oversee periodic engagement and communication with security holders through direct interactions, analysts' meets, etc. It also reviews the concerns/ views of security holders and steps taken by management to address those concerns. During the year ended March 31, 2024, there were no complaint received by Company from Shareholders / Investors.

	Nature of Complaint	Received	Redressed
1	Non- Receipt of Share Certificates	Nil	Not Applicable
2	SEBI	Nil	Not Applicable
3	IPO Related	Nil	Not Applicable
4	Others	Nil	Not Applicable

Stakeholders Relationship Committee Report for the year ended March 31, 2024

The purpose of the Stakeholder Relationship Committee is to assist the Board and the Company in maintaining healthy relationships with all Stakeholders. The Committee oversees the mechanisms for redressing grievances and complaints from Stakeholders including Shareholders, Debenture Holders, other Security holders, vendors, customers, employees and others. Such mechanisms include the Whistleblower mechanism, the Internal Committee, Hearing Employees and Resolving and the Grievance Redressal Board.

During the year under review, the Committee performed the following functions:

- Reviewed various initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of annual reports/ statutory notices to the Shareholders of the Company.
- Approved the issue of duplicate certificates and new certificates on split / consolidation / renewal etc., and approved transfer/ transmission, dematerialization and rematerialization of equity shares in a timely manner.
- Reviewed the performance of the Registrar and Share Transfer Agents, and recommended measures for overall improvement in the quality of investor services.
- Took note of the annual audit report submitted by the Independent Auditors on the annual internal audit conducted on the Registrar and Share Transfer Agents operations as mandated by SEBI.

The Committee also noted that the Company has paid the listing fees for FY 2024-25 to the National Stock Exchange Limited and BSE Limited and custodial fees to National Securities Depository Limited and Central Depository and Securities Limited. The Committee expresses satisfaction with the Company's performance in dealing with investor grievances and its share transfer system.

IV. Corporate Social Responsibility Committee

In accordance with the Listing Regulations and requirements of the Act, the Corporate Social Responsibility Committee of the Company is constituted with two-thirds of the Members of the Committee as Independent with the Chairman being Independent Director. The Company Secretary acts as Secretary to the Committee and the Chief Financial Officer and the Chief Human Resource Officer are invited as special invitees.

The Committee's charter and policy is available on Company's website www.tejasnetworks.com/policies-codes.php

During FY 2024, four meetings were held on:

1.	April 21, 2023	3.	October 20, 2023
2.	July 21, 2023	4.	January 19, 2024

Changes in the Composition of the Committee

During the year under review, there were no changes in the composition of the Committee.

Composition of the Committee

The Composition of the Committee as on March 31, 2024 and the attendance of members for the year were as follows:

	Name of the Member	Category	Chairman/ Member	Attendance
1	Prof. Bhaskar Ramamurthi	Independent	Chairman	100%
2	Alice G Vaidyan	Independent	Member	100%
3	Arnob Roy	Non-Independent	Member	100%

The terms of reference of the Corporate Social Responsibility Committee

- Formulation of CSR policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommending the same to the Board;
- Recommending to the Board the annual action plan and the amount to be spent on CSR activities;
- Reviewing and approving the CSR projects/ programs to be undertaken by the Company either directly or through implementation partners as deemed suitable, during the financial year and specifying modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;
- Monitoring the implementation of the CSR policy;
- Monitoring and reporting mechanism for the projects or programmes;
- Reviewing the need for impact assessment, if any, for the projects undertaken by the Company and undertaking the same if needed;
- Reviewing implementation of the action plan; and
- Carrying out/ performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/ arising out of statutory provisions from time to time.

Corporate Social Responsibility obligation of the Company

Section 135 of the Companies Act, 2013 states that the Companies which fall under the ambit of three criteria as laid down in the Act are required to do CSR spend amounting to 2% of their average profit of the Company computed in accordance with Section 198 of the Companies Act, 2013. In view of the average net loss before tax over the last three years, as calculated under Section 135 of the Companies Act, 2013, amounts to ₹11.48 crore, the Company is not required to comply the CSR requirement of spending 2% of the average net profits as CSR contribution for the year ending March 31, 2024.



Corporate Social Responsibility report for the year ended March 31, 2024

The CSR committee Report as required under the Act forms part of the Board report as **Annexure - 4**.

V. Risk Management Committee

The Risk Management Committee is constituted in accordance with the requirements of Listing Regulations comprising of Independent Directors only with the Chief Operating Officer performing the role of the Chief Risk Officer. The Risk Management Committee meetings are attended by the Chief Executive Officer, the Chief Financial Officer and the Chief Human Resource Officer as special invitees, if required. The Company Secretary acts as a Secretary to the Committee.

The Risk Management Committee of the Board of Directors has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's risk management framework. The Risk Management Committee is responsible for oversight on overall risk management processes of the Company and shall ensure that key strategic and business risks are identified and necessary steps are taken for mitigation / redressal of the said risks under various categories like strategic, financial, commercial, operational, IT, legal, regulatory, people, reputational and other risks and these have been identified and suitable mitigation measures have also been formulated including cyber security. It sets reporting guidelines for management to report to the Committee on the effectiveness of the Company's Management of its business risks and to recommend to the Board a risk management plan for the Company and monitor the functioning of the said plan.

The Committee's charter and policy is available on Company's website at www.tejasnetworks.com/policies-codes.php.

Terms of reference of the Committee

In general, the terms of reference of the Risk Committee of the Board include

Business Strategy	<ul style="list-style-type: none"> Periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard. Ensuring that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities and to assess management's actions to mitigate the exposures in a timely manner. Review the progress on strategy execution, risk management practices and activities including review of strategic programs for the achievement of short and long term business goals covering growth, profitability, business model, human resource, leadership and operational excellence of various business units and also the strategic, operational and compliance risks associated with achieving the business objectives and the actions taken to achieve these risks. The Company's enterprise risk management framework, corporate strategy execution process, trends of the top risks in terms of impact likelihood of occurrence, potential exposure and progress of mitigation actions.
Business operations	<ul style="list-style-type: none"> Review the governance of contractual liabilities. Review risks and risk management frameworks related to client counter-party credit risk and revenue concentration. Assessed top risks to the effective execution of the Company's strategy; tracked trend lines of top strategic, operational and compliance-related risks, the likelihood of their occurrence, potential impact and progress of mitigation actions. Review service delivery risks in critical client engagements.
Pandemic	Review assessment and mitigation of risks arising due to Pandemic, covering areas of employee engagement and safety, business continuity and resilience, cyber security, impact on growth, supply chain, financial position, service delivery, productivity of new projects and immigration policies.

During FY 2024, three meetings of the Committee were held on:

1	July 21, 2023	3	January 19, 2024
2	October 20, 2023		

Changes in the Composition of the Committee

During the year under review, the following changes were made to the Committee in view of resignation/ retirement/ induction of the members of the Committee

	Name of the Member	Date of Change	Reasons for change
1	Chandrashekhar Bhaskar Bhawe	March 25, 2024	Ceased to be Member, consequent to the retirement from the Board
2	Alice G Vaidyan	March 25, 2024	Inducted as Member of the Committee

Composition of the Committee

The Composition of Risk Management Committee and the attendance of the Members for the year ended March 31, 2024 are as follows:

	Name of the Member	Category	Chairman/ Member	Attendance
1	P R Ramesh	Independent	Chairman	100%
2	Prof. Bhaskar Ramamurthi	Independent	Member	100%
3	Alice G Vaidyan	Independent	Member	NA*

*Alice G Vaidyan was inducted into the Committee with effect from March 25, 2024.



Cyber Security	The risks in cyber security, employee engagement, customer environment, external and internal environment, credit assessment process, incident management, data protection, subsidiaries, critical projects and immigration risks including in-depth exercises in certain of those above areas.
Information and data security	Review the Company's information security and data privacy policies and related system controls.

Report of the Risk Management Committee

The Risk Management Committee Report as required under the Listing Regulations and the Act forms part of the Annual Report.

4. Remuneration Policy

The Company has a policy relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management Personnel and other employees. The Company follows a compensation mix of fixed pay, performance linked variable pay, benefits and RSU, which is paid based on the Individual/Company performance and ensures that the remuneration is competitive, reasonable and meets appropriate performance benchmarks. Further, the overall remuneration shall be reflective of size of the Company, complexity of the sector in which the Company operates and the Company's capacity to pay the remuneration. The Nomination and Remuneration Committee is responsible for formulating and making the necessary amendments to the Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management Personnel of the Company from time to time. The Board reserves the right to set such milestones as it deems fit for the payment of variable component of the remuneration in the Executive Director compensation.

a. Remuneration of Non-Executive and Non-Independent Director/ Independent Directors

(i) Remuneration to Independent Directors

The Independent Directors are entitled to receive within the ceiling prescribed by the Act, the sitting fees, commission based on the net profits of the Company and reimbursement of the expenses incurred by them for the purpose of attending meetings of the Board and its Committees. The basis of determining the specific amount of commission payable to the Independent Director is related to their attendance at meetings, role and responsibility as Chairman or Member of the Board / Committees and overall contribution as well as time spent on operational matters other than at the meetings. Independent Directors are paid Sitting fees for attending the meeting of Board/ Committees of the Board of ₹ 1,00,000/- per meeting and are not eligible to receive Stock Options / Restricted Stock Units under the existing Employee Stock Options scheme/ Restricted Stock Unit Plan of the Company. The Independent Directors may be given additional commissions as a percentage of net profits of the Company and based on Company's performance, subject to the overall 1% limit or such other percentage of the Net Profits of the Company in any financial year as may be specified under the Companies Act, 2013 from time to time and computed in the manner provided under Section 198 and Schedule V of the Companies Act, 2013.

₹ in crore except for no. of shares

	Name of the Director	Sitting fees	Commission	Total	No. of shares held
1	Chandrasekhar Bhaskar Bhave	0.05	0.38	0.43	Nil
2	P R Ramesh	0.06	0.46	0.52	Nil
3	Prof. Bhaskar Ramamurthi	0.06	0.39	0.45	Nil
4	Alice G Vaidyan	0.06	0.27	0.33	Nil

(ii) Remuneration to Non-Executive and Non-Independent Director

In line with the internal guidelines of the Tata Group, no remuneration including payment of commission / stock options were given to the Non-Executive and Non-Independent Directors of the Company. However, the Non-Executive Directors of the Company, who are in employment with any other Tata Group of Companies were paid sitting fees of ₹ 20,000/- per Board/ Committee Meeting and reimbursement of the expenses incurred by them for the purpose of attending meetings of the Board and its Committees.

₹ in crore except for no. of shares

	Name of the Director	Sitting fees	Commission	Total	No. of shares held
1	N Ganapathy Subramaniam	0.01	Nil	0.01	Nil
2	A S Lakshminarayanan	0.01	Nil	0.01	Nil

b. Remuneration to Executive Directors

The remuneration paid to Executive Directors is within the overall limit approved by the Shareholders. It shall be market competitive, driven by the role played by the individual and will be within the overall limits specified in the Act and any other regulatory requirements. The elements of compensation of the Executive

Directors include the fixed compensation (50% to 55% of gross compensation), performance-linked variable pay (45% to 50%), benefits, restricted stock units and perquisites. The Nomination and Remuneration Committee determines the annual variable pay and annual increment based on Company's and individual's



performance as against the pre-agreed objectives for the year. The remuneration payable shall be further subject to the relevant provisions of the Act. The Executive Directors are not paid sitting fees for any Board/ Committee meetings attended by them.

The details of remuneration paid to the Managing / Executive Directors for the year ended March 31, 2024 are mentioned below:

₹ in crore except for no. of shares

Particulars of remuneration	Sanjay Nayak Managing Director and CEO (refer note iv)	Anand Athreya Managing Director and CEO (refer note ii & iii)	Arnob Roy Executive Director and COO
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (refer note i)	2.44	3.33	2.55
Contribution to Retiral Funds	0.06	0.22	0.11
Retiral Paid	3.02	-	-
Perquisites including on account stock options/RsUs exercised during the period, granted during earlier years (refer note vi)	4.75	0.27	74.16
Restricted Stock Units granted during the year	20,000	2,41,192	50,000
Stock Options exercised during the year (refer note vi)	-	-	10,84,108
Restricted Stock Units exercised during the year (refer note vi)	70,299	-	1,55,819
No. of Shares held	19,83,225	-	7,40,512
Term of Service Contract	Retired with effect from June 20, 2023	Five years with effect from April 21, 2023 till April 20, 2028	Five years with effect from March 25, 2024 till March 24, 2029 or attaining the age of superannuation for the Directors as per Company policy
Notice period	3 months	3 months	2 months

Note:

- i. Salary includes fixed pay and performance linked variable pay of FY 2023 but paid in FY 2024.
- ii. Appointed as Managing Director and CEO from June 21, 2023.
- iii. Anand Athreya joined the organization on April 03, 2023 and hence there was no performance linked variable pay for FY 23 paid in FY 24. Further, the onetime compensation of ₹ 3.75 crore on completion of year 1 was also not paid in FY 24 as he had not yet completed one year of service in the organization. Performance linked variable pay of ₹ 3.75 crore of FY 24 will be paid in FY 25. These are not included in the salary above.
- iv. Remuneration of Sanjay Nayak is for the part of the year i.e. till June 20, 2023, the date which he retired from his service. The computation for FY 24 includes ₹ 3.02 crore of retiral benefits paid and Variable pay pertaining to FY 23 of ₹1.98 crore paid in FY 24.
- v. In view of inadequate profits as computed in accordance with Section 198 of the Act, the Managing Director and CEO/ Executive Director and COO have been paid remuneration in accordance with Part II of Section II of Schedule V of the Act for the year ended March 31, 2024.
- vi. The value of perquisites includes the perquisite value of stock options/RsUs exercised during the period, which was granted during earlier years, determined in accordance with the provisions of the Income Tax Act, 1961. Accordingly, the value of stock options/RsUs granted during the period is not included.
- vii. Period of employment shall generally be for a period of five years, subject to liable to retire by rotation and as approved by the Shareholders and renewed for similar periods from time to time. The Board reserves the right to increase/decrease the period as it may deem fit.
- viii. The retirement benefit shall include benefits such as provident fund and gratuity.
- ix. No loan is granted to the Executive Directors.

c. Remuneration for Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

The Company's total compensation for KMP and SMP consists of Fixed compensation, Variable compensation in the form of annual incentive, the benefits and other work related facilities and perquisites including RsUs as per the scheme in force from time to time. The Fixed compensation is determined on the basis of size and scope of the job typically as reflected by the level or grade of the job, trends in the market value for the job and the skills, experience and performance of the employee and includes Basic Salary, Housing Allowance, Leave Travel Allowance and certain other allowances. The Variable pay increments of KMP and SMP are linked directly to the performance of the Business Unit, ratings and in accordance with policies of the Company. The other benefits includes the Health insurance, the Accident and Life insurance, the contribution to Provident Fund account, Gratuity, etc. The KMP and SMP may be eligible for severance payments in accordance with the termination clause in their employment agreement subject to applicable regulatory requirements.



The details of remuneration paid to the KMP/SMP for the year ended March 31, 2024 are mentioned below:

₹ in crore except for no. of shares

Particulars of remuneration	Venkatesh Gadiyar Chief Financial Officer (refer note ii)	Kumar Sivarajan Chief Technology Officer	Sumit Dhingra Chief Financial Officer (refer note iii)	N R Ravikrishnan General Counsel, Chief Compliance Officer & Company Secretary	Sembian Venkatesan Chief Supply Chain Officer	Abhijat Mitra Chief Human Resources Officer
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (refer note i)	1.03	2.24	0.48	0.78	1.65	1.38
Contribution to Retiral Funds	0.04	0.09	0.04	0.04	0.11	0.06
Retiral Paid	0.14	-	-	-	-	-
Perquisites including on account stock options/RsUs exercised during the period, granted during earlier years (refer note iv)	1.83	-	-	0.27	-	-
Restricted Stock Units granted during the year	15,000	50,000	20,850	5,000	21,000	6,000
Stock Options exercised during the year (refer note iv)	-	-	-	-	-	-
Restricted Stock Units exercised during the year (refer note iv)	26,719	-	-	3,738	-	4,500
No. of Shares held	3,41,007	11,02,260	-	30,461	-	23,650
Notice period	2 months	2 months	2 months	2 months	2 months	2 months

Note:

- Salary includes fixed pay and performance linked variable pay of FY 2023 but paid in FY 2024.
- Remuneration of Venkatesh Gadiyar is for the part of the year till November 30, 2023, the date which he retired from his service. The computation includes ₹ 0.14 crore of retiral benefits paid and Variable pay pertaining to FY 23 of ₹ 0.59 crore paid in FY 24.
- Remuneration of Sumit Dhingra is for the part of the year, i.e. from November 02, 2023 the date which he was appointed. He was appointed as CFO wef December 01, 2023.
- The value of perquisites includes the perquisite value of stock options/RsUs exercised during the period, which was granted during earlier years, determined in accordance with the provisions of the Income Tax Act, 1961. Accordingly, the value of stock options/RsUs granted during the period is not included.
- The retirement benefits shall include benefits such as provident fund and gratuity.
- No loan is granted to Key Managerial Personnel/ Senior Management Personnel.

d. Remuneration for other Employees

The remuneration paid to other employees of the Company consists of fixed pay and performance linked variable pay which is reviewed on an annual basis. Increase in the remuneration of employees is given based on an annual review taking into account performance of the employee, the performance of the Company and comparable market wage levels. The retirement benefits shall include benefits such as provident fund and gratuity. The Company also employs contractual employees as 'consultants' for shorter periods on need basis either directly or through service providers and as permitted by law. The Contract of employment provides for compensation upto 2 or 3 months' pay or advance notice of similar period.

5. General Body Meetings

(i) Annual General Meetings

The date, time and venue of last three Annual General Meetings (AGMs) held are as follows:

Year ended	Date	Time (IST)	Venue	Special Resolution
2023	June 20, 2023	2.30 P.M	Through Video Conference	<ul style="list-style-type: none"> Appointment of Alice G Vaidyan (DIN: 07394437) as a Non-Executive, Independent Director of the Company. Appointment of Anand S Athreya (DIN:10118880) as Executive Director (Managing Director and CEO Designate) from April 21, 2023 to June 20, 2023 and as Managing Director and CEO from June 21, 2023 till April 20, 2028.
2022	July 26, 2022	4.00 P.M	Through Video Conference	<ul style="list-style-type: none"> Increase of authorised share capital of the Company and alteration in the capital clause of the Memorandum of Association of the Company. Approval of Tejas Restricted Stock Unit Plan 2022 ("RSU 2022" or the "Plan") and grant of Restricted Stock Units under RSU 2022 to eligible employees of the Company and its subsidiaries. Appointment of P R Ramesh (DIN : 01915274) as a Non-Executive, Independent Director (not liable to retire by rotation) of the Company. Appointment of Prof. Bhaskar Ramamurthi (DIN : 01914155), as a Non-Executive, Independent Director, (not liable to retire by rotation) of the Company. Approval of grant of Restricted Stock Units under Tejas Restricted Stock Unit Plan 2022 ("RSU 2022" or the "Plan") to the Eligible Employees of subsidiary companies.
2021	June 25, 2021	3.00 P.M.	Through Video Conference	No Special resolution passed.

(ii) Extraordinary General Meetings

There were no Extraordinary General Meetings of the Shareholders of the Company held in the past three years.

(iii) Resolution(s) passed through Postal Ballot

During the year ended March 31, 2024, the Company obtained the approval of the Shareholders through postal ballot for the re-appointment of Arnob Roy (DIN: 03176672) as a Executive Director and Chief Operating Officer for a period of five (5) years with effective from March 25, 2024 till March 24, 2029 and payment of remuneration thereof the details of which is as follows:

Date of the Notice of the Postal Ballot	February 21, 2024
Voting period	February 24, 2024 to March 24, 2024
Date of approval	March 24, 2024
Date of declaration of the result	March 26, 2024

Name of the resolution	Type of resolution	No. of Votes cast in favor	%	No. of Votes cast against	%
Re-appointment of Arnob Roy (DIN: 03176672) as Whole-time Director and designated as Executive Director and Chief Operating Officer and payment of remuneration thereof.	Special Resolution	10,65,66,312	95.04	55,60,956	4.96

The details of the postal ballot is available on the website at www.tejasnetworks.com/shareholders.php.

(iv) Meeting convened under the directions of NCLT, Bengaluru

Pursuant to the order dated December 7, 2023 ('Tribunal Order'), the Hon'ble National Company Law Tribunal, Bengaluru Bench ("Tribunal") has directed the Company to hold separate meetings of the Equity Shareholders and Unsecured Creditors of the Company for purpose of considering, and if thought fit, approving the Scheme of Amalgamation of Saankhya Labs Private Limited and Saankhya Strategic Electronics Private Limited with Tejas Networks Limited and their respective Shareholders and Creditors ('Scheme') under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('Act').

In pursuance of the Tribunal Order and in compliance with the applicable provisions of the Act, 'SEBI Listing Regulations, the meetings of the Equity Shareholders and the Unsecured Creditors of the Company were held on February 9, 2024 through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') and the details are as under:

Class of meetings	Date of meeting	Time of meetings
Equity Shareholders	February 9, 2024	10.00 a.m. IST
Unsecured Creditors		11.00 a.m. IST



(a) Meeting of Equity Shareholders

The resolution has been approved by the Equity Shareholders with requisite majority as required under the Companies Act, 2013, (i.e.) out of the equity Shareholders who have exercised their voting rights (through remote e-voting and / or e-voting at the Meeting), a majority of equity Shareholders representing at least 3/4th in value have voted in favor. The summary of result of the said meeting of the equity Shareholders of the Company and the voting thereat is as under:

Voted in favor of the resolution:

Particulars	Voting Details
Number of members voting	492
Number of votes cast by them	12,16,64,677
% of Total Number of valid votes cast	99.96

Voted against the resolution:

Particulars	Voting Details
Number of members voting	11
Number of votes cast by them	45,640
% of Total Number of valid votes cast	0.04

Invalid votes:

Particulars	Voting Details
Number of members voting	Nil
Number of votes cast by them	Nil

(b) Meeting of Unsecured Creditors

The resolution has been approved by the Unsecured Creditors with requisite majority as required under the Companies Act, 2013, (i.e.) out of the Unsecured Creditors who have exercised their voting rights (through remote e-voting and / or e-voting at the Meeting), a majority of Unsecured Creditors representing at least 3/4th in value have voted in favor. The summary of result of the said meeting of the Unsecured Creditors of the Company and the voting thereat is as under:

Voted in favor of the resolution:

Particulars	Voting Details
Number of Unsecured Creditors	112
Number of votes cast by them (i.e. value of unsecured debt in INR)	1432,52,90,626
% of Total Number of valid votes cast	99.87

Voted against the resolution:

Particulars	Voting Details
Number of Unsecured Creditors	01
Number of votes cast by them (i.e. value of unsecured debt in INR)	1,84,27,681
% of total number of valid votes cast	0.13

Invalid votes:

Particulars	Voting Details
Number of Unsecured Creditors	Nil
Number of votes cast by them (i.e. value of unsecured debt in INR)	Nil

6. General Shareholder information

A separate section has been included in the Annual Report furnishing details as required under the Listing Regulations.



Independent Auditor's Certificate on Corporate Governance

To The Shareholders of Tejas Networks Limited

1. I, Chennur Dwarakanath, Company Secretary in Practice, the Secretarial Auditor of Tejas Networks Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the Listing Regulations).

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

3. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31 March 2024.
6. I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Bengaluru
April 22, 2024

Sd/-
C. Dwarakanath
Company Secretary in Practice
C.P: 4847; FCS: 7723
UDIN: F007723F000333642
Peer Review Certificate No. : 674/2020

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. The code is available on the Company's website www.tejasnetworks.com/policies-codes.php.

I confirm that the Company has in respect of the year ended March 31, 2024, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, Chief Technology Officer, Chief Operating Officer, Chief Human Resource Officer and the Company Secretary.

Bengaluru
April 22, 2024

Sd/-
Anand Athreya
Managing Director and CEO
DIN: 10118880



Chief Executive Officer / Chief Financial Officer Certification

The Board of Directors
Tejas Networks Limited

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify that:

1. We have reviewed the Balance Sheet as at March 31, 2024, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2024.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board and persons performing the equivalent functions:
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct and we have provided protection to Whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Bengaluru
April 22, 2024

Sd/-
Anand Athreya
Managing Director & CEO
DIN: 10118880

Sd/-
Sumit Dhingra
Chief Financial Officer



Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members,

Tejas Networks Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tejas Networks Limited having CIN:L72900KA2000PLC026980 and having registered office at J P Software Park, Plot No 25, Sy.No.13,14,17,18 Konnapana Agrahara Village, Begur Hobli, Bengaluru – 560100 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Ganapathy Subramaniam Natarajan	07006215	19/01/2022
2	Prathivadibhayankara Rajagopalan Ramesh	01915274	27/06/2022
3	Ramamurthi Bhaskar	01914155	27/06/2022
4	Anand Athreya	10118880	21/04/2023
5	Arnob Roy	03176672	25/03/2019
6	Alice Geevarghese Vaidyan	07394437	29/03/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Bengaluru
April 22, 2024

Sd/-
C. Dwarakanath
Company Secretary in Practice
FCS: 7723 ; C.P: 4847
UDIN: F007723F000333752
Peer Review Certificate No. : 674/2020



Shareholders' Information



Business activity of company and subdivisions
Data and prognosis of activity



Detailed information of changing business



Company development
Table No 16

Table No 17

Main markets

Location

No	Sales	No	Sales
1	11	23	452
2	23	24	34
3	433	25	452
4	5412	26	34
5	6587	27	452
6	7623	28	34
7	1520	29	452
8	16346	30	34
9	8175	31	452
10	1834	32	34
11	1956	33	452
12	2013	34	34
13	2136	35	452
14	2223	36	34
15	44520	37	452
16	2346	38	34
17	9135	39	452
18	2434	40	34
19	5356	41	452
20	4613	42	34
21	5736	43	452
22	6827	44	34
23	79	45	452
24	86	46	34
25	93	47	452
26	100	48	34
27	107	49	452
28	114	50	34
29	121	51	452
30	128	52	34
31	135	53	452
32	142	54	34
33	149	55	452
34	156	56	34
35	163	57	452
36	170	58	34
37	177	59	452
38	184	60	34
39	191	61	452
40	198	62	34
41	205	63	452
42	212	64	34
43	219	65	452
44	226	66	34
45	233	67	452
46	240	68	34
47	247	69	452
48	254	70	34
49	261	71	452
50	268	72	34
51	275	73	452
52	282	74	34
53	289	75	452
54	296	76	34
55	303	77	452
56	310	78	34
57	317	79	452
58	324	80	34
59	331	81	452
60	338	82	34
61	345	83	452
62	352	84	34
63	359	85	452
64	366	86	34
65	373	87	452
66	380	88	34
67	387	89	452
68	394	90	34
69	401	91	452
70	408	92	34
71	415	93	452
72	422	94	34
73	429	95	452
74	436	96	34
75	443	97	452
76	450	98	34
77	457	99	452
78	464	100	34

Shareholders' Information

1. General Information

The Company was originally incorporated as Tejas Networks India Private Limited on April 24, 2000 at Bengaluru as a Private Limited Company under the Companies Act, 1956. Tejas was subsequently converted into Public Limited Company and its name was changed to Tejas Networks India Limited and a fresh certificate of incorporation consequent upon change of name was issued by Registrar of Companies, Karnataka on October 23, 2002. Subsequently, the name of the Company was further changed to Tejas Networks Limited to reflect the global outlook of the Company and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies on March 18, 2008. The Corporate Identity Number (CIN) of the Company is L72900KA2000PLC026980.

The Company made an initial public offer of 3,02,21,332 equity shares of ₹ 10/- each for a cash price of ₹ 257/- per share including a premium of ₹ 247/ per share aggregating to ₹ 776.69 crore, comprising of a fresh issue of 1,75,09,727 equity shares aggregating to ₹ 450 crore and an offer for sale of 1,27,11,605 equity by the

selling Shareholders aggregating to ₹ 326.69 crore. The Company listed its equity shares at BSE Limited and National Stock Exchange of India Limited on June 27, 2017.

The Company entered into a Share Purchase and Share Subscription Agreement with Panatone Finvest Limited by means of which the Company raised funds of ₹ 1,850 crore. Pursuant to this, Panatone Finvest Limited is the promoter of the Company and Akashastha Technologies Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

The address of the Registered Office of the Company is J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli Bengaluru, Karnataka-560100.

Financial calendar

The Company financial year begins on April 1 and ends on March 31 every year.

2. Board Meeting

The tentative calendar of the Board Meeting for the approval of financial results and closure of Trading Window for FY 2025 is:

Quarter Ending	Date of the Board Meeting (Tentative)	Date of the Trading Window Closure (Tentative)
June 30, 2024	July 19, 2024	June 15, 2024 to July 21, 2024
September 30, 2024	October 18, 2024	September 15, 2024 to October 20, 2024
December 31, 2024	January 17, 2025	December 15, 2024 to January 19, 2025
March 31, 2025	April 25, 2025	March 15, 2025 to April 27, 2025

3. Annual General Meeting

Date and time	June 28, 2024 at 3.00 p.m IST
Mode	Video Conference ("VC")/Other Audio Visual Means ("OAVM")
Transcripts	www.tejasnetworks.com/annual-general-meeting.php
E-Voting date	June 24, 2024 to June 27, 2024
Book Closure date	June 21, 2024 to June 28, 2024 (both days inclusive)

4. Dematerialisation of shares

The Listing Regulations 2015 has mandated that transfer of securities would be carried out only when securities are held in dematerialised form with effect from April 1, 2019. In view of this and to facilitate seamless transfer of shares in future, Shareholders holding shares in physical form are requested to dematerialize their securities. The Company shares are tradeable in the electronic form only and has established connectivity with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through Link Intime India Private Limited, our Registrar and Share Transfer Agent.

The Shareholders can visit the below mentioned websites of the Depositories viz., CDSL or NSDL for understanding the procedure of dematerialization of shares: CDSL website: www.cdslindia.com/investors/open-demat.aspx and NSDL website: <https://nsdl.co.in/services/demat.php>. In case of any queries, you may contact Link Intime India Private Limited, Registrar and Share Transfer Agent.

The equity shares held in physical and demat form as on March 31, 2024 are as follows:

Description	No. of Shareholders ¹	No. of Shares	% to Equity
Physical Shares	116	2,02,077	0.12
Dematerialized Shares	1,76,189	17,05,05,983	99.88
Total	1,76,305	17,07,08,060	100.00

¹The total number of holders will not tally with the number of Shareholders, since Shareholders can have multiple demat accounts with same PAN. The number of Shareholders based on PAN as on March 31, 2024 is 1,72,998.



5. Common and Simplified Norms for processing investor's service request by RTA and norms for furnishing PAN, KYC details and Nomination

The Securities Exchange Board of India vide its Circular SEBI/HO/MIRSD-PoD/P/CIR/2023/37 dated March 16, 2023 amongst other things has advised the Companies and Registrar and Transfer Agents as follows:

i. Mandatory furnishing of PAN, KYC details and Nomination by the holders of physical securities

SEBI has mandated that from January 1, 2022 that all holders of Physical securities in listed company shall mandatorily furnish the following documents / details to the Registrar and Share Transfer Agent (RTA) and the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s) till the below documents/ details are furnished to the RTA.

- Permanent Account Number (PAN).
- Nomination – Details of nomination shall be furnished in hard copy or through electronic mode with e-signature.
- Contact – Postal address with PIN, Mobile number, E-mail address.
- Bank account details – Bank name and branch, bank account number, IFS Code.
- Specimen signature.

ii. Compulsory linking of PAN and Aadhaar by all holders of physical securities in listed companies

SEBI has mandated RTA, in line, with the Central Board of Direct Taxes (CBDT), Circular No.7 of 2022 (Notification F.No3701/14/2022-TPL) dated March 30, 2022 on linking PAN with Aadhaar number and extended the said date to June 30, 2023 to

- accept only valid / operative PANs and
- verify that the PAN in the existing folios are valid and linked to the Aadhaar number of the holder.

The Shareholders are requested to visit the website of the Company at www.tejasnetworks.com/dematerialization-of-shares.php for further details in this regard.

6. Intimation to physical security holders with respect to electronic payment of dividend/ interest or redemption from April 01, 2024

SEBI, vide its circulars mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or choice of nomination or contact details or mobile number or bank account details or specimen signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024. Further, relevant FAQs have also been published by SEBI on its website at the following web link for investor awareness: www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.

In this regard, the security holders whose folios are incomplete with regard to PAN or choice of nomination or contact details or mobile number or bank account details or specimen signature, then

- In case of non-updation of PAN or choice of nomination or contact details or mobile number or bank account details or specimen signature in respect of physical folios, dividend/ interest etc. shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety.

- If a security holder updates the PAN, choice of nomination or contact details or mobile number or bank account details or specimen signature after April 01, 2024, then the security holder would receive all the dividends/interest etc. declared during that period (from April 01, 2024 till date of updation) pertaining to the securities held after the said updation automatically.

7. Shareholders' Communication

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all Stakeholders which promotes Management-Investor relations. The Company is committed towards promoting effective and open communication with all its Shareholders. The Company focuses on prompt, continuous and efficient communication to all its Stakeholders and interacts with Shareholders through multiple channels of communication such as result announcements, annual report, press releases, updating the information on Company's website, etc.

(a) Financial Results and Newspaper publication

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as Business Standard, Financial Express and Vishwvani. These results are also made available on the website of the Company at www.tejasnetworks.com/quarterly-financial-results.php. The website also displays information relating to the Company and its performance, official press releases and presentation to analysts. The Company participates in the investor conferences to communicate directly with all Investors. The Management participates in the earnings call every quarter, after the announcement of results. During FY 2023-24, the Company had participated in four Earnings/Analysts Call. The transcripts of the quarterly earnings call with Analysts have also been published on its website.

(b) Website

The Investor Relations page of the Company's website www.tejasnetworks.com/investor-relations.php wherein all the information relevant for the Shareholders/Investors are displayed. Copy of the press releases, quarterly results, presentations to Financial Analysts and Institutional Investors, subsidiary financials, policies of the Company, earnings conference call transcripts, shareholding pattern, stock exchange disclosures, Annual Reports, etc. as required under the Listing Regulations are made available on the website.

(c) Press Releases and Analysts'/Investors' presentations

The Company has an effective Investor Relations Program wherein the top management, including the Managing Director and Chief Executive Officer, Executive Director and Chief Operating Officer, Chief Technology Officer and Chief Financial Officer continuously interacts with the investment community through various channels such as Periodic Earnings Calls, Analyst Day, Individual Meetings, Video Conferences, Participation in one on one interactions and group meetings through Non-Deal Roadshows. The Company sends the copy of Press releases/official media releases to stock exchanges and also disseminates the same on its website of the Company at www.tejasnetworks.com/financial-results-earnings-call.php. The Company makes detailed presentation to the Analysts and Institutional Investors regarding the quarterly and annual financial results.



(d) Annual Report

The Company's Annual Report containing, *inter-alia*, the Board's Report, the Corporate Governance Report, the Business Responsibility and Sustainability Report, Management Discussion and Analysis, Audited Standalone and Consolidated Financial Statements, Statutory Reports and other important information is circulated to Shareholders and others so entitled. The Annual Report is also available on the Company's website at www.tejasnetworks.com/annual-general-meeting.php.

(e) Chairman speech

The Chairman speech of the 24th Annual General Meeting will be made available on the Company's website at www.tejasnetworks.com/shareholders_agm.php.

(f) Stock Exchange filings

The National Stock Exchange of India Ltd.(NSE) and BSE Ltd. (BSE) maintain separate online portals for electronic submission of information by listed companies. Various communications such as notices, press releases and the regular quarterly, half-yearly and annual compliances and disclosures are uploaded in those portals. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites. The stock exchange filings are also made available on the Company's website at www.tejasnetworks.com/stock-exchange-filing-other-filing.php.

(g) Web-casting

The Company is pleased to provide the facility of live webcast of the proceedings of the 24th AGM on www.tejasnetworks.com/annual-general-meeting.php. The detail of the same is provided in the Notice of the 24th AGM.

(h) Investor grievance and share transfer system

The Stakeholder's Relationship Committee examines and redress complaints received from Shareholders and Investors. The status of complaints and share transfers are reported to the entire Board. The Stakeholder's Relationship committee will meet as often required to take note of the situation on investor grievance. Since the shares of the company are to be traded under 100% dematerialized mode, Link Intime India Private Limited, Registrar and Share Transfer Agent handles matters like transfer of shares, change of address etc.

8. Investor Service Portal

Link Intime India Private Limited, the Company's Registrar and Share Transfer Agent has launched 'SWAYAM', Investor Self-Service Portal, designed exclusively for the investors serviced by Link Intime India Private Limited, Registrar and Share Transfer Agent and its subsidiaries. 'SWAYAM' is a secure, user-friendly platform that empowers investors to access information through a dashboard and avail various services in digital mode and to access various services. This application can be accessed at https://www.linkintime.co.in/Swayam_info.html.

The tool has the following features

- Resolution of Service Request-Generate and Track Service Requests/Complaints.
- Features - A user-friendly GUI.
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to linked PAN accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at Login - Enhances security for investors.

9. Listing of Equity Shares

The names of the Stock Exchanges where the Company's Equity Shares are listed, along with their Scrip Codes, are as follows:

Name of the Stock Exchanges	Scrip Code
BSE Limited	540595
National Stock Exchange of India Limited	TEJASNET

The International Securities Identification Number (ISIN) allotted to our equity share under the Depository System is INE 010J01012.

10. Investor Complaints

The details of the complaints resolved during the fiscal ended March 31, 2024 are as follows:

Nature of complaints	Received	Resolved	Closing
Non- Receipt of Share Certificates	Nil	Not applicable	Not applicable
Demat Requisition Form	Nil	Not applicable	Not applicable
SEBI	Nil	Not applicable	Not applicable
Others	Nil	Not applicable	Not applicable

The Company normally attends most of the investor grievances within 7 days from the date of receipt of such grievance and the communication in this regard are sent within 15 days from the date of receipt of such grievance unless constrained by certain impediments. The Shareholders may note that the share transfers and all other investor related activities are handled by Link Intime India Private Limited, our Registrar and Share Transfer Agent. For any escalations, the Shareholders may write to company at corporate@tejasnetworks.com.



11. Movement in Shareholding for the year ended March 31, 2024

Date of Allotment	Number of Shares allotted	Total number of equity shares
Total no of shares as on April 1, 2023		16,83,70,853
April 21, 2023	18,930	16,83,89,783
May 15, 2023	7,88,704	16,91,78,487
May 24, 2023	89,084	16,92,67,571
June 26, 2023	3,02,787	16,95,70,358
July 21, 2023	54,930	16,96,25,288
August 22, 2023	73,808	16,96,99,096
September 24, 2023	22,105	16,97,21,201
October 20, 2023	2,00,976	16,99,22,177
November 27, 2023	57,362	16,99,79,539
December 25, 2023	99,307	17,00,78,846
January 19, 2024	1,81,229	17,02,60,075
February 21, 2024	4,25,158	17,06,85,233
March 21, 2024	22,827	17,07,08,060

The change in the paid-up share capital of the Company is due to the exercise of employee stock options/ restricted stock units.

12. Shareholders holding more than 1% of the shares

The details of the Shareholders holding more than 1% of the equity shares as on March 31, 2024 are as follows:

Name of the Shareholder	Number of shares	%
Panatone Finvest Limited	9,49,05,686	55.60
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	62,26,899	3.65
East Bridge Capital Master Fund I Ltd	46,91,918	2.75
Kedia Securities Private Limited	32,00,000	1.87
Government Pension Fund Global	29,92,153	1.75
Sanjay Nayak	19,83,225	1.16

13. Shareholding pattern

The Shareholding of the Company for the year ended March 31, 2024 increased due to allotment of shares consequent to the exercise of ESOP and RSU by the eligible employees. The total share capital as on March 31, 2024 is ₹ 1,70,70,80,600 comprising of 17,07,08,060 equity shares of ₹ 10/- each.

Category	Number of equity shares held	Percentage of holding
Promoters and Promoter Group (A)	9,49,05,686	55.60
Public		
Institutions		
Mutual Funds	72,83,821	4.27
Foreign Portfolio Investors	1,93,53,353	11.33
Alternate Investment Funds	8,36,136	0.49
Banks	101	0.00
Insurance Companies	1,368	0.00
NBFCs registered with RBI	1,016	0.00
Central Government	2,954	0.00
Total (B)	2,74,78,749	16.09
Non-Institutions		
Individuals	3,07,53,469	18.02
Bodies Corporate	71,96,028	4.22
Director or Director's Relatives	7,40,512	0.43
KMP	30,461	0.02
Others	96,03,155	5.62
Total (C)	4,83,23,625	28.31
Total (A) + (B) + (C)	17,07,08,060	100.00



14. Stock Data

Monthly High and Low prices at BSE & NSE

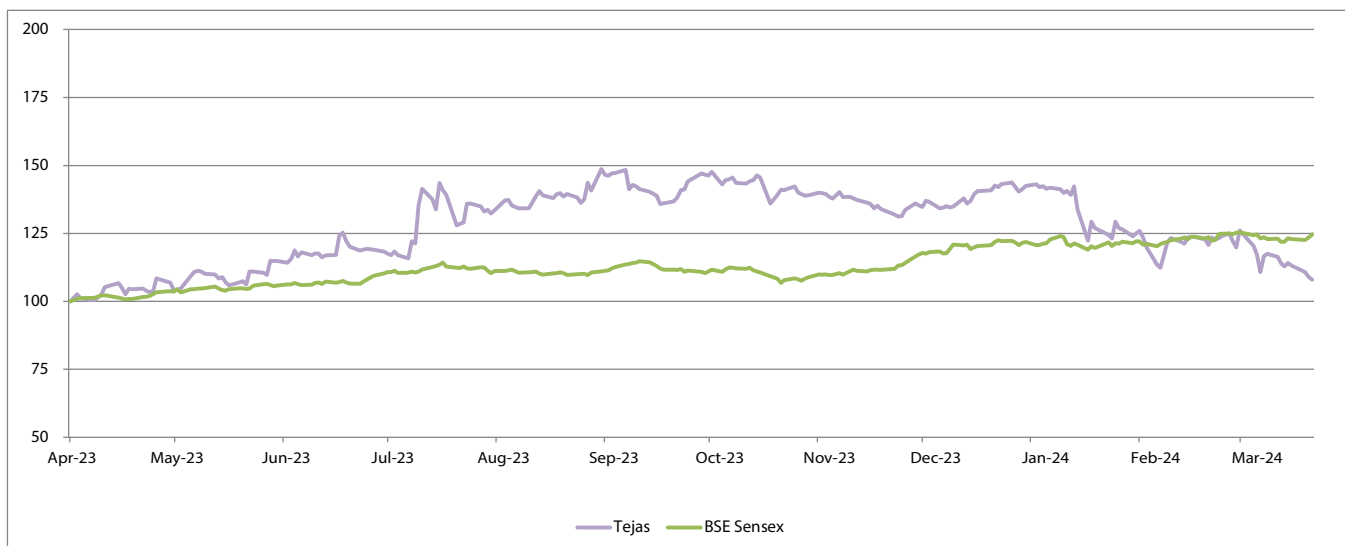
Month	NSE			BSE			Volume
	High (₹)	Low (₹)	Volume A (No.)	High (₹)	Low (₹)	Volume B (No.)	(A+B) (No.)
April 2023	684.00	590.05	1,44,54,694	684.20	588.25	11,80,335	1,56,35,029
May 2023	702.00	618.00	1,26,29,924	703.00	618.00	9,74,695	1,36,04,619
June 2023	773.90	684.00	1,08,60,054	773.10	683.30	9,79,426	1,18,39,480
July 2023	893.30	702.45	3,69,53,244	893.00	702.00	24,73,099	3,94,26,343
August 2023	875.00	795.65	1,62,30,546	878.55	795.95	11,80,892	1,74,11,438
September 2023	934.90	820.00	1,42,19,090	935.00	819.70	10,26,111	1,52,45,201
October 2023	940.00	811.20	1,02,16,037	939.90	810.50	6,24,064	1,08,40,101
November 2023	863.05	778.05	41,48,905	862.10	778.00	3,31,423	44,80,328
December 2023	887.95	800.00	98,50,444	887.95	799.05	6,95,303	1,05,45,747
January 2024	887.95	738.00	81,71,522	887.15	736.70	7,78,237	89,49,759
February 2024	795.75	652.85	84,03,120	797.85	658.35	7,78,489	91,81,609
March 2024	779.00	651.25	59,20,135	777.40	652.05	8,48,194	67,68,329
Total			15,20,57,715			1,18,70,268	16,39,27,983

Distribution of Shareholding as on March 31, 2024

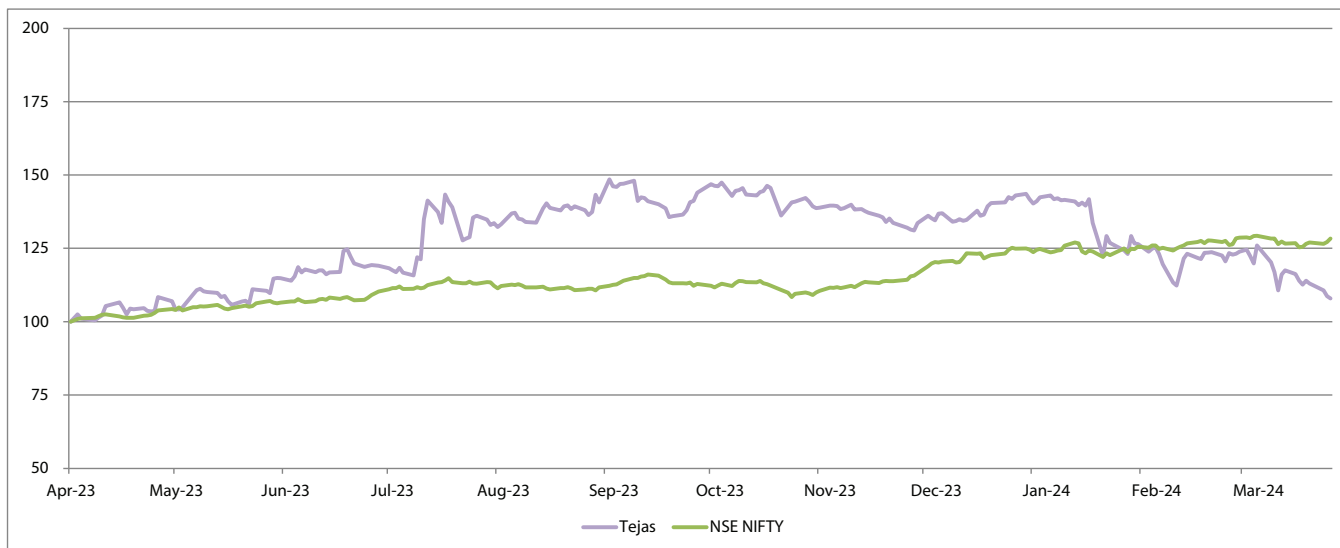
No. of Shares held		Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
From	To				
1	500	1,68,060	95.32	91,13,063	5.34
501	1,000	3,920	2.22	30,07,817	1.77
1,001	2,000	2,034	1.16	29,93,027	1.75
2,001	3,000	712	0.40	17,99,169	1.05
3,001	4,000	334	0.19	11,97,351	0.70
4,001	5,000	263	0.15	12,36,176	0.72
5,001	10,000	463	0.26	33,43,419	1.96
10,001	and above	519	0.30	14,80,18,038	86.71
Total		1,76,305	100.00	17,07,08,060	100.00

The Company's share performance

Tejas share price versus the BSE Sensex



Tejas share price versus the NSE Nifty 50



Note: Base 100 - Tejas Share price on April 1, 2023 and NSE Nifty 50 index, BSE Sensex index value on April 1, 2023 have been base lined to 100.

15. Investor Contacts

For queries relating to financial statements

Sumit Dhingra
Chief Financial Officer
Tel: +91 80 4179 4600, Fax : +91 80 2852 0201
Email: corporate@tejasnetworks.com

For queries relating to shares/compliance

N R Ravikrishnan
General Counsel, Chief Compliance Officer &
Company Secretary
Tel: +91 80 4179 4600, Fax : +91 80 2852 0201
Email: corporate@tejasnetworks.com

Investor correspondence

Santosh Kesavan
Head – Investor Relations
Tel: +91 80 4179 4600, Fax : +91 80 2852 0201
Email: ir@tejasnetworks.com

Registrar and Transfer Agents

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, L.B.S. Marg
Vikhroli (West), Mumbai 400 083
Maharashtra, India
Tel: +91 22 4918 6200, Fax: +91 22 4918 6195
Website: www.linkintime.co.in
E-mail: rnt.helpdesk@linkintime.co.in

Contact person:

Manohar Shirwadkar
Senior Associate - Link Intime India Private Limited
Tel: +91 22 - 4918 6270, Fax : +91 22 - 4918 6060
Email: manohar.shirwadkar@linkintime.co.in

Depository for equity shares in India

- National Securities Depository Limited
Trade World, "A" Wing, 4th Floor
Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai: 400013, India
Tel: +91 22 24994200 Fax: +91 22 24976351
- Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers, 17th Floor,
Dalal Street, Fort, Mumbai: 400001, India
Tel. +91 22 23023333 Fax: +91 22 22723199

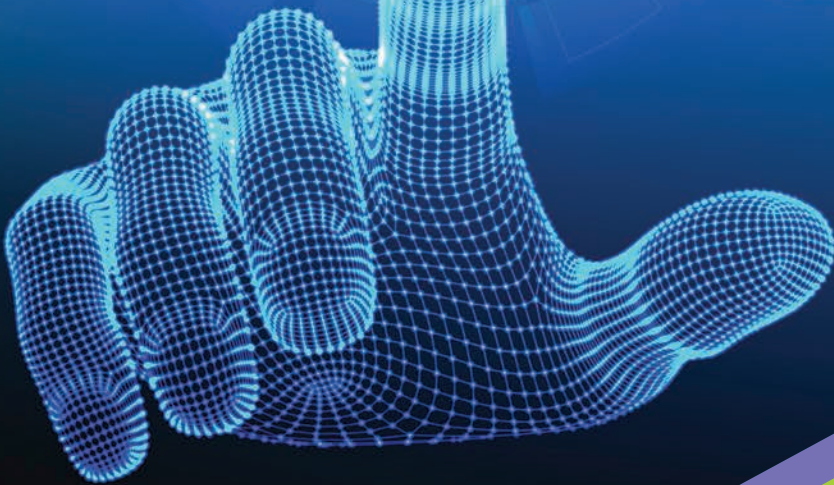
Addresses of regulatory authority/ stock exchanges

- Securities Exchange Board of India
Plot No. C 4-A, G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400051, India
Tel: +91 22 26449000, +91 22 40459000
Fax: +91 22 26449019-22, +91 22 40459019-22
- National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (East),
Mumbai 400051, India
Tel: +91 22 26598100, Fax: +91 22 26598120
- BSE Limited
Phiroze Jeejeebhoy Towers, Kala Ghoda
Mumbai 400001, India
Tel: +91 22 22721233, Fax: +91 22 22721919



Risk Management Report

MIN



Risk Management Report

1. Introduction

The objective of this document is to establish the process for Risk Management

2. Risk Management Process

2.1 Tejas Risk Management Framework

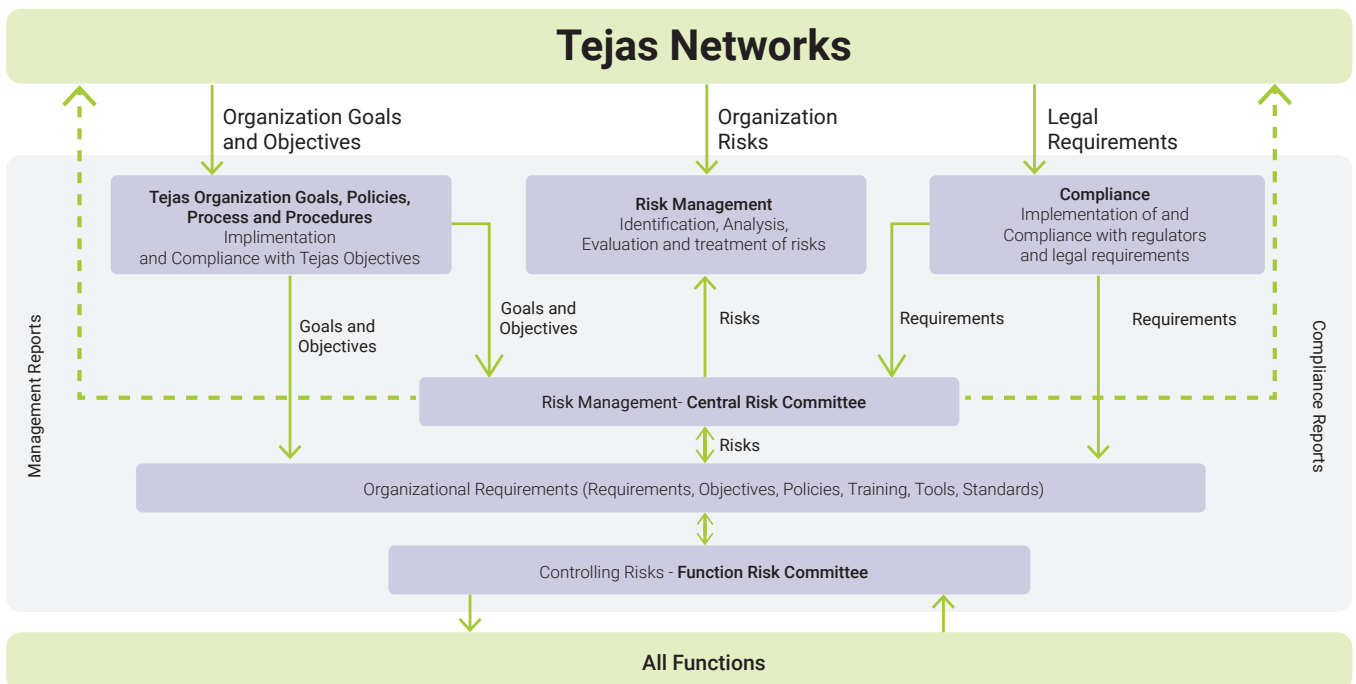
We have established a risk management framework to identify strategic, business and operational risks. The central risk committee is headed by our COO and comprises of members from the senior management. The risk committee members identify all the risks, and address these risks to ensure there is minimal impact on our business and functioning of our organization. Using the framework, we analyse scenarios based on our past experience and current conditions to identify those risks and make necessary changes to the defined policies and procedures and set objectives for the entire organization. In addition, our compliance group also provides additional

requirements to ensure legal and compliance requirements are addressed and any risk pertaining to this gets the necessary attention.

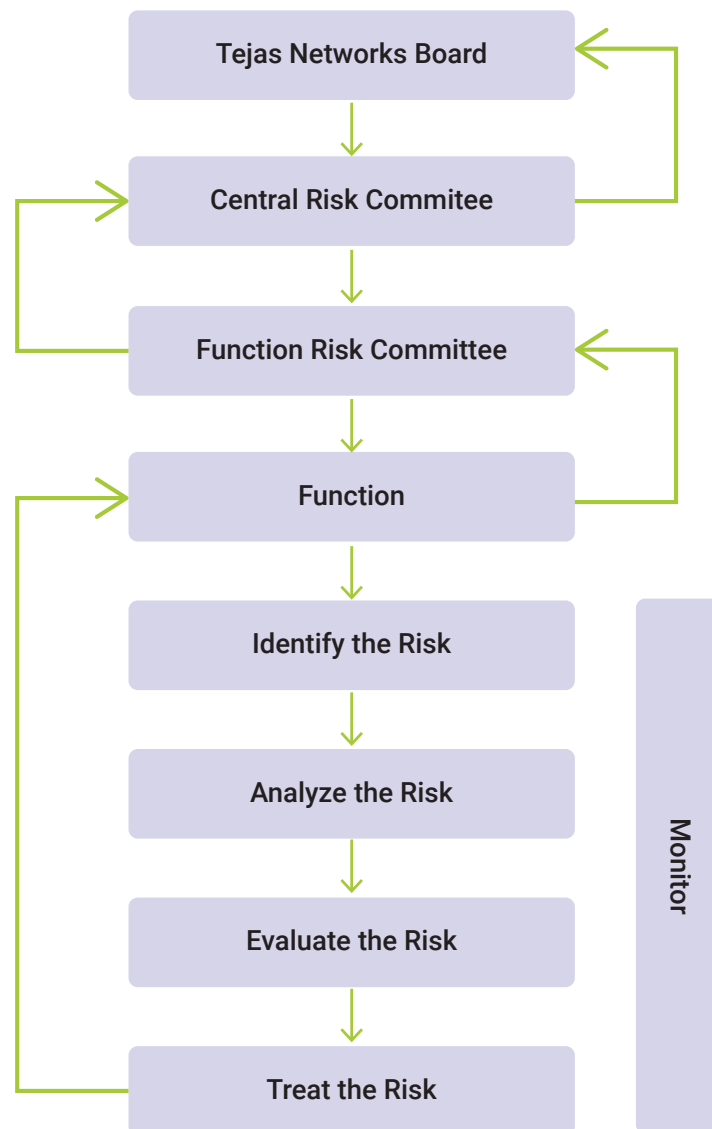
Employees and enablers are trained regularly to monitor these through various tools within the organization.

At the operation and tactical level, every function has a function risk committee to assess the risk and to address those risks. As soon as the risk is identified, the next steps are to analyze the impact on the business, evaluate the methods to address the risk, and mitigate the risk based on the identified mechanisms. All these phases are continually tracked until the risk is mitigated.

Periodic reporting of the risks happen from the various functions to the functional risk committee, who then communicates it to the Central risk committee through management reports which is then percolated to the Tejas Networks Board of Directors for further decision/guidance.



Risk Methodology



2.2 Tejas Risk Policies and Procedures

Tejas Risk Policies and procedures are meant to ensure continuity of business and protection of interests of our investors, and thus covers all the activities within the organization and events outside the organization, which have a bearing on our organization's business.

This is to ensure:

- All business decisions will be made with the prior information and acceptance of risk involved
- The risk policies, process and procedure will provide for the enhancement and protection of business from uncertainties and consequent losses
- All employees of the organization are made aware of the risks in their respective domains and their mitigation measures
- The risk mitigation measures adopted ensures that it is effective in the long-term

- Risk tolerance levels are regularly reviewed by various committees and decided upon depending on the change in strategy
- The occurrence, progress and status of all risks are promptly reported and appropriate actions are taken.

2.2.1 Risk Strategy

The adopted risk strategy is based on effective handling of the risk, based on the risk tolerance level determined. This is reviewed periodically by the established committees using one of the methods below:

- **Risk Avoidance:** By not performing an activity that could carry risk.
- **Risk Transfer:** Mitigation by having another party to accept the risk, either partial or total



- **Risk Reduction:** Employing methods/solutions that reduce the severity of the loss
- **Risk Retention:** Accepting the loss when it occurs. All risks that are not avoided are retained by default and possible mitigations arrived to reduce the severity of the risks.

To enable this, various risk committee have been established in Tejas to ensure following steps are performed.

Plan: Plans are prepared, which will describe the actions to be taken to address significant risks. This will also describe the actions including media/public relations response to be taken to address crisis or disaster situations.

Act: The risks that are assessed, are addressed by appropriate levels of the management based on the nature and magnitude of the risk. Appropriate cost-efficient actions taken to manage and control risks. The risks that we are exposed to, is broadly classified into the following categories:

- **Strategic Risk:** These include the range of external events that can adversely impact the organization's strategic growth and destroy shareholder value. Examples: Risks due product/technology competitiveness, product/technology readiness, SEP licensing, component vendor consolidation, Operator consolidation to fewer number of larger operators
- **Business Risk:** These include the risks associated specifically with the company and having an adverse impact on the company's capability to execute activities critical for business growth, thereby affecting performance. Examples: schedule delays, quality issues, semiconductor supply shortages, sales execution etc.
- **Operational Risk:** This risk is associated with risks which are associated with operational uncertainties like unpredictable changes in force majeure affecting operations, internal risks like attrition, and epidemic/pandemic emergencies such as COVID-19 etc.

- **Environmental Risk:** This risk is associated with unwanted incidents, which could lead to impact on the environment such as e-waste, power, pollutants like lead, cadmium etc. due to deficiencies in waste management, causing impact to environment as well as human health.
- **Cyber Security Risk:** This risk is associated with threats and vulnerabilities associated with the business operations due to the use of information systems and the environments in which those business systems operate. Examples include malware, ransomware, phishing attacks through email and browsing, users sharing confidential data or credentials, either intentionally or inadvertently etc.
- **Legal and Compliance Risk:** This risk is associated with our financials, and may result from litigation due to violations of laws and regulations.

2.2.2 Risk Identification Analysis and Evaluation

Risks are also identified from a number of other sources including: work place risk assessments, incident reports, complaints, external and internal audit reports, business plan, vendors dependencies, contract manufacturers' dependencies or business decisions.

Risk analysis and evaluation will concentrate not only on the impact in one area, but on several possible areas of impact such as human resources, revenues, costs, people, community, performance etc. The significance of the identified risk will be assessed in terms of the probability of occurrence, and severity of the risk, each of which will be categorized on a scale of 1 to 5 to arrive at the risk index. Based on the Risk index determined for the identified risks, they are further categorized into the below risk types:

Risk Type	Definition	Actions
Major	All major risks will be monitored on a weekly basis and controlled at the earliest. Efforts will be taken to ensure the risk is lowered as quickly as possible.	Periodic risk strengthening is done through training and proactive process management
Medium	These are risks that are acceptable, provided they can be effectively controlled. They will however, be monitored at least on a fortnightly basis.	
Minor	These are not significant now and are not likely to increase in future.	



2.2.3 Risk Treatment

Risk treatment and control are done through selection of the most appropriate option (refer below table) for treating risks. This involves balancing the cost of implementing each option against the benefits derived from it. Identified risks will be ranked in accordance with their likely impact, the acceptability of each identified risk will be assessed and proposed actions to

eliminate, reduce or manage each material risk will be considered and agreed. Responsibilities for the management of each risk will be assigned to appropriate functions and monitored until the risk is addressed. Risks are proactively assessed on a regular basis and frequency of review is decided depending on the risk index.

Area	Definition
Risk Description	– Qualitative description of the events by which the occurrence of the risk may be identified
Type of the Risk	– Strategic/ Business/ Operational / legal/compliance
Likelihood of Occurrence	<ul style="list-style-type: none"> – Loss potential and financial impact of risk on the business – Value at Risk – Probability of occurrence and size of potential losses – Objective(s) for control of the risk and desired level of performance – To consolidate Risk Trigger
Severity	– Probability of occurrence. The significance of the identified risk will be assessed in terms of probability of occurrence, and severity of the risk, each of which will be categorized on a scale of 1 to 5
Risk Index	– Impact, if risk materializes, provides guidance in terms of monitoring the risk frequently to control and treat.
Mitigation Plan	<ul style="list-style-type: none"> – Primary means by which the risk is currently being managed – Levels of confidence in existing control system – Identification of protocols for monitoring and review of the process of treatment and control
Contingency Plan	– Proper and immediate follow-up steps to be taken
Status	– Risk Status Open / Close / Pending



Business Responsibility and Sustainability Report



Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L72900KA2000PLC026980
2	Name of the Listed Entity	Tejas Networks Limited
3	Year of incorporation	2000
4	Registered office address	J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli Bengaluru- 560100, Karnataka
5	Corporate address	J P Software Park, Plot No 25, Sy. No 13, 14,17,18 Konnapana Agrahara Village, Begur Hobli Bengaluru- 560100, Karnataka
6	E-mail	corporate@tejasnetworks.com
7	Telephone	080-41796400
8	Website	www.tejasnetworks.com
9	Financial year for which reporting is being done	FY 2023-2024 (April 01, 2023 to March 31, 2024)
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	₹ 173.98 crore (includes ₹ 3.27 crore of forfeited shares)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	N R Ravikrishnan, General Counsel, Chief Compliance Officer & Company Secretary +91 80 41794608 ravikrishnanr@tejasnetworks.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on a standalone basis, unless otherwise specified.
14	Name of the Assurance Provider	Not Applicable
15	Type of Assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Communication Equipment	The company designs, develops and manufactures leading-edge wireless and wireline equipment used predominantly by telecom service providers, utilities, defence and government agencies worldwide. The company has commercialized a wide range of technologies and products for building end-to-end telecom networks that includes 4G/5G mobile broadband, multi-gigabit fiber broadband, terabit-scale optical transmission and high-capacity packet switches.	87.62
2	Communication Software	The company designs and develops software products that enable remote configuration, monitoring, provisioning and management of its products from a central, web-enabled platform. The company's software products can be either hosted on dedicated servers or on the public cloud.	0.53
3	Support Services towards Communication equipment and Services	The company offers a comprehensive portfolio of network services to its customers that includes installation and commissioning of its products, post-sale support, maintenance, upgrades and repair, product training, and network design advisory, audit and optimization services.	3.20



17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total contributed
1	Manufacture of Communication Equipment	263	87.62
2	Communication Software	263	0.53
3	Support Services towards Communication equipment and Services	263	3.20

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	1	9	10
International	Nil	9	9

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	75+

b. What is the contribution of exports as a percentage of the total turnover of the entity?

6% (excluding other operating revenue).

c. A brief on types of customers

The company's customers include leading telecom operators, Internet Service Providers (ISP), Utilities (Power, Railway, Oil & Gas, Smart Cities) and Government & Defence agencies across the globe

IV. Employees**20. Details as at the end of Financial Year: 2023-2024**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	1,843	1,574	85.40%	269	14.60%
2.	Other than Permanent (E)	1,273	1,207	94.82%	66	5.18%
3.	Total employees (D + E)	3,116	2,781	89.25%	335	10.75%
Workers						
4.	Permanent (F)		Not Applicable			
5.	Other than Permanent (G)					
6.	Total workers (F + G)					



b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	1	1	100%	0	0%
Differently Abled Workers						
4.	Permanent (F)					
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					
Not Applicable						

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	17%
Key Management Personnel	4	0	0

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-2024			FY 2022-2023			FY 2021-2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6.7%	6.0%	6.6%	17.9%	19.1%	18.0%	18.8%	23.8%	19.4%
Permanent Workers	Not Applicable								

V. Holding, Subsidiary and Associate Companies (including joint ventures)

Yes. The Company has one holding and five subsidiaries (including three step-down subsidiary) as on March 31, 2024. Refer to Form AOC-1 provided in this Annual Report for information on holding/subsidiary/ associate companies/ joint ventures.

23. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Panatone Finvest Limited	Holding Company	55.60	Yes
2	Tejas Communication Pte. Limited	Wholly Owned Subsidiary	100	Yes
3	Saankhya Labs Private Limited	Majority Owned Subsidiary	64.40	Yes
4	Saankhya Labs Inc.	Step-down subsidiary	64.40	Yes
5	Saankhya Strategic Electronics Private Limited	Step-down subsidiary	64.40	Yes
6	Tejas Communications (Nigeria) Limited	Step-down subsidiary	100	Yes



VI. Corporate Social Responsibility Details

24. (i) Whether Corporate Social Responsibility is applicable as per section 135 of Companies Act, 2013: (Yes/No):

Yes*

		As of March 31, 2024
(ii)	Turnover (in ₹ crore)	2,370.46
(iii)	Net worth# (in ₹ crore)	3,202.31

* The Company is not obligated to make any contribution in respect of the Corporate Social Responsibility for the year ending March 31, 2024, in view of the average net loss before tax for the last 3 years is ₹ 11.48 crore based on the computation as per Section 135 of the Companies Act, 2013

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-2024			FY 2022-2023		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf			Nil			
Shareholders	Yes https://scores.gov.in/scores/			Nil			
Investors (other than shareholders)	Yes https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf https://scores.gov.in/scores/			Nil			
Employees and workers	Yes https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf			Nil			
Customers	Yes https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf			Nil			
Value Chain Partners	Yes https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf			Nil			
Others (Please specify)				Not Applicable			



26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product And Service Responsibility	O	Contribution towards a sustainable ecosystem.	-	Positive
2	Talent Management	R	The Company's R&D requires constant upgradation of high-end skills and research capabilities.	Enhanced investment in tools, system and content towards capability development.	Negative
3	Data Privacy And Security	R	Safeguarding of the enterprise data and also to fulfil the contractual responsibility to customers. The increasing landscape of data privacy laws across the globe also possess a risk of penalties on non-compliances and reputational loss.	Enhanced cyber security measures like robust processes, policies, and awareness and sensitization programs.	Negative
4	Ethical And Transparent Business Conduct	R	Ethical behavior is critical for the success of all companies and any such unethical behavior will be risks, which can result in reputation loss and damage to stakeholder trust and business disruption.	Periodical internal reviews, audit and presentations on changes introduced by regulators.	Negative
5	GHG Emissions And Energy Management	R	Climate change is a threat to the Company's infrastructure that may disrupt operations and potentially impact the safety and well-being of employees.	Business continuity policy and emergency response plans are in place.	Negative
6	Responsible Procurement	R	The Company's emphasis on sustainable supplier may impact cost, time and availability.	Planning and supporting existing suppliers to embrace sustainability.	Negative
		O	The Company emphasis on sustainability for furthering ESG compliance.		Positive
7	Health & Safety	R	The Company's emphasis on providing safe environment may impact cost, time and availability.	Periodic awareness to employees on health and safety Organizing safety camps for employee well being.	Negative
8	Water & Waste	R	Aligning with the principle of reducing resource use. Setting goals for better water management.	Reduction of waste by awareness and responsible disposal leading to recycling. Water treatment facilities are established to ensure water treatment, recycling and recharge.	Negative
9	CSR	O	As a part of the Company's commitment to society, comprehensive interventions are undertaken in education, healthcare, and the environment.		Positive



SECTION B: Management And Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Code of Conduct Whistle blower policy https://www.tejasnetworks.com/main-control/download/Code-of-Conduct-and-Ethics.pdf https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf									
c. Web Link of the Policies, if available	Supplier Code of conduct https://www.tejasnetworks.com/main-control/download/supplier-code-of-conduct.pdf CSR Policy, Whistle Blower Policy https://www.tejasnetworks.com/main-control/download/CSR-Policy.pdf https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	BRSR Standards	BRSR Standards ISO 14001	BRSR Standards	BRSR Standards	BRSR Standards	BRSR Standards, ISO 14001	BRSR Standards	BRSR Standards	BRSR Standards, ISO 27001
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	To reduce GHG emissions by 30% in scope 1 and 2 by 2030 and to be Net Zero by 2045.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance of each of the principles is reviewed periodically by various Committees led by the Management and Board of Directors.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Tejas has integrated sustainability into all aspects of business. The Company's sustainability framework aims to reduce carbon footprint, conduct responsible business practices that benefit society and transparent governance practices. The Company aims to reduce its GHG emissions (Scope 1 and Scope 2) by 30% by 2030 and Net Zero by 2045.



8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Anand Athreya, Managing Director and CEO, DIN: 10118880 under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policies.

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the Company has a Board level Stakeholders' Relationship Committee, which provides valuable direction and guidance to the Management to ensure that Safety and Sustainability related issues are addressed in all strategic initiatives, budgets, audit actions and improvement plans.

Member of the Stakeholders' Relationship Committee	Designation	DIN
Prof. Bhaskar Ramamurthi – Chairman	Non-Executive, Independent Director	01914155
Alice G Vaidyan - Member	Non-Executive, Independent Director	07394437
Arnob Roy - Member	Executive, Non-Independent Director	03176672

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
	The, policy on Business Responsibility are reviewed periodically or on a need basis by the Senior Leadership Team and necessary changes as required are made.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the applicable statutory rules and regulations.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
DQS India, BSI India	DQS India, BSI India	DQS India, BSI India	DQS India, BSI India	DQS India, BSI India	DQS India, BSI India	DQS India, BSI India	DQS India, BSI India	DQS India, BSI India

The Company has various policies in place, which are reviewed from time to time internally by the Board, its Committees and Senior Management. Tejas is certified for ISO 14001:2015 and ISO 27001:2013.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	All Principles are covered by the Policies								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									



SECTION C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by awareness the programmes
Board of Directors	1	All Principles	100
Key Managerial Personnel	1	All Principles	100
Employees other than BoD and KMPs	2	All Principles	62
Workers		Not Applicable	

Note: All the principles laid down in this Report are covered in the Company’s Code of Conduct which is mandatorily adhered to by all employees of the Company.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

None. There are no fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings by the entity or by directors / KMPs with regulators/ law enforcement agencies/ judicial institutions for the financial year ended March 31, 2024.

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment			Nil		



3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has formulated anti-bribery policy to ensure that appropriate and adequate procedures are in place to prevent the Company's involvement in any activity involving bribery, facilitation payments, or corruption, even where the involvement may be unintentional. The Company's Code of Conduct and whistle blower policy, which includes the Anti Bribery & Anti- Corruption, provides a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behavior, actual or suspected fraud.

The Whistleblower Policy and the Code of Conduct as adopted by the Company is available on the Company's website at <https://www.tejasnetworks.com/main-control/download/Whistle-blower-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There have been no cases involving disciplinary action taken by any law enforcement agency for the charges of bribery / corruption against directors / KMP / employees / workers that have been brought to our attention.

	FY 2023-2024	FY 2022-2023
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-2024		FY 2022-2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Not Applicable	Nil	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.:

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-2024	FY 2022-2023
Number of days of accounts payables	425	201

9. Openness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

	Metric	FY 2023-2024	FY 2022-2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchases are made from	0%	0%
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%



Concentration of Sales	a. Sales to dealers / distributors as % of total sales	11.3%	31.9%
	b. Number of dealers / distributors to whom sales are made	106	99
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	74.3%	76.1%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.5%	1.5%
	b. Sales (Sales to related parties / Total Sales)	37.3%	14.2%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.1%	0.6%
	d. Investments (Investments in related parties / Total Investments made)	46.9%	52.9%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	All principles	14%

Note: The Company proposes to conduct awareness program for value chain partners in the current financial year.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. The Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large. In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. For identifying and tracking conflict of interests involving the Directors / KMPs of the Company, the Corporate Secretarial team maintains a database of the Directors and the entities in which they are interested. This list is shared with the Finance department, which flags off the parties in their system for monitoring and tracking transaction(s) entered by the Company with such parties.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Tejas is a global telecom products company offering innovative solutions in telecom product, engineering, design. The Company has established its code of conduct that encompasses employees, customers, shareholders, suppliers, partner and have the necessary systems to monitor and improve.

Essential Indicators

The Company designs and develops high-performance and cost-effective wireline and wireless equipment that are primarily used to build fixed and mobile broadband networks. Our products have a huge positive impact on society by enabling telecom service providers to bridge the rapidly growing “digital divide” by servicing billions of poor, bottom-of-pyramid consumers in rural and remote areas who would otherwise have been bereft of broadband connectivity for access to modern education, employment, healthcare and financial services. Moreover, the availability of high-speed broadband also has a positive environmental impact by allowing users to cut carbon emissions by teleworking, video conferencing, remote healthcare consultations, e-commerce, online banking, smart metering and other applications that reduce both road and air travel.



As a responsible product company, we give due consideration to environmental issues like global warming, climate change etc. and our products are designed accordingly. As a global supplier of telecom equipment; our products are qualified in various countries including US & Europe to meet strict environmental, emission norms. We make an effort to choose energy-efficient chipsets that consume lesser power for equivalent functionality, during the component selection process. Engineering processes and analysis approves this in product planning to reduce the overall carbon footprint of each design. We have also designed some customer premise devices, especially those meant for powering remote areas with limited electricity, to include support for solar PV. Reduction in packaging and use of recycled material for product packaging is implemented consciously in the product design process.

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-2024	FY 2022-2023	Details of improvements in environmental and social impacts
R&D			
Capex		Nil	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

b. If yes, what percentage of inputs were sourced sustainably?

Tejas engages with multiple local and international suppliers with a preference for local vendors. All of the Company's suppliers have adopted the supplier code of conduct to achieve a responsible supply chain.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Tejas is a telecom organization serving design and development services to its global customer segments and does not manufacture any products. The Company has defined processes for reuse, recycling and safe end-of-life disposal for the products used in its operations. The Company's e-waste recycling process takes care of obsolete computers, monitors, computer accessories and other electronic office equipment. It has employed specialized agencies to carry out the plastic and e-waste disposal. The Company encourages reduced use of paper. Hazardous waste like UPS batteries is responsibly given to licensed agencies for recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, the waste collection plan is in line with the Extended Producers Responsibility (EPR) plan submitted to Pollution Control board.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessment (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of the product / Services	Has the entity conducted Life Cycle products (for manufacturing industry) provide details in the following format? Name of Product / Service	% of total Turnover contributed	Perspective / or for its services Boundary for which the Life Cycle Perspective / Assessment was conducted	(Whether conducted by independent external agency (Yes/ No)	Assessments (LCA) for any of its for service industry)? If yes, Results communicated in public domain (Yes/ No) If yes, provide the web-link.
263	Manufacture of Communication equipment	No	87.62		No	
263	Communication Software		0.53			
263	Support Services towards communication equipment and services		3.20			



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

There are no significant social / environmental concerns and / or risks arising from production. The Company recycles all its plastic waste through authorised vendors.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-2024	FY 2022-2023
	Nil	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-2024			FY 2022-2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	66.52 MT(ITEW 17) 0.0092(ITEW 22)	-	-	-
Hazardous waste	-	-	19.952 MT	-	-	-
Other waste (Battery waste)	-	-	8.130 MT	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their % of total products sold in respective category
Nil	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1,574	1,574	100%	1,574	100%	0	0%	1,574	100%	992	63%
Female	269	269	100%	269	100%	269	100%	0	0%	223	83%
Total	1,843	1,843	100%	1,843	100%	269	15%	1,574	85%	1,207	66%
Other than Permanent employees											
Male	1,207	1,207	100%	1,207	100%	0	0%	1,207	100%	990	82%
Female	66	66	100%	66	100%	66	100%	0	0%	64	97%
Total	1,273	1,273	100%	1,273	100%	66	5%	1,207	95%	1,054	83%



b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent workers											
Male	Nil										
Female											
Total											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Gender	FY 2023-2024	FY 2022-2023
Cost incurred on wellbeing measures as a % of total revenue of the company	0.26	0.40

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-2024			FY 2022-2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Not Applicable	Yes	100%	Not Applicable	Yes
Gratuity	100%	Not Applicable	Yes	100%	Not Applicable	Yes
ESI	Not Applicable					
Others – please specify						

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Tejas facilities are accessible to differently abled employees with lifts, ramps, and wheelchair provision.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company provides equal rights to its employees and does not discriminate on any ground, including race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law. The Company also recruits, develops and promotes its employees solely on performance, merit, competence and potential.

<https://www.tejasnetworks.com/best-practices-at-tejas.php>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	55	100%	All benefits extended to the contract workforce (workers) are in line with statutory provisions and are extended by the respective contractor. As a principal employer, Tejas is committed to ensuring compliance by means of frequent audits on contractors.	
Female	14	100%		
Total	69	100%		



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	
Permanent Employees	Yes, Grievance Redressal Policy aims to reinforce the organisation commitment towards providing a fair and equitable work environment to all its employees. The Policy lays down the procedures/mechanism for the redressal of grievances of associates via Grievance Redressal Committee to inquire into complaints and make recommendations for corrective action if any
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-2024			FY 2022-2023		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Not Applicable					
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2023-2024					Total (D)	FY 2022-2023			
	Total (A)	On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1,574	1,574	100%	666	42%	1,109	NA	NA	606	55%
Female	269	269	100%	94	35%	186	NA	NA	89	48%
Total	1,843	1,843	100%	760	41%	1,295	875	68%	695	54%
Workers										
Male	Not Applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-2024			FY 2022-2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,574	1,481	94%	1,109	1,109	100%
Female	269	262	97%	186	186	100%
Total	1,843	1,743	95%	1,295	1,295	100%
Workers						
Male	Not Applicable					
Female						
Total						



10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

No, The Company does not have a formal management system on Occupational health & safety, However, the Company is conducting Safety training, Evacuation drills, periodical Employee health check-up, monitoring safety incidents and review of the same. Company has planned to be certified for ISO 45001 by March 2025.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Tejas has several processes in place to identify work-related hazards and assess risks on a routine and non-routine basis, including: Hazard Identification and Risk Analysis (HIRA) process: Tejas uses a structured approach to identify and evaluate potential hazards in its operations. Incident reporting by employees and workers: Tejas encourages its employees and workers to report any incidents, accidents, or near-misses that occur in the workplace. Safety walkthroughs by the leadership and senior management: Tejas conducts regular safety walkthroughs of its facilities to identify potential hazards and assess their risk.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/ No)

Yes. Incident management process has been established. Any kind of incidents are recorded. Root cause and appropriate action are taken immediately in such cases. Process and procedures have been established and complied.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all employees are covered under health insurance scheme.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-2024	FY 2022-2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Not Applicable	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company is committed to continuously employing Safety, Health and Environment ('SHE') practices through benchmarking with the companies that are best in the business. The Company has a Board level Stakeholders Relationship Committee, chaired by an Independent Director. The Committee reviews and monitors the sustainability, safety, health and environmental policies and activities of the of the company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislation. This Committee also provides valuable direction and guidance to the Management to ensure that Safety and Sustainability implications are duly addressed in all-new strategic initiatives, budgets, audit actions and improvement plans.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-2024			FY 2022-2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil					
Health & Safety						

14. Assessments for the year: FY 2023-2024

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%



15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There was no safety related incidents or significant risk concerns highlighted during this submission period. The Company follows Safety Incident Investigation guidelines. The Incident Investigation process describes a structured approach to identify, assess and control various hazards and risks and support the system to achieve the goal of 'Zero Harm' along with other business goals of zero defects, zero legal non-compliance etc. in a systematic and auditable manner. The investigation process outlines a structured approach to list and investigate the process of safety incidents and near misses, work out the root cause(s), with possible corrective or preventive action and to follow up closure of these actions identified. All incidents are investigated by a cross-functional team and all critical factors involved in the incident are determined through root cause analysis with proper corrective and preventive actions to prevent a recurrence. The learnings are shared and training is conducted for better understanding & better implementation of processes across all locations. A Report prepared by a process of collating all the safety incidents (critical near miss, safety parameters, process safety, fire incidents, etc.) through a safety cross functional team forms the basis for the monthly report which is sent to the senior leadership team.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. The Company has systems in place to provide financial assistance to the legal dependents of the employees in case of death while in service.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company monitors and tracks the compliance related to statutory dues by contractors supplying third party resources as a part of regular checks while processing the invoices. Periodic audits are also conducted to ensure compliance of the same.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-2024	FY 2022-2023	FY 2023-2024	FY 2022-2023
Employees	Nil			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	7.2
Working Conditions	100

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No Areas of Concern were raised during the assessment conducted for the value chain partners in FY 2023-2024.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Stakeholders engagement process involves:

- Stakeholders identification and prioritization – The stakeholder identification is based on a strategic understanding of stakeholder groups that are impacted by Tejas and have an influence on Tejas value creation.
- Stakeholder's engagement – Tejas has developed customized stakeholder engagement strategies to engage all its stakeholders based on their importance and impact.
- Understanding Stakeholders concerns – Tejas effective stakeholder engagement enables its stakeholders to raise their concerns relevant to the business which are then addressed every in a timely and dedicated manner.
- Developing strategic response – Tejas develops strategic action plans to align its stakeholder expectations with its business activities



2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Tejas has identified key stakeholders based on certain parameters, and the engagements with each of them are provided in the Summary of Stakeholder Engagement in the Corporate Governance Section of the Annual Report. Tejas has annual engagements with its employees.

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, Shareholder meets, email, Stock Exchange intimations, investor/ analysts meet/ conference calls, annual report, quarterly results, media releases and Company/SE website	Ongoing	Company's performance and other updates
Employees	No	Senior leaders' communication/talk / forum, Employee Communication, goal setting and performance appraisal meetings/ review, wellness initiatives, engagement survey, email, intranet, websites, poster campaigns, circulars, quarterly publication and newsletters	Ongoing	Responsible Care, innovation, operational efficiencies, improvement areas, long-term strategy plans, training and awareness, brand communication, health, safety and engagement initiatives, Rewards and Wellness sessions
Customers	No	Website, distributor / direct customer, senior leader-customer meets / Visits, customer plant visits, Dealer's meet, trade body membership, complaints management, helpdesk, conferences, customer surveys.	Ongoing	Product quality and availability, responsiveness to needs, after sales service, responsible guidelines / manufacturing, and Safety awareness.
Suppliers / Partners	No	Prequalification/ vetting, communication and partnership meets, plant visits, MoU and framework agreements, professional networks, contract management/ review, on site presentations, satisfaction surveys	Ongoing	Quality, timely delivery and payments, ESG consideration (sustainability, safety checks, compliances, ethical behavior), collaboration and digitalization opportunities
Communities	No	Meets of community / local authorities / location heads, community projects, partnership with local charities, volunteerism, seminars/ conferences, CSR Partner's meet	Ongoing	Community development, disaster relief, Education, Skill development, etc.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company firmly believes that understanding its Stakeholders is imperative to building trust while responding to the opportunities and challenges created by the market. The Stakeholder Engagement framework outlines an approach to engage and work with our stakeholders and is applicable to all our operating entities and functions across the corporate and regional levels.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the company considers the inputs received from all its stakeholders in identifying and managing the environmental and social aspects in its operations as well as to arrive at the policies and activities. The Company complies with the requirements of ISO14001 environmental standards and meets all the statutory & regulatory requirements on environmental aspects. Necessary reports are generated & maintained. We



do the study on aspect & impact analysis on activity we do in Tejas. Risks are adequately mitigated. All components selected based on ROHS compliancy and regulatory requirement. We have provided employee safety gears at the rework stations & provided suction units for fumes. Tejas has initiated various initiatives towards energy efficiency. Some of these include atrium in factory premises to use natural light, save water and save electricity campaign with various teasers and visuals, Tejas also recommends compliance to ISO 14001 standard to its suppliers. Many of the Tejas suppliers are ISO 14001 certified. In addition, we have designed some of our customer premise equipment, especially those which can potentially be deployed in remote areas with power constraints, to support solar powering.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Not Applicable

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-2024			FY 2022-2023		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees workers covered (D)	% (D / C)
Employees						
Permanent	1,843	1,598	87%	1,295	875	68%
Other than permanent	1,273	1,273	100%	Nil	Nil	Nil
Total Employees	3,126	2,871	92%	1,295	875	68%
Workers						
Permanent	Not Applicable					
Other than permanent	Not Applicable					
Total Workers	Not Applicable					

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Total (A)	FY 2023-2024				Total (D)	FY 2023-2023			
		Equal to Minimum Wage		More than inimum Wage			Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	1,843	0	0%	1,843	100%	1,295	0	0%	1,295	100%
Male	1,574	0	0%	1,574	100%	1,109	0	0%	1,109	100%
Female	269	0	0%	269	100%	186	0	0%	186	100%
Other than Permanent	1,273	0	0%	0	Not Applicable	357	0	0%	357	100%
Male	1,207	0	0%	0		320	0	0%	320	100%
Female	66	0	0%	0		37	0	0%	37	100%
Workers										
Permanent										
Male	Not Applicable									
Female	Not Applicable									
Other than Permanent										
Male	Not Applicable									
Female	Not Applicable									



3. (a) Details of remuneration/salary/wages, in the following format:

in ₹ crore

	Number	Male	Female	
		Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	2	3.10	-	-
Key Managerial Personnel	2	1.44	-	-
Employees other than BoD and KMP	1570	0.15	269	0.11
Workers	-	-	-	-

* Only Executive Directors are considered for median calculation.

(b) Gross wages paid to Females as % of total wages paid by the entity, in the following format.

	FY 2023-2024	FY 2022-2023
Gross wages paid to Females as % of total wages	8.71%	8.46%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has assigned the responsibility of addressing human rights issues or impacts to the Head of the Human Resource department

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a policy in place for Business & Human Rights and Code of Conduct. The Company is committed to maintain a safe and harmonious business environment and workplace for everyone and believes that every workplace shall be free from harassment and / or any other unsafe or disruptive conditions. Accordingly, the Company has in place an ethics framework comprising a team of ethics counsellors for redressal of grievances related to ethics / human rights as well as a team of POSH committee members for redressal of such related issues.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-2024			FY 2022-2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	NA	NA	NA	NA
Discrimination at workplace						
Child Labour						
Forced Labour / Involuntary Labour						
Wages						
Other human rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, in the following format.

	FY 2023-2024	FY 2022-2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013(POSH)	1	0
Complaints on POSH as a % of female employees/ workers	0.4%	0%
Complaints on POSH upheld	1	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Tejas has established multiple mechanisms to prevent adverse consequence to the complainant. This includes POSH, Grievance Redressal mechanism and ethics helpline to promote protected disclosures



9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year: 2023-24

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not Applicable
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company has Grievance Redressal mechanism. No such grievance has been raised

2. Details of the scope and coverage of any Human rights due-diligence conducted.

None.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the locations are accessible to differently-abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	7.2%
Discrimination at workplace	7.2%
Child Labour	7.2%
Forced Labour/Involuntary Labour	7.2%
Wages	7.2%
Others – please specify	-

Note: Declaration of adherence to the Supplier Code of Conduct on the above is obtained from the value chain partners as part of their contract / purchase orders. The contracts are not renewed or they are terminated in case of non-adherence to the Code of Conduct agreed upon. <https://www.tejasnetworks.com/policies-codes.php>.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable. However, the declaration of adherence to the Supplier Code of Conduct on the above is obtained from the value chain partners as part of their contract / purchase orders. The contracts are not renewed or they are terminated in case of non-adherence to the Code of Conduct agreed upon. <https://www.tejasnetworks.com/policies-codes.php>.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Tejas integrates sustainability into its 'Design Digital' approach. The Company advocates environmental sustainability, energy efficiency and waste reduction in its operations and products/services



Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: T Co2 e (Ton)

Parameter	FY 2023-2024	FY 2022-2023
Total electricity consumption (A)	30566116 MJ	20616443 MJ
Total fuel consumption (B)	2266069 MJ	589083 MJ
Energy consumption through other sources (C)	Nil	
Total energy consumption (A+B+C)	32832185 MJ	21205526 MJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in ₹)	0.001385 MJ	0.002440 MJ
Energy intensity (optional) – the relevant metric may be selected by the entity	10502.94 MJ	14965.09 MJ

The Company has not made independent assessment/ evaluation/assurance has not been carried out by an external agency

Note: Total electricity consumption for all excluding International locations and Total fuel consumption considered for two Bangalore locations (Corp office and Plant).

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	
(ii) Groundwater	Nil	
(iii) Third party water	9,422 KL	5,553 KL
(iv) Seawater / desalinated water	Nil	
(v) Others	Nil	
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	9,422 KL	5,553 KL
Total volume of water consumption (in kilolitres)	9,422 KL	5,553 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000039756	0.000000638986
Water intensity (optional) – the relevant metric may be selected by the entity	3.01 KL	3.92 KL

4. Provide the following details related to water discharged:

Parameter	FY 2023-2024	FY 2022-2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment	Not Applicable	
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		



(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		Nil
(v) Others		
- No treatment		
- With treatment – please specify level of treatment	100%	100%
Total water discharged (in kilolitres)	10,479 KL	8,143 KL

The Company has not made independent assessment/ evaluation/assurance has been carried out by an external agency

Note: Water discharge data considered for two Bangalore locations (Corp office and Plant). The other excluding International locations (covering 23 % of total office area)

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes – for Bangalore location (Corp office), the sewage treated water is been re-used for flushing, Gardening and basement & periphery area cleaning purpose. At the plant sewage treated water is been re-used for gardening and periphery cleaning purposes

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Tejas is an telecom products company and has minimal air emissions. We use a DG sets during power outages only. We ensure compliance with regulations related to stack emission parameters such as nitrous oxide, non-methane hydrocarbons, carbon monoxide, and particulate matter, among others. Monitoring of stack emissions is conducted at the frequency required by the PCB Consent To Operate (CTO).

Parameter	Please specify unit	FY 2023-2024	FY 2022-2023
NOx	mg / Nm ³	16	16
SOx	mg / Nm ³	1.7	1.8
Particulate matter (PM)	mg / Nm ³	31	32
Persistent organic pollutants (POP)		Not Applicable	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format :

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	720.46	718.76
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	6011.34	4054.57
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0000002840	0.0000005492
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		2.1535	3.3686

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Tejas has set a target to reduce its absolute Scope 1 and Scope 2 carbon footprint by 30% by 2030 and become Net Zero by 2045. To this end, Tejas is planning multiple initiatives, including the future migration to green power and the use of energy-efficient equipment.



9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-2024	FY 2022-2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	Nil
E-waste (B)	19.952 MT	
Bio-medical waste (C)	Nil	
Construction and demolition waste (D)	Nil	
Battery waste (E)	8.13 MT	
Radioactive waste (F)	Nil	
Other Hazardous waste. Please specify, if any. (G)	Nil	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	79.993 MT	29.532 MT
Total (A+B + C + D + E + F + G + H)	108.075 MT	29.532 MT

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled		Nil
(ii) Re-used		
(iii) Other recovery operations		Not Applicable
Total		

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes- MT)

Category of waste		
(i) Incineration		Nil
(ii) Landfilling		
(iii) Other disposal operations	57.749 MT	22.431 MT
Total	57.749 MT	22.431 MT

The Company has not made independent assessment/ evaluation/assurance has been carried out by an external agency

Note: Non Hazard Waste data considered for two Bangalore locations (Corp office and Plant). The others excludes International locations. International locations (covering 23 % of total office area)

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. All solid waste is handed over to the respective authorised municipal waste collection agencies for recycling and responsible disposal. The hazardous waste and solid waste is handed over to agencies appointed by the statutory authority i.e. PCB in the respective locations. Tejas is ISO 14001 certified.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			



12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area : Not Applicable

(ii) Nature of operations : Not Applicable

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	
(ii) Groundwater	Nil	
(iii) Third party water	9,422 KL	5,553 KL
(iv) Seawater / desalinated water	Nil	
(v) Others	Nil	
Total volume of water withdrawal (in kilolitres)	9,422 KL	5,553 KL
Total volume of water consumption (in kilolitres)	9,422 KL	5,553 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000039756	0.000000638986
Water intensity (optional) – the relevant metric may be selected by the entity	3.01 KL	3.92 KL
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Nil	
- No treatment		
- With treatment – please specify level of treatment	Nil	
(ii) Into Groundwater		
- No treatment	Nil	
- With treatment – please specify level of treatment		
(iii) Into Seawater	Nil	
- No treatment		
- With treatment – please specify level of treatment	Nil	
(iv) Sent to third-parties		
- No treatment	Nil	
- With treatment – please specify level of treatment		
(v) Others	Nil	
- No treatment		
- With treatment – please specify level of treatment	100%	100%
Total water discharged (in kilolitres)	10,479 KL	8,143 KL

The Company has not made independent assessment/ evaluation/assurance has been carried out by an external agency



2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover			Excluded
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Excluded		

The Company has not made independent assessment/ evaluation/assurance has been carried out by an external agency

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Not Applicable			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Tejas Networks recognizes that a significant threat exists to its ability to continue normal business operations following a serious unexpected disruptive incident. The organization has a high level of dependency upon its automated systems and processes and this creates risks, which need to be mitigated. The organization further recognizes that it needs to recover from disruptive incidents in the minimum possible time and that this necessity to ensure a speedy restoration of services requires a significant level of advance planning and preparation. This Business Continuity Plan has been prepared to assist the organization to manage a serious disruptive crisis in a controlled and structured manner. It contains information on emergency contact details, strategies to mitigate impact, procedures to be implemented and communication processes to be followed in response to a serious disruptive event.

Tejas as a Company positioned to operate in the global markets believes that its operations should have processes and systems in place to address any kind of exigencies within and outside of Tejas that affects its operations, including employees, property of the Company, manufacturing processes and customer support. This Business Continuity Plan seeks to address

- A need for establishing systems and processes in the Company to address emergencies
- To establish guidelines for the Company to ensure quicker turnaround from a break in operations
- To ensure that managers/employees are geared to meet an exigency in the absence of senior management guidance

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No such incidents has happened which affected the business.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
58%

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Tejas adheres to all applicable regulatory policies and has in place the necessary systems to monitor and improve compliance.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations

Seven



b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	TEPC (Telecom Export Promotion Council)	National
2	VOICE (Voice of Indian Communication Technology Enterprises)	
3	TEMA (Telecom Equipment Manufacturer Association)	
4	CII	
5	FICCI	
6	SITARA	
7	ICEA	

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company is not involved in influencing directly any Government schemes or its policy. Whenever a policy is made or Government wants to come up with some scheme to support the domestic OEM, the inputs are sought from the associations generally. The Company being part of this association actively give its inputs in various forums, Committee or Taskforce meetings.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify)	Web Link, if available
Not Applicable					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Tejas has established its sustainability policy, CSR policy and supplier sustainability policy that promotes inclusive growth and equitable development.

Essential Indicators

1.Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2.Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Tejas is governed by the Tata Code of Conduct and every agreement made among the stakeholders includes provisions for addressing grievances, disputes, and other related issues. Moreover, the stakeholders are informed about the ethics helpline that they can use to report any concerns.



4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-2024	FY 2022-2023
Directly sourced from MSME/ Small producers	10	8
Sourced directly from within the district and neighboring districts	11	19

5. Job creation in smaller towns – Disclose wage paid to person to person employed(including employees ore workers employed on a permanent or non permanent / on contract basis) in the following as % of total wages

S. No.State	FY 2023-2024	FY 2022-2023
Rural	-	-
Semi-Urban	-	-
Urban	-	-
Metropolitan	100%	100%

Place to be categorized as per RBI classification system –rural/semi-urban/urban/metropolitan

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.State	Aspirational District	Amount spent (In INR)
Not Applicable		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No (Procurement is done based on competitiveness). However we encourage marginalised and vulnerable groups.

(b) From which marginalized /vulnerable groups do you procure?

If such a vendor is available, the Company prefers the vendor, if competitive.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes / No)	Benefits Shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.:

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Not Applicable			



PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

The Company's focus on human-centered design and user experience ensures that its digital solutions are engineered with the user in mind, and that they provide value and meet their needs.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Tejas has a structured process and framework to capture, analyze and take action on customer complaints and concerns. All project proposals also have a clearly defined escalation matrix to raise such complaints. This is further supplemented by regular weekly CEO meetings with BU Heads and Sales Heads. Tejas obtains instant feedback from its customers on perceived dissatisfaction. The Delivery Excellence organization monitors every project executed in the Company. Quality team members track complaints/concerns and follow up with necessary stakeholders for resolution. The complaint or concern is treated as closed only after confirmation from the customer. The quality team presents an aggregated analysis, every quarter, to the divisional and functional heads for appropriate improvement actions.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-2024		Remarks	FY 2022-2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil		Nil	Nil	
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Others (Product Issues)						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Tejas is committed to protecting the privacy of individuals whose personal data it holds, and processing such personal data in a way that is consistent with applicable laws and ensures safety and security of data including where it has presence in several overseas jurisdictions including Singapore, the United States of America, Mexico and UAE, and is committed in ensuring compliance with applicable laws across these jurisdictions. Tejas has an integrated and centralized strategy for achieving data privacy compliance across all jurisdictions.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

7. Provide the following information relating to data breaches:.

a. Number of instances of data breaches along-with impact

There were no data breaches as on March 31, 2024.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable

c. Impacts, if any, of the data breaches

Not applicable



Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all products of the Company are available on the website at www.tejasnetworks.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company conducts meetings to educate its customers on responsible usage of our products as well as safe disposal of the products as well provide various user manuals along with the company products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company has a End of Life/End of Sales process and customer communication process to inform customer on End of Life/End of Service for its products. Besides, the Company maintains key contacts in customer operations team/Network Operating Centre team and communicates to them of any risk of disruption/discontinuation of essential services due to maintenance activities (usually scheduled in maintenance window with customer approved downtime).

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No, the Company publishes information as per the regulatory norms, and also the Company conducts customer satisfaction survey every year on the major products of Tejas



Consolidated Financial Statements



Consolidated Financial Statements

Independent Auditor's Report

To the Members of Tejas Networks Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Tejas Networks Limited (hereinafter referred to as the "Company" or "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (Refer Note 1 and Note 30.8 to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters section below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description

Assessment of the carrying value of Intangible Assets (including intangible assets under development) and Goodwill

(Refer to Note 2.3 and Note 4(b) to the consolidated financial statements)

The Company incurs product development costs and capitalises such expenditure to the extent it qualifies for recognition as an Intangible Asset (product development). Such expenditure includes internal manpower costs, outsourced manpower costs and other related expenses specifically incurred on such development projects. Up to the stage the products are ready for it to be capable of operating in the manner intended by the management, the Company records the qualifying expenditure as 'intangible assets under development'.

Further, pursuant to business combination with Saankhya Labs Private Limited, the company had recorded Goodwill in the consolidated financial statements.

Intangible assets under development and Goodwill are tested for impairment on an annual basis. The Company tests Other Intangible Assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The determination of the recoverable value of intangible assets (including intangible assets under development) and Goodwill while carrying out impairment assessment involves several key assumptions including discount rates and future cash flow projections for ascertaining future economic benefits expected to be generated by such assets.

The Company has carried out an impairment assessment of intangible assets (including intangible assets under development) and Goodwill and concluded that the recoverable value is higher than the carrying amount of such assets. Accordingly, no adjustment to the carrying amount of intangible assets (including intangibles assets under development) and Goodwill is considered necessary as at March 31, 2024.

We considered this a key audit matter as the assessment of carrying values of intangible assets (including intangible assets under development) and Goodwill involves significant assumptions and estimates such as expected future economic benefits, estimated margins and discount rate.



How our audit addressed the key audit matter

Our audit procedures, which involved sampling techniques, included the following:

- Understanding, evaluating and testing the design and operating effectiveness of the controls in respect of the Company's processes for assessing the recoverable values of intangible assets (including intangible assets under development) and Goodwill.
- Testing the controls over capital funding request forms and other documentation to ensure that the projects were appropriately approved as per the delegated authority matrix.
- Obtaining an understanding of the selected capitalized projects, testing time charged to such projects by tracing back to time sheet data.
- Testing a sample of projects to ensure appropriate capitalisation of qualifying expenditure.
- Assessing whether sufficient economic benefits are likely to flow from the projects to support the values capitalised.
- Analysing the reasonableness of key management assumptions and estimates used in the impairment analysis (e.g. forecasted revenue, margin percentages, etc.)
- With the involvement of auditor's experts, evaluating the appropriateness of the underlying assumptions such as discount rate and assessing the methodology of impairment workings.
- Assessing the adequacy of disclosures in the consolidated financial statements.

Based on our procedures performed above, we noted the management's assessment of the carrying value of intangible assets (including intangible assets under development) and Goodwill, to be reasonable.

Description

Recognition of revenue

(Refer Note 2.1 and Note 20 to the consolidated financial statements)

The Company has various contracts with customers for which the company recognises revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers".

Certain contracts involves significant judgement by management at inception of the contract with respect to identification of distinct performance obligations, recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer, assessment of variable consideration etc.

We considered this a key audit matter as owing to certain large customer contracts signed during the year, a significant portion of the revenue generated requires management to exercise significant judgement.

How our audit addressed the key audit matter

Our audit procedures which involved sampling techniques, included the following:

- Understanding, evaluating and testing the design and operating effectiveness of key controls relating to revenue recognition.
- Assessing the Company's revenue recognition accounting policy for sale of products and services.
- Reviewing a sample of contracts to identify significant contract terms and assessing appropriateness of management's judgements in accounting for contracts such as identification of distinct performance obligation, recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer and assessment of variable consideration.
- Testing of timing of recognition of revenue (including procedures related to cut off).
- Tested sales transactions on a sample basis by examining the underlying documents which inter-alia included sales invoices and related terms and conditions to assess whether revenue was recognised appropriately.
- Testing of journal entries for unusual revenue transactions, if any.
- Assessing adequacy of presentation and disclosures in the consolidated financial statements.

Based on the above procedures, we noted that management's estimates and judgements in revenue recognition are reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial

statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true



and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matters

14. a) We did not audit the financial information of two subsidiaries whose financial information reflect total assets of ₹ 2.52 crores and net assets of ₹ 1.30 crores as at March 31, 2024, total revenue of ₹ 1.68 crores, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (0.35) crores and net cash inflows amounting to ₹ 1.04 crores for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Section 143(3) of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) We did not audit the financial information of two subsidiaries whose financial information reflect total assets of ₹ 18.31 crores and net assets of ₹ 4.97 crores as at March 31, 2024, total revenue of ₹ 5.99 crores, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (13.51) crores and net cash outflows amounting to ₹ 0.17 crores for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Section 143(3) [including Rule 11 of the Companies (Audit and Auditors) Rules, 2014] of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of Section 143(11) of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in paragraph 16(h)(vi)

below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules") relating to the manner in which books of account are required to be kept in electronic mode as per Rule 3(1) of Companies (Accounts) Rules, 2014.

c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b).

g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group - Refer Note 15 and 30.1 to the consolidated financial statements.
- ii. The Group has made provision as at March 31, 2024 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Group did not have any derivative contracts as at March 31, 2024 for which there were material foreseeable losses.
- iii. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
- iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing



- or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vii) to the consolidated financial statements);
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vii) to the consolidated financial statements);
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The Holding Company, its subsidiary companies, have not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks and the reports of the respective auditors of the subsidiary companies, which are companies incorporated in India whose financial statements have been audited under the Act, the Company and such subsidiary companies have used accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility and that has operated from March 27 to 31, 2024 for all relevant transactions recorded in the software, other than for direct database changes, where the audit trail record does not contain the pre-modified value. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with for the aforesaid period. In view of the above, the question of our commenting on whether the audit trail feature was tampered with for the period April 1, 2023 to March 26, 2024, does not arise.
17. The Restricted Stock Units (RSU) granted by the Company to the Managing Director and the Executive Director of a subsidiary company which is a company incorporated in India were not part of the subsidiary’s shareholders’ approval obtained earlier for managerial remuneration. The subsidiary company proposes to obtain the shareholder’s approval by way of a resolution to be passed at the ensuing General Meeting of the subsidiary company. Except for the aforesaid, the managerial remuneration paid/ provided for by the Group is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with schedule V of the Act. (Refer Note 42 to the consolidated financial statements).

Place: Bengaluru
Date: April 22, 2024

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

Mohan Danivas S A
Partner
Membership No: 209136
UDIN: 24209136BKFNEJ9631



Annexure A to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Tejas Networks Limited on the consolidated financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Section 143(3)(i) of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Tejas Networks Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India. Our opinion is not modified in respect of this matter.

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

Mohan Danivas S A
Partner
Membership No: 209136
UDIN: 24209136BKFNEJ9631

Place: Bengaluru
Date: April 22, 2024



Consolidated Balance Sheet

Particulars	Notes	in ₹ crore	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	209.46	85.05
Capital work-in-progress	4(a)	15.03	-
Right-of-use assets	4(a)	127.80	44.29
Goodwill	4(b)	211.81	211.81
Other Intangible assets	4(b)	411.49	305.67
Intangible assets under development	4(b)	220.36	153.58
Financial assets			
(i) Investments	5(a)	0.00	0.00
(ii) Trade receivables	6	47.75	19.10
(iii) Other financial assets	8	15.18	7.04
Current tax asset (net)	9(a)	34.66	31.71
Deferred tax assets (net)	9(b)	26.64	42.09
Other non-current assets	10	113.89	34.37
Total non-current assets		1,434.07	934.71
Current assets			
Inventories	11	3,737.74	646.86
Financial assets			
(i) Investments	5(b)	333.71	262.24
(ii) Trade receivables	6	1,410.15	498.93
(iii) Cash and cash equivalents	7(i)	192.55	85.39
(iv) Bank balances other than (iii) above	7(ii)	109.35	656.42
(v) Other financial assets	8	210.47	337.14
Other current assets	10	774.49	180.34
Total current assets		6,768.46	2,667.32
Total assets		8,202.53	3,602.03
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	173.98	171.64
Other equity	13	2,975.51	2,801.32
Total equity		3,149.49	2,972.96
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	14	133.37	43.90
(ii) Other financial liabilities	18	168.99	156.68
Provisions	15	14.03	2.12
Total non-current liabilities		316.39	202.70
Current liabilities			
Financial liabilities			
(i) Borrowings	16	1,744.09	-
(ii) Lease liabilities	14	6.86	5.92
(iii) Trade payables	17		
(a) Total outstanding dues of micro enterprises and small enterprises		215.48	26.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,623.84	275.02
(iv) Other financial liabilities	18	119.78	67.77
Provisions	15	21.07	12.11
Other current liabilities	19	1,005.53	39.55
Total current liabilities		4,736.65	426.37
Total liabilities		5,053.04	629.07
Total equity and liabilities		8,202.53	3,602.03

The above consolidated balance sheet should be read in conjunction with the accompanying notes.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Sumit Dhingra
Chief Financial Officer



Consolidated Statement of Profit and Loss

in ₹ crore except equity share and per equity share data

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	20		
a) Revenue from sale of goods and rendering of services		2,314.32	919.57
b) Other operating revenue		156.60	1.97
Total Revenue from operations		2,470.92	921.54
II Other Income	21	64.66	79.04
III Total income (I + II)		2,535.58	1,000.58
IV Expenses			
Cost of materials consumed	22A	1,564.06	532.03
Purchases of stock in trade	22B	41.86	31.82
Changes in inventories of stock in trade, work in progress and finished goods	22C	(20.82)	(3.85)
Employee benefit expense	23	351.49	232.65
Finance costs	24	47.92	15.20
Depreciation and amortization expense	4(c)	182.45	122.50
Allowance for expected credit loss	28(A)(ii)	15.21	(32.97)
Other expenses	25	253.19	145.85
Total expenses (IV)		2,435.36	1,043.23
V Profit/(Loss) before tax (III - IV)		100.22	(42.65)
VI Income tax expense/(benefit)	26		
Current tax expense/(benefit)		21.79	(0.32)
Deferred tax expense/(benefit)		15.45	(5.92)
Total tax expense (VI)		37.24	(6.24)
VII Profit/(Loss) after tax (V - VI)		62.98	(36.41)
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligation (expense)/benefit		(5.30)	(3.29)
Income tax relating to above		0.97	0.14
Items that will be reclassified to profit or loss			
Gains in cash flow hedges		0.09	-
Exchange differences on translation of foreign operations		0.06	0.73
Other comprehensive income/(loss) for the year, net of tax (VIII)		(4.18)	(2.42)
IX Total comprehensive income/(loss) for the year (VII + VIII)		58.80	(38.83)
Profit attributable to:			
Owners of Tejas Networks Limited		62.98	(36.41)
Non-controlling interests		-	-
Other comprehensive income attributable to:			
Owners of Tejas Networks Limited		(4.18)	(2.42)
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners of Tejas Networks Limited		58.80	(38.83)
Non-controlling interests		-	-
X Earnings/(Loss) per equity share (Refer Note No. 30.6)			
Equity shares of par value ₹ 10 each			
Basic		3.71	(2.46)
Diluted		3.65	(2.46)
Weighted average equity shares used in computing earnings per equity share			
Basic		16,97,04,867	15,36,77,077
Diluted		17,24,95,689	15,36,77,077

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Sumit Dhingra
Chief Financial Officer



Consolidated Statement of Changes in Equity

A. Equity share capital

Particulars	Note	in ₹ crore	
			Amount
As at April 1, 2022*			117.82
Increase in equity share capital on account of exercise of ESOP and RSU			1.49
Issue of equity shares under Private Placement	12		52.33
As at March 31, 2023*			171.64
Increase in equity share capital on account of exercise of ESOP and RSU	12		2.34
As at March 31, 2024*			173.98

* Includes forfeited shares of ₹ 3.27

B. Other equity

Particulars	Notes	Reserves and Surplus			Money received against share warrants	Cash flow hedging reserve	Exchange differences on translating the financial statements of a foreign operation	Total
		Securities premium	Employee stock compensation outstanding account	Retained earnings				
Balance as at April 01, 2022		1,456.24	29.29	(12.51)	337.50	-	1.91	1,812.43
Loss for the year	13	-	-	(36.41)	-	-	-	(36.41)
Other comprehensive (loss)/income								
(Remeasurement of post-employment benefit obligation net of income tax)	13	-	-	(3.15)	-	-	-	(3.15)
Other comprehensive income /(loss)								
(Exchange differences on translation of foreign operations)	13	-	-	-	-	-	1.02	1.02
Total comprehensive (loss)/income for the year		-	-	(39.56)	-	-	1.02	(38.54)
Transaction with owners in their capacity as owners:								
Premium received on exercise of ESOP	13	7.34	-	-	-	-	-	7.34
Premium received on Issue of shares through Private placement	13	1,297.67	-	-	-	-	-	1,297.67
Employee share based payment expenses	23	-	59.92	-	-	-	-	59.92
Reclassification upon exercise of ESOP/RSU	13	12.09	(12.09)	-	-	-	-	-
Conversion of share warrants		-	-	-	(337.50)	-	-	(337.50)
Balance as at March 31, 2023		2,773.34	77.12	(52.07)	-	-	2.93	2,801.32
Balance as at April 1, 2023		2,773.34	77.12	(52.07)	-	-	2.93	2,801.32
Profit for the year	13	-	-	62.98	-	-	-	62.98
Other comprehensive (loss)/income								
(Remeasurement of post-employment benefit obligation net of income tax)	13	-	-	(4.33)	-	-	-	(4.33)
Other comprehensive income	13	-	-	-	-	0.09	0.06	0.15
Total comprehensive income for the year		-	-	58.65	-	0.09	0.06	58.80
Transaction with owners in their capacity as owners:								
Premium received on exercise of ESOP	13	8.09	-	-	-	-	-	8.09
Employee share based payment expenses	23	-	107.30	-	-	-	-	107.30
Reclassification upon exercise of ESOP/RSU	13	49.10	(49.10)	-	-	-	-	-
Balance as at March 31, 2024		2,830.53	135.32	6.58	-	0.09	2.99	2,975.51

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)
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Chief Financial Officer

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary



Consolidated Statement of Cash Flows

Particulars	Notes	in ₹ crore	
		For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities			
Profit/(Loss) before tax for the year		100.22	(42.65)
Adjustments to reconcile net profit/(loss) to net cash generated from operating activities:			
Depreciation and amortization expense	4(c)	182.45	122.50
Allowance for expected credit loss	28(A)(ii)	15.21	(32.97)
Bad Debts written off	25	11.23	-
Interest Income	21	(41.28)	(57.85)
Unwinding of discount on fair valuation of financials assets	21	(0.70)	(0.71)
Gain on current investments carried at fair value through statement of profit and loss	21	(1.71)	(0.63)
Gain on sale of current investments carried at fair value through statement of profit and loss	21	(20.21)	(18.83)
Finance costs	24	47.92	15.20
Unrealised exchange difference on cash held in foreign currencies		0.31	(0.56)
Unrealised exchange differences (Net)		8.00	(0.30)
Profit on disposal of property, plant and equipment (Refer Note No. 37)	21	0.00	(0.01)
Expense recognized in respect of equity-settled share-based payments	23	74.29	59.92
		375.73	43.11
Movements in working capital:			
(Increase)/decrease in inventories		(3,090.88)	(354.00)
(Increase)/decrease in trade receivables		(968.83)	(169.06)
(Increase)/decrease in other financial assets		(187.35)	(22.00)
(Increase)/decrease in other assets		(679.14)	(102.49)
Increase/(decrease) in trade payables		1,536.12	177.00
Increase/(decrease) in provisions		15.26	0.51
Increase/(decrease) in other financial liabilities		19.77	32.98
Increase/(decrease) in other liabilities		965.93	2.52
Cash used in operations		(2,013.39)	(391.43)
Income taxes refund/(paid)		(23.09)	11.29
Net cash used in operating activities (A)		(2,036.48)	(380.14)
Cash flows from investing activities			
Payment for purchase of property, plant and equipment		(151.01)	(46.65)
Payment for intangible assets (including under development)		(257.43)	(202.52)
Proceeds from disposal of property, plant and equipment (Refer Note No. 37)		0.00	0.05
Investments in Deposits with banks		(429.23)	(714.94)
Withdrawals of Deposits from banks		973.69	359.79
Withdrawals of Deposits from financial institutions		300.00	51.79
Payments for purchase of investments in liquid mutual funds		(3,100.09)	(3,962.89)
Proceeds from redemption of investments in liquid mutual funds		3,050.54	4,121.89
Payment for acquisition of subsidiary, net of cash and cash equivalents acquired		-	(240.18)
Interest received		44.07	52.22
Net cash generated from/(used in) investing activities (B)		430.54	(581.44)



in ₹ crore

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from financing activities			
Proceeds from exercise of restricted stock units/employee stock options		10.43	8.83
Proceeds from issue of equity shares through private placement		-	1,012.50
Proceeds from short-term borrowings		1,917.49	-
Repayment of short-term borrowings		(190.60)	-
Principal repayment on lease liabilities		(6.26)	(7.45)
Interest payment on lease liabilities		(8.12)	(4.36)
Finance costs paid		(9.53)	(10.67)
Net cash generated from financing activities (C)		1,713.41	998.85
Net increase in cash and cash equivalents (A+B+C)		107.47	37.27
Cash and cash equivalents at the beginning of the year [Refer Note No. 7(i)]		85.39	47.56
Effects of exchange rate changes on the balance of cash held in foreign currencies		(0.31)	0.56
Cash and cash equivalents at the end of the year [Refer Note No. 7(i)]		192.55	85.39
Non-cash investing and financing activities			
Acquisition of right-of-use assets	4(a)	98.83	35.93

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

for and on behalf of the Board of Directors of Tejas Networks Limited

Mohan Danivas S A
Partner
Membership no: 209136

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Sumit Dhingra
Chief Financial Officer

Place: Bengaluru
Date: April 22, 2024

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary



Notes to the consolidated financial statements for the year ended March 31, 2024

1 Corporate Information

Tejas Networks Limited ('Tejas' or 'the Company' CIN: L72900KA2000PLC026980) is a Wireline and Wireless telecom and data networking products company that designs, develops and manufactures high-performance and future-ready products for building high-speed communication networks that carry voice, data and video traffic from fixed line, mobile and broadband networks. Tejas products are differentiated by a programmable, software-defined hardware architecture that provides flexibility, multi-generation support and a seamless software-enabled network transformation to its customers. Tejas customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defense companies and government entities. The Company also exports its products to overseas territories.

Tejas is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India. The shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Tejas together with its subsidiaries/ step down subsidiaries (as given below) is hereinafter referred to as the "Group". Also refer note no. 30.8.

Subsidiaries:

- Tejas Communication Pte. Limited, Singapore
- Saankhya Labs Private Limited
- Tejas Communications (Nigeria) Limited, Nigeria
- Saankhya Strategic Electronics Private Limited
- Saankhya Labs Inc, USA

These consolidated financial statements have been approved by the Company's Board of Directors on April 22, 2024.

1.1 Basis of preparation of consolidated financial statements

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- defined benefit plans - plan assets measured at fair value; and
- share-based payments measured at fair value.

(iii) New and amended standards adopted

The Ministry of Corporate Affairs ("MCA") has vide notification dated March 31, 2023 notified Companies (Indian Accounting standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023:

- a) Disclosure of accounting policies - amendment to Ind AS 1
- b) Definition of accounting estimates - amendments to Ind AS 8
- c) Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any material impact on the amounts recognised in the prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

(iv) Standard issued but not yet effective

MCA notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

(v) Operating cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.2 Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries/ step down subsidiaries (Refer Note No. 30.8) line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Goodwill arising on consolidation is not amortized but is tested for impairment.

2 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Revenue Recognition:

The Group is engaged in designing, developing and manufacturing products for building high-speed communication networks that carry voice, data and video traffic from fixed line, mobile and broadband networks.

2.1.1 Sale of goods and components

Revenue from sale of goods is recognised when control over products is transferred in accordance with the contractual terms of sale, being on dispatch or delivery of products to customers and



there are no unfulfilled performance obligations that could affect the customer's acceptance of the products.

Certain contracts with customers provide for variable consideration based on the due date for delivery. The Group estimates the amount of variable consideration by using the most likely outcome method and the revenue recognised represents the amount of consideration to which the Group will be entitled in exchange for transferring the promised goods to the customer.

Standard warranty is provided to customers upon sale of goods and the same is accounted in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.

2.1.2 Rendering of Service

Revenue from installation and commissioning services are recognised at a point in time when services are rendered. Revenue from annual maintenance contracts are recognized on an accrual basis pro-rata over the term of the contract. Revenue from other services such as repair and return, managed services, professional services and knowledge services are recognized as and when the services are rendered.

If the services rendered by the Group exceed the invoicing to customers, a contract asset (which we refer to as unbilled revenue) is recognised. If the invoicing exceed the services rendered, a contract liability is recognised (which we refer to as deferred revenue).

Deferred contract costs are incremental costs of obtaining a contract which are recognized as contract assets and amortized over the term of the contract. However, such incremental costs are recognised as expense if the amortisation period of the asset that the entity would have otherwise recognised is one year or less.

The Group presents revenue net of Goods and Services Tax (GST) in its Statement of Profit and loss.

2.2 Property, Plant and Equipment (including Capital work-in-progress)

2.2.1 Measurement

All items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses if any.

2.2.2 Depreciation method, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

Asset	Useful Life
Laboratory equipment	5 years
Networking equipment	5 years
Electrical Installation	5 years
Furniture and fixtures	5 years
Office equipment	5 years
Computing equipment	3 years
Vehicles	5 years
Plant and Machinery - Cards/Prototypes and Others	4 years
Servers	5 years

Leasehold improvements are depreciated over its useful life or the lease term whichever is lower.

Based on a technical evaluation, the management believes that the useful lives of the above assets best represent the period over which

the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Schedule II to the Companies Act, 2013.

2.3 Intangible Assets

2.3.1 Software

Software is carried at cost less accumulated amortization and impairment losses, if any.

2.3.2 Product development and intangible assets under development

Expenditure pertaining to research activities are charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless:

- Product's technical and marketing feasibility has been established;
- There is likelihood of the product delivering sufficient future economic benefit; and

iii) The Group has the availability of adequate technical, financial and other resources to complete and to use or sell the product, in which case such expenditure is initially recorded as intangible assets under development and is subsequently capitalized when the asset is ready for its intended use. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policy stated for property, plant and equipment.

Capitalized product development costs are recorded as intangible assets and amortised from the point at which the asset is ready for its intended use.

2.3.3 Amortization

The Group amortizes intangible assets with a finite useful life using the straight line method over the estimated duration of lives as below :

Asset	Useful Life
Computer Software	1-3 years
Product development	24 months

2.3.4 Goodwill

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

2.3.5 Technical Know-how

Technical know-how acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life of thirteen years and are subsequently carried at cost less accumulated amortisation and impairment losses.

2.4 Investments and Other Financial assets

2.4.1 Classification of financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both the following criteria are met:



(a) the asset is held within a business model whose objective is to collect the contractual cash flows, and
 (b) the contractual terms give rise to cash flows that are solely payments of principal and interest.
 Financial assets at amortised cost comprises of cash and cash equivalents, trade receivables, other bank balances and other financial assets (excluding forward exchange contracts).

2.4.2 Classification of financial assets at fair value through profit or loss

The Group classifies investments in mutual funds and forward exchange contracts at fair value through profit or loss.

2.4.3 Classification of financial assets at fair value through other comprehensive income

Forward exchange contracts are only used for economic hedging purposes and not as speculative investments. Forward exchange contracts (cash flow hedges) that meet hedge accounting criteria are accounted at fair value through other comprehensive income. Where they do not meet hedge accounting criteria they are accounted at fair value through profit or loss.

2.5 Government grants

Grants from the government relating to product linked incentive scheme and export incentives are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are grants other than those related to assets and are recognized in the profit or loss and presented within other operating income.

Government grants related to assets are presented in the Balance Sheet by deducting the grant in calculating the carrying amount of the asset.

2.6 Inventories

Cost of inventories are ascertained on weighted average basis.

2.7 Trade Receivables

For trade receivables, the Group applies the simplified approach required under Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.8 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- a) fixed payments
- b) amount expected to be payable under residual value guarantees
- c) the exercise price of a purchase option if it is reasonably certain that the Group will exercise that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally, the case for lessees, the lessee's incremental borrowing rate used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- a) where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

b) uses a build-up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and

c) makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged in the Statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- a) the amount of the initial measurement of lease liability
- b) any lease payments made at or before the commencement date,
- c) any initial direct costs, and
- d) restoration cost

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases and all leases of low value assets are recognised on a straight line basis as an expense in profit or loss. Short term leases are leases where the lease term is 12 months or less.

2.9 Derivative financial instruments and hedge accounting

The Group is exposed to foreign currency fluctuations on foreign currency assets, liabilities and forecasted cash flows denominated in foreign currency. The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain foreign currency liabilities and forecasted cash flows denominated in foreign currency. The Group designates these forward contracts as hedge instruments and accounts for them applying the recognition and measurement principles set out in Ind AS 109.

The use of foreign currency forward contracts is governed by the Group's risk management policy approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The counter party to the Group's foreign currency forward contracts is generally a bank. The Group does not use derivative financial instruments for speculative purposes. Foreign currency forward contract derivative instruments are re-measured at every reporting dates as described below:

a) Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognised in other comprehensive income and held in cash flow hedging reserve, a component of equity, to the extent that hedge is effective. Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the statement of profit and loss in the same period in which gains/losses on the item hedged are recognised in the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in other comprehensive income and held in cash flow hedging reserve is classified to consolidated statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in effective portion of cash



flow hedges is transferred to the consolidated statement of profit and loss for the period.

b) Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss and reported within foreign exchange gains/(losses).

2.10 Deferred tax

Deferred tax asset on Minimum Alternate Tax (MAT) credit is recognised only when it is probable that the Group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the deferred tax asset relating to MAT credit is written down to the extent there is no longer a convincing evidence that the Group will pay normal income tax during the specified period. Similarly the deferred tax asset relating to MAT credit is adjusted upwards if the previously unrecognised MAT credit is considered recoverable due to higher anticipated future taxable profit.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and for unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously within the same jurisdiction.

3 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

- (i) Product Development costs (Capitalisation of product development costs (including intangible assets under development), estimate of useful lives of intangible assets and assessment of its carrying value - [Refer Note No. 2.3.2, Note No. 2.3.3 and Note No. 4(b)].
- (ii) Defined benefit obligations - Refer Note No. 23
- (iii) Impairment of trade receivables - Refer Note No. 28A
- (iv) Recognition of deferred tax assets on tax losses and MAT credit - Refer Note No. 9(b)
- (v) Evaluation of tax litigations - Refer Note No. 30.1
- (vi) Government grant - Refer Note No. 41
- (vii) Valuation of employee share based options - Refer Note No. 31
- (viii) Provision for inventory obsolescence- Refer Note No. 22A

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.



Note No. 4(a): Property, plant and equipment

Particulars	in ₹ crore											
	Laboratory Equipment	Networking Equipment	Electrical Installation	Furniture and Fixtures	Office Equipment	Computing Equipment	Vehicles	Plant and Machinery - Others*	Servers	Total	Capital work-in-progress	Right-of-use asset**
Gross carrying value as of April 1, 2022	33.45	1.68	7.56	9.74	2.34	11.65	0.14	50.15	5.71	122.42	-	28.79
On account of acquisition of subsidiary (Refer Note no. 40)	4.99	-	0.16	0.20	0.22	1.28	-	-	-	6.85	-	6.55
Additions	29.45	2.50	2.14	1.85	1.15	6.03	-	15.54	5.69	64.35	-	35.93
Disposals	-	-	-	-	-	0.06	-	-	-	0.06	-	6.18
Gross carrying value as of March 31, 2023	67.89	4.18	9.86	11.79	3.71	18.90	0.14	65.69	11.40	193.56	-	65.09
Accumulated depreciation as of April 1, 2022	(21.02)	(0.93)	(6.67)	(7.96)	(1.54)	(8.43)	(0.13)	(32.66)	(2.99)	(82.33)	-	(14.23)
Depreciation charge for the year	(8.46)	(0.70)	(0.60)	(1.94)	(0.71)	(3.06)	(0.01)	(9.23)	(1.49)	(26.20)	-	(9.75)
Depreciation on disposals	-	-	-	-	-	(0.02)	-	-	-	(0.02)	-	(3.18)
Accumulated depreciation as of March 31, 2023	(29.48)	(1.63)	(7.27)	(9.90)	(2.25)	(11.47)	(0.14)	(41.89)	(4.48)	(108.51)	-	(20.80)
Carrying value as of March 31, 2023	38.41	2.55	2.59	1.89	1.46	7.43	-	23.80	6.92	85.05	-	44.29
Gross carrying value as of April 1, 2023	67.89	4.18	9.86	11.79	3.71	18.90	0.14	65.69	11.40	193.56	-	65.09
Additions	96.18	1.95	6.42	2.08	1.22	9.92	-	51.27	4.66	173.70	15.03	98.83
Disposals	-	-	-	-	-	0.35	-	-	-	0.35	-	-
Gross carrying value as of March 31, 2024	164.07	6.13	16.28	13.87	4.93	28.47	0.14	116.96	16.06	366.91	15.03	163.92
Accumulated depreciation as of April 1, 2023	(29.48)	(1.63)	(7.27)	(9.90)	(2.25)	(11.47)	(0.14)	(41.89)	(4.48)	(108.51)	-	(20.80)
Depreciation charge for the year	(20.19)	(0.97)	(1.20)	(2.43)	(0.93)	(5.64)	-	(15.44)	(2.49)	(49.29)	-	(15.32)
Depreciation on disposals	-	-	-	-	-	(0.35)	-	-	-	(0.35)	-	-
Accumulated depreciation as of March 31, 2024	(49.67)	(2.60)	(8.47)	(12.33)	(3.18)	(16.76)	(0.14)	(57.33)	(6.97)	(157.45)	-	(36.12)
Carrying value as of March 31, 2024	114.40	3.53	7.81	1.54	1.75	11.71	-	59.63	9.09	209.46	15.03	127.80

*Includes Cards/Prototypes

**Right-of-use asset pertains to land and buildings (Refer Note No. 30.5(i))

Notes:

- (i) Contractual Obligation : Refer Note No. 30.1(b) for contractual commitments for the acquisition of property, plant and equipment.
 - (ii) Refer Note No. 32 for information on property, plant and equipment pledged as security against fund and non-fund based facilities entered into by the Group.
 - (iii) Capital work-in-progress includes leasehold improvements in progress and plant and machinery pending installation.
- (a) Capital work-in-progress ageing schedule

As at March 31, 2024						As at March 31, 2023					
Particulars	Amount in CWIP for a period of				Total	Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	15.03	-	-	-	15.03	Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	Projects temporarily suspended	-	-	-	-	-

There are no items of capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan

Note No. 4(b): Intangible Assets

in ₹ crore

Particulars	Goodwill	Other intangible assets					Intangible Assets under development (IAUD) ⁽ⁱ⁾
		Computer Software	Product Development	Patent	Technical Knowhow	Total	
Gross carrying value as of April 1, 2022	-	28.92	344.01	-	-	372.93	39.61
On account of acquisition of subsidiary (Refer Note No. 40)	-	0.06	-	-	220.47	220.53	-
Additions	211.81	11.81	76.59	0.09	-	88.49	190.56
Transfers	-	-	-	-	-	-	76.59
Gross carrying value as of March 31, 2023	211.81	40.79	420.60	0.09	220.47	681.95	153.58
Accumulated amortization as of April 1, 2022	-	(25.22)	(264.51)	-	-	(289.73)	-
Amortization charge for the year	-	(6.58)	(67.20)	(0.09)	(12.68)	(86.55)	-
Accumulated amortization as of March 31, 2023	-	(31.80)	(331.71)	(0.09)	(12.68)	(376.28)	-
Carrying value as of March 31, 2023	211.81	8.99	88.89	-	207.79	305.67	153.58
Gross carrying value as of April 1, 2023	211.81	40.79	420.60	0.09	220.47	681.95	153.58
Additions	-	10.42	213.24	-	-	223.66	282.38
Transfers/Deletions	-	-	-	-	-	-	213.44
Grants received (Refer Note (iv) below)	-	-	-	-	-	-	2.16
Gross carrying value as of March 31, 2024	211.81	51.21	633.84	0.09	220.47	905.61	220.36
Accumulated amortization as of April 1, 2023	-	(31.80)	(331.71)	(0.09)	(12.68)	(376.28)	-
Amortization charge for the year	-	(8.90)	(91.94)	-	(17.00)	(117.84)	-
Accumulated amortization as of March 31, 2024	-	(40.70)	(423.65)	(0.09)	(29.68)	(494.12)	-
Carrying value as of March 31, 2024	211.81	10.51	210.19	-	190.79	411.49	220.36

Remaining useful life for product development ranges from 1 to 24 months (March 31, 2023: 1 to 24 months) and for computer software ranges from 1 to 30 months (March 31, 2023: 1 to 10 months).

Notes:

- (i) Additions to IAUD includes capitalization of employee benefit expense and other eligible expenses (Refer Note No. 23 and Note No. 25).
- (ii) Management has carried out an impairment evaluation of its IAUD and Goodwill as at March 31, 2024 and concluded that no impairment is considered necessary as the recoverable amounts of the individual cash generating units (CGUs), after allocation of Goodwill are higher than their respective carrying amounts. The recoverable amounts of the individual CGUs were determined using the value-in-use method. Key assumptions used in the value-in-use method include revenue growth projections, margin percentage, terminal growth rate and discount rate. A decrease in projected revenue across individual CGUs by 15% to 33% would result in the recoverable amount being equal to the carrying amount. No reasonable possible change in other assumptions individually would result in the recoverable amount of the CGUs being equal to their carrying amount.
- (iii) As at March 31, 2024, the net carrying amount of product development is ₹ 210.19 (March 31, 2023: ₹ 88.89). The Group estimates the useful life of product development to be 2 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 2 years, depending on technical innovations and competitor actions. If it were only 1 year, the carrying amount as at March 31, 2024 would be ₹ 153.96 (March 31, 2023: ₹ 53.02). If the useful life were estimated to be 3 years, the carrying amount as at March 31, 2024 would be ₹ 252.61 (March 31, 2023: ₹ 121.74).
- (iv) During the year, the Group has applied for incentive under Design Linked Incentive (DLI) Scheme and has got approval from the Government of India, for design infrastructure support for intangible under development. The Group has received ₹ 2.16 as grant under this scheme towards the design infrastructure support cost and the same is adjusted with the capitalisation amount of IAUD.

(a) Intangible assets under development ageing schedule

As at March 31, 2024

in ₹ crore

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	105.38	78.33	36.65	-	220.36
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2023

in ₹ crore

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	101.54	52.04	-	-	153.58
Projects temporarily suspended	-	-	-	-	-



b) For Intangible assets under development, whose completion is overdue as compared to its original plan or has exceeded its cost compared to its original plan, the details of when the project is expected to be completed is given below. This does not include revision of cost due to additional features included in the projects.

As at March 31, 2024

in ₹ crore

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Completion is overdue or exceeds its cost compared to its original plan					
Project 15	5.36	-	-	-	5.36
Project 16	5.75	-	-	-	5.75
Project 17	28.96	-	-	-	28.96
Project 18	7.69	-	-	-	7.69
Project 19	14.42	-	-	-	14.42
Project 20	4.83	-	-	-	4.83
Project 21	2.37	-	-	-	2.37
	69.38	-	-	-	69.38

As at March 31, 2023

in ₹ crore

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Completion is overdue or exceeds its cost compared to its original plan					
Project 14	1.53	-	-	-	1.53
	1.53	-	-	-	1.53

Note No. 4(c): Depreciation and amortization expense

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment [Refer Note No. 4(a)]	49.29	26.20
Depreciation on right of use assets [Refer Note No. 4(a)]	15.32	9.75
Amortization of intangible assets [Refer Note No. 4(b)]	117.84	86.55
	182.45	122.50

Note No. 5: Investments

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
5(a) Non-current Investments (Unquoted) {FVTPL}		
Equity instruments		
Investment in ELCIA ESDM Cluster (No. of shares 1100) (Refer Note No. 37)	0.00	0.00
	0.00	0.00

5(b) Current investments (Quoted) {FVTPL}

in ₹ crore

Investment in Mutual funds	Number of units	Amount	Number of units	Amount
Aditya Birla Sun Life Liquid Fund - Growth Direct Plan	18,47,248	71.98	-	-
Axis Liquid Fund - Direct Growth (CFDGG)	1,91,001	51.26	-	-
Kotak Liquid Fund Direct Growth	1,67,617	81.78	-	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAGG	1,02,443	60.53	1,43,556	79.05
SBI Liquid Fund Direct Growth	1,80,343	68.16	-	-
Tata Liquid Fund Direct Plan - Growth	-	-	5,15,814	183.19
		333.71		262.24
Non Current Investments				
Aggregate amount of unquoted investments		0.00		0.00
Current Investments				
Aggregate amount of quoted investments and market value thereof		333.71		262.24



Note No. 6: Trade Receivables

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables*		
Related parties (Refer Note No. 30.9)**	663.73	30.87
Others	885.70	570.68
Unbilled Revenue	26.29	21.74
Less: Loss allowance (Refer Note No. 28A)	(117.82)	(105.26)
	1,457.90	518.03
Current portion	1,410.15	498.93
Non-current portion	47.75	19.10
Break-up of securities details - Trade receivables		
Considered good - unsecured	1,575.72	622.91
Credit impaired	-	0.38
	1,575.72	623.29
Less: Loss allowance	(117.82)	(105.26)
	1,457.90	518.03

*There are no trade receivables which are credit impaired as at March 31, 2024 or trade receivables that have significant increase in credit risk.

**Out of the total amount receivable from related parties, an amount of ₹ 658.45 (March 31, 2023: ₹ 23.52) pertains to receivables from entities where directors are interested.

Ageing as at March 31, 2024

Non-current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	-	48.44	-	-	-	-	-	48.44
(ii) Undisputed – credit impaired	-	-	-	-	-	-	-	-
(iii) Disputed – considered good	-	-	-	-	-	-	-	-
Gross Receivables	-	48.44	-	-	-	-	-	48.44
Less: Loss allowance								(0.69)
								47.75

Current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	26.28	1,143.71	212.35	24.61	33.04	30.03	55.74	1,525.76
(ii) Undisputed – credit impaired	-	-	-	-	-	-	-	-
(iii) Disputed – considered good	-	-	-	-	-	-	1.52	1.52
Gross Receivables	26.28	1,143.71	212.35	24.61	33.04	30.03	57.26	1,527.28
Less: Loss allowance								(117.13)
								1,410.15



Ageing as at March 31, 2023

Non-current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	-	19.37	-	-	-	-	-	19.37
(ii) Undisputed – credit impaired	-	-	-	-	-	-	-	-
(iii) Disputed – considered good	-	-	-	-	-	-	-	-
Gross Receivables	-	19.37	-	-	-	-	-	19.37
Less: Loss allowance								(0.27)
								19.10

Current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	21.84	331.14	103.05	27.69	41.49	31.23	47.10	603.54
(ii) Undisputed – credit impaired	-	-	-	0.38	-	-	-	0.38
(iii) Disputed – considered good	-	-	-	-	-	-	-	-
Gross Receivables	21.84	331.14	103.05	28.07	41.49	31.23	47.10	603.92
Less: Loss allowance								(104.99)
								498.93

Note No. 7: Cash and Bank Balances

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Cash and Cash Equivalents		
(a) Balances with banks		
(i) In current accounts	162.65	64.20
(ii) In EEFC accounts	19.90	21.18
(b) Deposits with original maturity of less than three months	10.00	-
(c) Cash in hand (Refer Note No. 37)	0.00	0.01
	192.55	85.39
(ii) Other Bank Balances		
Balances with banks in unpaid dividend account	0.03	0.03
Deposits with original maturity of more than three months but less than twelve months	102.31	654.43
In earmarked deposit accounts	-	0.07
Balances held as margin money or security against fund and non-fund based banking arrangements	7.01	1.89
	109.35	656.42

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Note No. 8: Other Financial Assets

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current financial assets		
Security deposits	10.36	7.13
Less: Provision	(0.09)	(0.09)
	10.27	7.04
Deposits with remaining maturity of more than twelve months		
(i) In deposit accounts	0.09	-
(ii) Balances held as margin money or security against fund and non-fund based banking arrangements	4.82	-
	15.18	7.04
Current financial assets		
Security deposits	3.11	0.93
Less: Provision	(0.26)	(0.26)
	2.85	0.67
Deposits with financial institutions	-	300.00
Interest accrued but not due	0.64	4.12
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	-	2.31
Foreign exchange forward contracts	2.57	0.02



Government grant (Production & design linked incentive) receivable (Refer note no. 41)	123.70	-
Other receivables [#]	80.71	30.02
	210.47	337.14

#Other receivables majorly includes receivables from contract manufacturers.

Note No. 9: Tax assets

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
9(a) Current Tax Asset (net)		
Advance Income Tax (net)	34.66	31.71
	34.66	31.71

Movements in deferred tax assets

Particulars	in ₹ crore				
	Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	Lease liabilities (net of right of use assets)	Unabsorbed depreciation and allowances under section 35	MAT credit	Total
As at April 01, 2022	16.71	1.81	48.67	44.14	111.33
(Charged)/Credited					
- on account of acquisition of subsidiary*	(73.42)	(1.74)	-	-	(75.16)
- to statement of profit and loss	(66.85)	1.85	70.92	-	5.92
As at March 31, 2023	(123.56)	1.92	119.59	44.14	42.09
(Charged)/Credited					
- to statement of profit and loss	(61.85)	2.43	16.20	27.77	(15.45)
As at March 31, 2024	(185.41)	4.35	135.79	71.91	26.64

*Includes ₹ 77.04 towards deferred tax recognised on the intangible assets acquired (Refer Note No. 40).

Note: The Group has recognised Deferred Tax Assets (DTA) on Unabsorbed depreciation and brought forward losses/MAT credit based on future projected available tax profits. The key assumption used in such projections include revenue growth. No reasonable possible change in the assumptions is likely to impact the carrying value of DTA on Unabsorbed depreciation and brought forward losses/MAT credit.

The Group has not recognised deferred tax asset on certain brought forward losses and scientific research on account of ongoing tax litigations in these matters amounting to ₹ 427.52 (March 31, 2023: ₹ 409.66).

Note No. 10: Other assets

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Other non-current assets		
Pre-paid gratuity contributions (asset) (Refer Note No. 23)	0.14	0.30
Prepaid expenses	0.69	0.27
Contract assets (Refer Note No. 30.4(ii))	96.38	-
Less: Loss allowance (Refer Note No. 28A)	(1.77)	-

9(b) Deferred Tax Assets (net)		
The balance comprises temporary differences attributable to:		
Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	(185.41)	(123.56)
Lease liabilities	49.00	17.32
Unabsorbed depreciation and allowances under section 35	135.79	119.59
MAT credit	71.91	44.14
Total deferred tax assets	71.29	57.49
Right-of-use assets	(44.65)	(15.40)
Net deferred tax assets	26.64	42.09

Capital Advances	3.20	8.54
Balances with government authorities (other than income taxes)	15.25	25.26
	113.89	34.37
Other current assets		
Advances to suppliers	90.13	59.88
Advances to suppliers - related parties (Refer Note No. 30.9)	0.43	-
Capital Advances	0.04	0.17
Balances with government authorities (other than income taxes)	638.58	113.06
Prepaid expenses	10.80	5.80
Contract assets (Refer Note No. 30.4(ii))	32.81	-
Less: Loss allowance (Refer Note No. 28A)	(0.60)	-
Advances to employees	2.09	1.41
Others	0.21	0.02
	774.49	180.34



Note No. 11: Inventories

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Raw material - components including assemblies and sub-assemblies [including goods in transit ₹ 132.71 (March 31, 2023: ₹ 13.54)]	3,702.19	632.13
Work in progress	2.84	6.19
Finished Goods	25.54	3.05
Traded Goods	7.17	5.49
	3,737.74	646.86

Note No. 12: Equity Share Capital

Particulars	in ₹ crore, except share data	
	Number of Shares	Equity share capital
i) Authorised Capital		
Equity Share Capital of ₹ 10/- each		
As at April 01, 2022	20,00,00,000	200.00
Changes in equity share capital during the year		
Increase during the year	6,00,00,000	60.00
As at March 31, 2023	26,00,00,000	260.00
Changes in equity share capital during the year		
Increase during the year	-	-
As at March 31, 2024	26,00,00,000	260.00
ii) Issued, Subscribed and Paid up Capital		
Equity Share Capital of ₹ 10/- each		
Fully paid shares		
As at April 1, 2022	11,45,49,908	114.55
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan (Refer Note No. 31(viii))	14,95,363	1.49
Issue of equity shares under Private Placement (Refer (b) below)	5,23,25,582	52.33
As at March 31, 2023	16,83,70,853	168.37
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan (Refer Note No 31(viii))	23,37,207	2.34
As at March 31, 2024	17,07,08,060	170.71
iii) Forfeited shares (to the extent of amount paid up)*		
As at April 1, 2022	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2023	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2024	3,27,27,930	3.27

Particulars	As at March 31, 2024	As at March 31, 2023
Total Equity Share Capital (ii+iii)	173.98	171.64

* 3,27,27,930 partly paid equity shares issued by the Company to the Tejas Employees Welfare Trust (TEWT) on July 11, 2010, were forfeited on July 25, 2016.

a) Terms and rights attached to equity shares

Equity shares have a par value of ₹ 10/-. They entitle the holder to participate in dividends declared if any, and to share in the proceeds upon winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

b) During the year ended March 31, 2022, the Company made preferential allotment for 7,17,05,427 (includes 1,93,79,845 as Subscription shares, 3,68,21,706 Series A Warrants, 1,55,03,876 Series B Warrants) equity shares, having face value of ₹ 10/- each, at a price of ₹ 258/- per share based on the approval of the Board of Directors on terms and conditions as determined by the Board in accordance with the SEBI (ICDR) Regulations and other applicable laws, and as set out in the share subscription agreement executed between the Company and Panatone Finvest Limited (a subsidiary of Tata Sons Private Limited).

The Company on September 7, 2021 received a total amount aggregating to ₹ 837.50, which includes exercise price on subscription shares amounting to ₹ 500 and 25% of the Series A Warrants and Series B Warrants amounting to ₹ 237.50 crore and ₹ 100 crore respectively.

In view of substantial acquisition of securities, voting rights and control over the Company, Panatone Finvest Limited along with Akashastha Technologies Private Limited (a subsidiary of Panatone Finvest Limited) and Tata Sons Private Limited made an Open Offer to acquire 4,02,55,631 fully paid-up equity shares at ₹ 258/- per equity share. The open offer tendering commenced on October 11, 2021 and ended on October 26, 2021. 2,592 equity shares were acquired through the open offer. Upon completion of the Open Offer, Panatone Finvest Limited is designated as promoter of the Company and Akashastha Technologies Private Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

During the quarter ended June 30, 2022, Panatone Finvest Limited exercised the right attached to the Series A Warrants and subscribed to the equity shares by remitting the balance 75% of the Exercise Price of Series A Warrant amounting to ₹ 712.50 and the Company allotted 3,68,21,706 equity shares upon exercise of warrants.

On February 03, 2023 Panatone Finvest Limited exercised the right attached to the Series B Warrants and subscribed to the equity shares by remitting the balance 75% of the exercise price of Series B Warrant amounting to ₹ 300 crore. On February 6, 2023, the Company allotted 1,55,03,876 equity shares upon exercise of such warrants.



c) Details of shares held by promoters at the end of the year

Particulars	As at March 31, 2024	As at March 31, 2023
Panatone Finvest Limited		
Number of shares held	9,49,05,686	9,49,05,686
% holding in that class of shares	55.60%	56.37%
% Change during the year	-0.77%	122.89%

Promoters for the purpose of above disclosure means promoters as defined under section 2(69) of the Companies Act, 2013.

d) Details of shares of the company held by holding/ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Particulars	As at March 31, 2024	As at March 31, 2023
Panatone Finvest Limited (holding company)		
Number of shares held	9,49,05,686	9,49,05,686

e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024	As at March 31, 2023
Panatone Finvest Limited		
Number of shares held	9,49,05,686	9,49,05,686
% holding in that class of shares	55.60%	56.37%

f) There are no instances of:

- shares allotted as fully paid up by way of bonus shares in the last five years.
- shares bought back during a period of five years immediately preceding the year end.
- shares allotted as fully paid up pursuant to contracts without payment being received in cash during a period of five years immediately preceding the year end.

g) Shares reserved for issuance towards outstanding employee stock options, RSU granted and available for grant (Refer Note No. 31) and commitments for the issue of shares:

in No's

Particulars	As at March 31, 2024	As at March 31, 2023
Equity shares of ₹ 10/- each		
ESOP Schemes	7,59,904	20,12,794
Outstanding at the end of the year	7,59,904	20,12,794
Options available for grant	-	-
RSU	55,55,871	66,40,488
Outstanding at the end of the year	36,94,620	38,57,748
Units available for grant	18,61,251	27,82,740

Refer Note No. 40 for proposed issue of shares on account of proposed merger application subject to regulatory approvals.

Note No. 13: Other Equity

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Securities premium	2,830.53	2,773.34
Retained earnings	6.58	(52.07)
Employee stock compensation outstanding account	135.32	77.12
Cash flow hedging reserve	0.09	-
Foreign Currency Translation Reserve	2.99	2.93
Money received against share warrants	-	-
Closing Balance	2,975.51	2,801.32

(i) Securities premium

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	2,773.34	1,456.24
Premium received upon exercise of ESOP	8.09	7.34
Premium received on Issue of shares through Private placement	-	1,297.67
Reclassification upon exercise of ESOP/RSU	49.10	12.09
Closing Balance	2,830.53	2,773.34

(ii) Retained earnings

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	(52.07)	(12.51)
Profit/(Loss) for the year	62.98	(36.41)
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post-employment benefit obligation net of income tax	(4.33)	(3.15)
Closing Balance	6.58	(52.07)

(iii) Employee stock compensation outstanding account

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	77.12	29.29
Share based payment expenses (Refer Note No. 31(x))	107.30	59.92
Reclassification upon exercise of ESOP/RSU	(49.10)	(12.09)
Closing Balance	135.32	77.12



(iv) Cash flow hedging reserve

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	-
Transaction during the year (Refer Note No. 28)	0.09	-
Closing Balance	0.09	-

(v) Foreign Currency Translation Reserve

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	2.93	1.91
Transaction during the year	0.06	1.02
Closing Balance	2.99	2.93

(vi) Money received against share warrants

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	337.50
Transaction during the year	-	(337.50)
Closing Balance	-	-

Nature and purpose of other reserves

(a) Securities premium

Securities premium is used to record the premium on issue of shares. The premium can only be utilized in accordance with the provisions of the Act.

(b) Employee stock compensation outstanding account

The Employee stock compensation outstanding account is used to recognize the grant date fair value of options and RSUs issued to employees under the Group's share based payment schemes over the vesting period.

(c) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges (Refer Note No. 2.9 and Note No. 28).

(d) Foreign Currency Translation Reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of financial statements of foreign operations.

Note No. 14: Lease Liabilities

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
Lease Liabilities	133.37	43.90
	133.37	43.90
Current		
Lease Liabilities	6.86	5.92
	6.86	5.92

Note No. 15: Provisions

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current provisions		
Provision for employee benefits		
Gratuity (Refer Note No. 23)	0.90	0.09
Other provisions		
Warranty	13.13	2.03
	14.03	2.12
Current provisions		
Provision for employee benefits		
Compensated absences (Refer Note No. 23)	14.00	9.57
Gratuity (Refer Note No. 23)	-	0.20
Other provisions		
Warranty	4.79	2.34
Others	2.28	-
	21.07	12.11

Movement in Warranty

Provision for warranty has been estimated based on past history of claims settled.

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	4.37	1.94
Unwinding of interest on provisions	0.41	0.17
Additions	15.75	8.93
Utilisation	(2.61)	(6.67)
Closing balance	17.92	4.37

Movement in other provisions

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Additions	2.28	-
Utilisation	-	-
Closing balance	2.28	-
Disclosed as:		
Non-current	13.13	2.03
Current	7.07	2.34
	20.20	4.37

Information about individual provisions and significant estimates: Due to the very nature of the above provisions, it is not possible to estimate the timing/uncertainties relating to their outflows.

Warranty

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled over a period of 3 years. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.



The Group offers warranties for a period of 12 months to 3 years on its products. The assumptions made in relation to the current period are consistent with those in the prior year. Factors that could impact the estimated claim information include introduction of new products and quality initiatives. If claims costs were to differ by 10% from management's estimates, the warranty provisions would be an estimated ₹ 1.78 higher or lower (March 31, 2023: ₹ 0.44 higher or lower).

Others

Other provisions relates to estimated provision against claims made by a third party in relation to certain closed business operations and contested by the Group.

Note No. 16: Current Borrowings

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Unsecured borrowings		
Working capital demand loans from Banks (Refer Note below)*	1,744.09	-
	1,744.09	-

Name of the Lender	Total Amount Sanctioned	Total Fund based as on March 31, 2024*	Interest Rate / Total Cost	in ₹ crore	
				Repayment terms	
Standard Chartered Bank	850.00	441.82	8.1% to 8.72%	Repayment upto a period of six month including interest either payable on monthly basis or on maturity.	
Kotak Mahindra Bank	505.00	296.13	7.9% to 8.55%		
HDFC Bank Limited	400.00	250.44	7.80%		
The Hong Kong and Shanghai Banking Corporation (Loan in US Dollar)	830.00	755.70	6.5% to 6.67%		
	2,585.00	1,744.09			

*Includes interest accrued but not due on borrowings amounting to ₹ 14.03 crore.

Note: The Group has not utilised working capital facilities from few banks at any point of time during the year ended March 31, 2024.

Net Debt Reconciliation

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents (Refer Note No. 7(i))	192.55	85.39
Other Liquid investments*	447.97	1,220.97
Lease Liabilities	(140.23)	(49.82)
Borrowings	(1,744.09)	-
Net debt	(1,243.80)	1,256.54

*Other Liquid investments comprise of other bank balances, current investments and deposits with financial institutions.

Movement in Net debt

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and Cash Equivalents	Liquid investments	Lease Liabilities	Borrowings	
Net debt as on April 01, 2022	47.56	1,054.62	(19.76)	-	1,082.42
Cash flows	37.27	165.72	7.45	-	210.44
New leases	-	-	(33.96)	-	(33.96)
Foreign exchange adjustments	0.56	-	-	-	0.56
Interest expense	-	-	(4.79)	-	(4.79)
Interest paid	-	-	4.79	-	4.79
Acquisition from Saankhya	-	-	(7.00)	-	(7.00)
Derecognition of lease liability	-	-	3.45	-	3.45
Fair value adjustments	-	0.63	-	-	0.63
Net debt as on March 31, 2023	85.39	1,220.97	(49.82)	-	1,256.54
Cash flows	107.47	(774.71)	6.26	(1,730.06)	(2,391.04)
New leases	-	-	(93.14)	-	(93.14)



Foreign exchange adjustments	(0.31)	-	-	-	(0.31)
Interest expense	-	-	(11.65)	(21.91)	(33.56)
Interest paid	-	-	8.12	7.88	16.00
Fair value adjustments	-	1.71	-	-	1.71
Net debt as on March 31, 2024	192.55	447.97	(140.23)	(1,744.09)	(1,243.80)

Note No. 17: Trade Payables

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises (MSME) (Refer Note No. 30.2)	215.48	26.00
Total outstanding dues of creditors other than MSME - related parties (Refer Note No. 30.9)	10.79	1.36
Total outstanding dues of creditors other than MSME - others	1,613.05	273.66
	1,839.32	301.02

Note: Trade payables include amounts payable under the supplier finance program amounting to ₹ 120.32 crore (March 31, 2023: ₹ Nil).

Ageing as at March 31, 2024

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.16	119.66	88.71	1.99	0.04	-	213.56
(ii) Others	43.82	1,252.10	316.83	0.12	-	10.97	1,623.84
(iii) Disputed dues – MSME	-	-	-	-	0.04	1.88	1.92
	46.98	1,371.76	405.54	2.11	0.08	12.85	1,839.32

Ageing as at March 31, 2023

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.06	15.39	8.50	-	-	-	23.95
(ii) Others	23.68	201.63	37.72	0.31	2.27	9.41	275.02
(iii) Disputed dues – MSME	-	-	-	0.09	0.28	1.68	2.05
	23.74	217.02	46.22	0.40	2.55	11.09	301.02

Note No. 18: Other Financial Liabilities

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Non-Current		
Merger Liability (Refer Note No. 40(c))*	168.99	156.68
	168.99	156.68
Current		
Due to employees	69.80	50.02
Capital Creditors	49.80	17.57
Unpaid dividend	0.03	0.03
Other payables	0.15	0.15
	119.78	67.77

*Includes an amount of ₹ 12.31 (March 31, 2023: ₹ 9.23) pertaining to interest cost recognised.

Note No. 19: Other Current Liabilities

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Advances received from customers	14.00	7.05
Advances received from customers - related parties (Refer Note No. 30.9)	960.00	7.66
Deferred revenue	14.58	13.07
Liabilities on Corporate Social Responsibility	-	0.30
Statutory dues	16.95	11.47
	1,005.53	39.55



Note No. 20: Revenue from Operations

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customers (Refer Note No. 30.4)		
Sale of goods		
Manufactured goods - Telecom and Data Networking related products	2,100.29	803.22
Traded Goods	48.48	3.34
	2,148.77	806.56
Rendering of services		
Installation and commissioning revenue	13.44	8.42
Annual maintenance revenue	55.17	52.77
Rendering of services - development of products and other services	96.94	51.82
	165.55	113.01
Other operating revenue		
Government grant- Production & design linked incentive (PLI/DLI)	156.36	-
Export Incentive	0.24	1.97
	156.60	1.97
	2,470.92	921.54

Note No. 21: Other Income

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from banks on deposits	40.60	54.94
Gain on current investments carried at FVTPL	1.71	0.63
Gain on sale of current investments carried at FVTPL	20.21	18.83
Unwinding of discount on fair valuation of financial assets	0.70	0.71
Gain on Derecognition of Right-of-use asset	-	0.45
Net gain on foreign currency transactions and translation	-	0.48
Other non-operating income		
Net gain on disposal of property, plant and equipment (Refer Note No. 37)	0.00	0.01
Interest on income tax refunds	0.68	2.91
Miscellaneous income	0.76	0.08
	64.66	79.04

Note No. 22A: Cost of Materials Consumed

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	632.13	270.18
Add: Purchases	4,634.12	893.98
	5,266.25	1,164.16
Less: Closing stock	3,702.19	632.13
Cost of materials consumed*	1,564.06	532.03

*includes provision for obsolescence of inventories of ₹ 23.81 crore (March 31, 2023: includes write down of inventories of ₹ 8.74 crore and provision for obsolescence of inventories of ₹ 6.37 crore) which is largely based on expected consumption of the inventories and other considerations including ageing.

Note No. 22B: Purchase of stock in trade

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of stock in trade	41.86	31.82
	41.86	31.82

Note No. 22C: Changes in inventories of stock in trade, work in progress and finished goods

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance		
Work-in progress	6.19	3.04
Finished goods	3.05	4.19
Traded goods	5.49	3.65
	14.73	10.88
Closing balance		
Work-in progress	2.84	6.19
Finished goods	25.54	3.05
Traded goods	7.17	5.49
	35.55	14.73
Changes in inventories of stock in trade, work in progress and finished goods	(20.82)	(3.85)

Note No. 23: Employee benefit expense

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages, including performance incentives	454.72	311.69
Contribution to provident and pension funds [Refer (i) below]	21.99	12.43
Gratuity expenses [Refer (iii) below]	4.73	3.86



Employee share based payment expenses (net) [Refer Note No. 31(x)]	107.30	59.92
Staff welfare expenses	12.19	6.56
	600.93	394.46
Less: Capitalized during the year [Refer Note No. 4(b)]	249.44	161.81
	351.49	232.65

Employee benefit plans

(i) Defined contribution plan

The Group makes contributions to Provident Fund and Employee's Pension Scheme, 1995. The contributions payable under this scheme by the Group are at rates specified in the rules of the scheme to a registered fund. The Group has no further obligation towards the scheme beyond the aforesaid contributions. The Group has recognised the following amounts in the Statement of Profit and Loss:

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Provident Fund Contributions	20.34	11.18
Employee Pension Scheme	1.65	1.25
Total	21.99	12.43

(ii) Compensated absence

The leave obligation covers the Group's liability for earned leave. This is an unfunded scheme.

The amount of the provision of ₹ 14.00 (March 31, 2023: ₹ 9.57) is presented as current, since the Group does not have an unconditional right to defer settlement for a period beyond 12 months. However, based on past experience, the Group does not expect all the employees to avail leave accrued to their credit or require payment within the next 12 months.

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Leave obligation not expected to be settled within the next 12 months	11.39	7.59

Compensated absence expense recorded in Statement of Profit & Loss are as follows:

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Compensated absence expense/ (gain) included in salaries and wages	5.05	2.95
Actuarial assumptions for long-term compensated absences		
Discount rate	7.00%	7.54% - 7.66%
Salary escalation	6.50%	6.50%
Attrition	- 15.00%	- 15.00%
	7.00%	7.00% - 15.00%

(iii) Defined Benefit Plans

(a) Gratuity

The Group provides gratuity benefit to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised insurer managed funds in India.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial assumptions for defined benefit plan		
Discount rate	7.00%	7.54% - 7.66%
Salary escalation	6.50%	6.50%
	- 15.00%	- 15.00%
Attrition rate	7.00%	7.00% - 15.00%

(i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

(ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

a) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (DBO) over the year are as follows:

Particulars	in ₹ crore		
	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2022	23.55	(23.78)	(0.23)
On account of acquisition of subsidiary	-	0.95	0.95
Current service cost	4.23	-	4.23
Interest expense/(income)	1.90	(2.27)	(0.37)
Total amount recognised in (profit) or loss under employee benefit expenses	6.13	(2.27)	3.86
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	0.35	0.01	0.36
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	(0.49)	-	(0.49)
Actuarial (Gain) / Losses due to experience adjustments on DBO	2.27	-	2.27
Return on Plan Assets (Greater) / Lesser than Discount rate	-	1.15	1.15
Total amount recognised in other comprehensive income	2.13	1.16	3.29
Employer contributions/ premiums paid	-	(7.88)	(7.88)
Cost of acquisitions	2.69	(2.69)	-
Benefit payments	(4.51)	4.51	-
As at March 31, 2023 (Refer Note No. 10 and Note No. 15)	29.99	(30.00)	(0.01)



in ₹ crore

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2023	29.99	(30.00)	(0.01)
Current service cost	5.08	-	5.08
Interest expense/(income)	2.54	(2.89)	(0.35)
Total amount recognised in (profit) or loss under employee benefit expenses	7.62	(2.89)	4.73
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	0.28	-	0.28
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	2.22	-	2.22
Actuarial (Gain)/ Losses due to experience adjustments on DBO	2.68	-	2.68
Return on Plan Assets (Greater) / Lesser than Discount rate	-	0.12	0.12
Total amount recognised in other comprehensive income	5.18	0.12	5.30
Employer contributions/ premiums paid	-	(9.26)	(9.26)
Cost of acquisitions	0.07	(0.07)	-
Benefit payments	(2.82)	2.82	-
As at March 31, 2024 (Refer Note No. 10 and Note No. 15)	40.04	(39.28)	0.76

b) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate		
Increase by 100 basis points	(7.40%)	(9.15%)
Decrease by 100 basis points	8.52%	10.73%
Salary Growth Rate		
Increase by 100 basis points	8.99%	10.69%
Decrease by 100 basis points	(7.94%)	(9.26%)
Attrition Rate		
Increase by 100 basis points	(0.21%)	0.18%
Decrease by 100 basis points	0.19%	(0.23%)
Mortality Rate		
Increase by 100 basis points	(0.00%)	(0.00%)
Decrease by 100 basis points	(0.00%)	0.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may not be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Composition of the plan assets is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Insurer managed funds	100%	100%

c) Risk Exposure

1. Interest rates risk : The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase although this will be partially offset by an increase in value of the plan assets.
2. Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
3. Demographic risks: This is the risk of volatility in results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of these decrement on the DBO depends upon the combination of salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short service employees will be less compared to long service employees.
4. Asset Liability Mismatch: This will come into play unless the funds are invested with the term of the assets replicating the term of the liability.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans (Gratuity) for the year ending March 31, 2025 are ₹ 4.66.

The weighted average duration of the defined benefit obligation is 7 to 8 years (March 31, 2023: 12.48 to 14.04 years). The expected maturity analysis of undiscounted gratuity is as follows:

in ₹ crore

Year Ending March 31,	As at March 31, 2024	As at March 31, 2023
2025	4.18	2.46
2026	3.85	2.42
2027	4.43	2.89
2028	4.53	1.47
2029	7.12	1.68
2030-2034	48.58	13.20
2035 and above	-	64.05

Note No. 24: Finance cost

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on		
(i) Borrowings	21.91	-
(ii) Delayed payment of taxes	0.01	-
(iii) Unwinding of discount on fair valuation of financial liabilities*	23.95	14.03
(iv) Unwinding of discount on fair valuation of warranty	0.41	0.16
Other finance cost	1.64	1.01
	47.92	15.20

*Includes an amount of ₹ 12.31 (March 31, 2023: ₹ 9.23) pertaining to interest cost pertaining to merger liability (Refer Note No.18 and 40(c)).



Note No. 25: Other Expenses

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumables	3.90	0.70
Installation, commissioning and maintenance expenses	6.85	11.55
Other processing charges	4.17	4.40
Power and fuel	8.55	5.82
Housekeeping and security	7.14	4.20
Lease rentals	10.53	4.97
Repairs and maintenance - machinery	0.50	0.47
Repairs and maintenance - others	7.22	4.08
Sub-contractor charges	35.83	13.90
Cost of technical services	48.47	33.72
Insurance	4.64	1.92
Rates and taxes	0.92	3.46
Communication	2.25	1.58
Royalty	0.01	0.03
Travelling and conveyance	21.87	12.04
Printing and stationery	0.54	0.34
Freight and forwarding	6.49	3.88
Sales expenses	3.30	0.55
Sales commission	4.06	4.11
Business promotion	4.96	3.07
Director sitting fees (Refer Note No. 30.9)	0.33	0.33
Director commission (Refer Note No. 30.9)	1.50	0.48
Legal and professional	26.14	16.78
Auditors remuneration and out-of-pocket expenses		
Audit Fee (including fees for limited reviews)	1.21	0.83
Tax Audit Fee	0.05	0.04
Certification matters	0.19	0.03
Other audit related services	0.16	0.20
Auditors out-of-pocket expenses	0.10	0.09
Net loss on foreign currency transactions and translation	9.50	2.89
Bad Debts written off	11.23	-
Brand Equity Subscription Fee (Refer Note No. 30.9)	3.74	-
Other subscription fee	15.05	7.88
Warranty	15.75	8.93
Expenditure on corporate social responsibility (Refer Note No. 35)	-	0.22
Miscellaneous expenses	9.71	7.11
	276.86	160.60
Less: Capitalized during the year [Refer Note No. 4(b)]	23.67	14.75
	253.19	145.85

Note : Other expenses include R&D expenses under various line items [Refer Note No. 30.7]

Note No. 26: Income Tax Expense/ (benefit)

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Current tax expense/ (benefit)		
Tax on profits/(losses)for the year	21.77	(0.01)
Adjustments for tax of prior periods	0.02	(0.31)
	21.79	(0.32)
b. Deferred tax expense/ (benefit)		
Decrease/(increase) in deferred tax assets	21.39	(4.04)
Increase in deferred tax liabilities	(5.94)	(1.88)
	15.45	(5.92)
	37.24	(6.24)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/ (Loss) before income tax expense	100.22	(42.65)
Tax credit determined based on the statutory tax rate [i.e.34.944% (March 31, 2023: 34.944%)]	35.02	(14.90)
Reconciling items:		
Expenses disallowed for tax purposes	4.30	3.53
Adjustments for tax of prior periods	-	(0.31)
Remeasurement losses recognised in OCI	(0.97)	(1.02)
On account of different tax rates of subsidiaries	(0.23)	1.61
Previously unrecognised DTA created during the current year	(0.73)	4.96
Others	(0.15)	(0.11)
	37.24	(6.24)



Note No. 27: Fair Value Measurement

(i) Financial instruments by category

in ₹ crore

Particulars	Level	As at March 31, 2024		As at March 31, 2023	
		FVPL	Amortized cost	FVPL	Amortized cost
Financial assets					
Investments					
- Mutual Funds	1	333.71	-	262.24	-
- Others (Refer Note No. 37)	3	0.00	-	0.00	-
Trade receivables	3	-	1,457.90	-	518.03
Cash and cash equivalents	3	-	192.55	-	85.39
Bank balances other than cash and cash equivalents	3	-	109.35	-	656.42
Other financial assets					
- Deposits with remaining maturity of more than twelve months	3	-	4.91	-	-
- Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	3	-	-	-	2.31
- Deposits with financial institutions	3	-	-	-	300.00
- Security deposits	3	-	13.12	-	7.71
- Interest accrued but not due	3	-	0.64	-	4.12
- Government grant (Production & design linked incentive) receivable	3	-	123.70	-	-
- Other receivables	3	-	80.71	-	30.02
- Foreign Exchange Forward Contracts	2	2.57	-	0.02	-
		336.28	1,982.88	262.26	1,604.00
Financial liabilities					
Borrowings	3	-	1,744.09	-	-
Lease liabilities	3	-	140.23	-	49.82
Trade payables	3	-	1,839.32	-	301.02
Other financial liabilities					
- Merger Liability	3	-	168.99	-	156.68
- Capital Creditors	3	-	49.80	-	17.57
- Due to employees	3	-	69.80	-	50.02
- Unpaid dividend	3	-	0.03	-	0.03
- Other payables	3	-	0.15	-	0.15
		-	4,012.41	-	575.29

(ii) Fair value hierarchy

Level 1: Includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels during the year.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(iii) Valuation Technique

- The fair values of security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

- Investment in mutual funds are valued using closing NAV of the fund.

- Foreign currency forwards are valued based on the forward exchange rates provided by the bank as at the balance sheet date.

(iv) Valuation Process

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The finance department reports directly to the chief financial officer (CFO). The significant level 3 inputs for determining the fair values of security deposits are discount rates using a risk free rate (pre-tax) that reflects the current market assessments of the time value of money and adjusted for counter-party risk and risks specific to the asset.

(v) Fair value of financial assets and liabilities measured at amortized cost

- The fair values of security deposits and non-current trade receivables approximates their carrying amounts.

- The carrying amounts of trade receivables (current), borrowings, trade payables, capital creditors, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



Note No. 28: Financial risk management

The Group's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risk. The Group's senior management has overall responsibility for the establishment and oversight of the Group's risk management framework. The risk management framework is approved by the Board of Directors.

A. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers located in various countries. Credit risk is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

(i) Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows for trade receivables and contract assets under the simplified approach

in ₹ crore

As at March 31, 2024	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross carrying amount - trade receivables and contract assets	1,347.64	212.36	24.60	33.03	30.02	57.26	1,704.91
Expected loss rate	1%	5%	15%	45%	91%	86%	
Loss allowance	15.77	9.76	3.60	14.73	27.22	49.11	120.19
Carrying amount (net of loss allowance)	1,331.87	202.60	21.00	18.30	2.80	8.15	1,584.72

in ₹ crore

As at March 31, 2023	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross carrying amount - trade receivables and contract assets	372.34	103.05	28.08	41.49	31.23	47.10	623.29
Expected loss rate	1%	5%	21%	54%	98%	80%	
Loss allowance	3.51	5.22	5.96	22.34	30.50	37.73	105.26
Carrying amount (net of loss allowance)	368.83	97.83	22.12	19.15	0.73	9.37	518.03

(ii) Reconciliation of expected credit loss for trade receivables and contract assets under simplified approach

	in ₹ crore
Loss allowance as on April 01, 2022	(137.94)
Forex movement	(0.29)
Changes in loss allowance	32.97
Loss allowance as on April 01, 2023	(105.26)
Forex movement	0.28
Receivables written off during the year	11.23
Changes in loss allowance	(26.44)
Loss allowance as on March 31, 2024 (Refer Note No. 6 and 30.4(ii))	(120.19)

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumption and selecting the inputs to the impairment calculations, based on the Group's past history and existing market conditions as well as forward- looking estimates at the end of each reporting period.

The Group is also exposed to credit risk in respect of cash and cash equivalents, deposits with banks and financial institutions and investment in mutual funds. As a policy, the Group places its cash

and cash equivalents and deposits with well established banks and financial institutions and investment in mutual funds with well established financial institutions.

Management has evaluated and determined expected credit loss for cash and cash equivalents, deposits with banks, inter-corporate deposits placed with financial institutions, investment in mutual funds, security deposits and other financial assets to be immaterial.

(iii) Sensitivity Analysis

The sensitivity of profit or loss to changes in the loss allowance

in ₹ crore

Particulars	Impact on profit/(loss) after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase in credit loss rate by 10%	(4.70)	(2.12)
Decrease in credit loss rate by 10%	5.42	2.91



B. Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its obligations associated with its financial liabilities. The Group's principal source of liquidity are cash and cash equivalents, cash flows that are generated from the operations and the undrawn borrowing facilities. A material and sustained shortfall in cash flows could undermine the Group's credit rating and impair investor confidence. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(i) Liquid assets

The table below summarizes the Group's liquid assets at the end of the reporting period:

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	192.55	85.39
Other bank balances - deposits with maturity more than 3 months but less than 12 months and margin money	109.35	656.42
Deposits with financial institutions	-	300.00
Deposits with remaining maturity more than 12 months	4.91	-
Deposits with original maturity of more than twelve months but remaining maturity of less than twelve months	-	2.31
Current investments - mutual funds	333.71	262.24
	640.52	1,306.36
Less: Balances held as margin money or security against fund and non-fund based banking arrangements	16.74	1.89
	623.78	1,304.47

(ii) Financing arrangements

The Group had access to the following undrawn facilities at the end of the reporting period:

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Rupee		
Fund/ Non Fund based	978.34	98.03

The above facilities are fungible between fund based and non-fund based.

(iii) Maturities of financial liabilities

The amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equals their carrying balances (except for lease liabilities) as the impact of discounting is not significant.

in ₹ crore

Contractual maturities of financial liabilities- March 31, 2024	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non-Derivatives					
Borrowings	1,744.09	-	-	-	1,744.09
Trade payables	1,839.32	-	-	-	1,839.32
Due to employees	69.80	-	-	-	69.80
Capital Creditors	49.80	-	-	-	49.80
Merger Liability	168.99	-	-	-	168.99
Lease Liabilities	9.40	11.98	22.43	171.72	215.53
Unpaid dividend	0.03	-	-	-	0.03
Other payables	0.15	-	-	-	0.15
	3,881.58	11.98	22.43	171.72	4,087.71

in ₹ crore

Contractual maturities of financial liabilities- March 31, 2023	Less than 6 months	6 months to 1 year	Between 1 and 2 years	More than 2 years	Total
Non-Derivatives					
Trade payables	301.02	-	-	-	301.02
Due to employees	50.02	-	-	-	50.02
Capital Creditors	17.57	-	-	-	17.57
Merger Liability	-	-	156.68	-	156.68
Lease Liabilities	5.49	4.91	7.70	55.54	73.64
Unpaid dividend	0.03	-	-	-	0.03
Other payables	0.15	-	-	-	0.15
	374.28	4.91	164.38	55.54	599.11

C. Market Risk

(a) Foreign currency risk exposure

The Group operates internationally and is exposed to foreign exchange risk through its sales and services in foreign countries, and purchases from overseas suppliers in foreign currencies. To mitigate the risk of changes in exchange rates on foreign currency exposures, the Group has a partial natural hedge between export receivables and import payables. Further, the Group has entered into forward exchange contracts on import payables to mitigate the risk of fluctuations in foreign currency rates. The results of the Group's operations are subject to the effects of changes in foreign exchange rates.



(i) The Group's exposure to foreign currency risk as at the year end expressed in Rupees crore are as follows: in ₹ crore

	As at March 31, 2024			As at March 31, 2023		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables	39.16	13.28	0.03	163.48	17.38	0.06
Balance in EEFC account	19.90	-	-	21.18	-	-
Balance with banks outside india	3.92	0.19	0.39	0.89	0.11	4.10
Exposure to foreign currency risk (assets)	62.98	13.47	0.42	185.55	17.49	4.16
Liabilities						
Trade payables	909.46	0.02	0.47	143.85	0.23	0.20
Borrowings	755.70	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	1,665.16	0.02	0.47	143.85	0.23	0.20
Net exposure to foreign currency risk	(1,602.18)	13.45	(0.05)	41.70	17.26	3.96

(ii) The Group's exposure to foreign currency risk hedged as at the year end expressed in Rupees crore are as follows: in ₹ crore

	As at March 31, 2024			As at March 31, 2023		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables						
- Hedged naturally	-	0.02	-	28.56	0.23	0.06
Balance with banks outside India	-	-	0.08	-	-	0.14
Exposure to foreign currency risk (assets)	-	0.02	0.08	28.56	0.23	0.20
Liabilities						
Trade payables						
- Hedged naturally	-	0.02	0.08	28.56	0.23	0.20
- Hedged through forward contract	902.71	-	-	115.29	-	-
Borrowings	755.70	-	-			
Exposure to foreign currency risk (liabilities)	1,658.41	0.02	0.08	143.85	0.23	0.20
Net hedged exposure to foreign currency risk	(1,658.41)	-	-	(115.29)	-	-

iii) The Group's exposure to foreign currency risk unhedged as at the year end expressed in Rupees crore are as follows: in ₹ crore

	As at March 31, 2024			As at March 31, 2023		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables	39.16	13.26	0.03	134.92	17.15	-
Balance in EEFC account	19.90	-	-	21.18	-	-
Balance with banks outside India	3.92	0.19	0.31	0.89	0.11	3.96
Exposure to foreign currency risk (assets)	62.98	13.45	0.34	156.99	17.26	3.96
Liabilities						
Trade payables	6.75	-	0.39	-	-	-
Borrowings	-	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	6.75	-	0.39	-	-	-
Net unhedged exposure to foreign currency risk	56.23	13.45	(0.05)	156.99	17.26	3.96

*MYR stands for Malaysian Ringgit.

(iv) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

in ₹ crore

Particulars	Impact on profit/(loss) after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
USD Sensitivity		
INR/USD - Increase by 5%	(2.32)	(1.72)
INR/USD - Decrease by 5%	2.32	1.72
MYR Sensitivity		
INR/MYR - Increase by 5%	(0.56)	(0.71)
INR/MYR - Decrease by 5%	0.56	0.71

D. Interest rate risk

The exposure of group's borrowings to interest rate changes at the end of the reporting period are included in table below.

(i) As at the end of the reporting period, the group had the following variable rate borrowing outstanding:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Interest rate %	Balance	% of total loans	Interest rate %	Balance	% of total loans
Working Capital Demand Loans	6.5% to 8.6%	1,744.09	100.00%	-	-	-
Net exposure to cash flow		1,744.09	100.00%			

(ii) Sensitivity

Profit or Loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

in ₹ crore

Particulars	Impact on profit/(loss) after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Rate - Increase by 1% (March 31, 2023 Nil)	(0.89)	-
Interest Rate - Decrease by 1% (March 31, 2023 Nil)	0.89	-

E. Impact of hedging activities:

(i) Disclosure of effects of hedge accounting on financial position

Type of Hedge and Risks	Nominal Value		Carrying amount of hedging instrument		Maturity date	Hedge ratio	Weighted average strike rate for outstanding hedging instruments	Change in intrinsic value of outstanding hedging instruments since the inception of the hedge	Change in the value of hedged item used to determine hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
As at March 31, 2024									
Cash flow hedge									
Foreign exchange risk									
Foreign currency forward contracts	-	313.65	-	313.74	June' 24 - July' 24	1:1	83.69	0.09	(0.09)
As at March 31, 2023									
Cash flow hedge									
Foreign exchange risk									
Foreign currency forward contracts	-	-	-	-	-	-	-	-	-

Type of hedge	As at March 31, 2024				As at March 31, 2023			
	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in the statement of profit and loss because of the reclassification	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk	0.09	-	Not applicable	-	-	-	-	-



Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic perspective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the group uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the group or the derivative counterparty.

Note No. 29: Capital Management

For the purpose of capital management, the Group considers the following components of its balance sheet as capital:

Issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group.

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize the growth opportunities and return to the shareholders. The capital structure of the Group is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The group consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group foresees issue of fresh capital pursuant to exercise of vested employee stock options. Apart from the outstanding ESOPs, the Board of Directors have also approved certain Restricted Stock Units (RSUs), which may be converted into share capital in the future periods.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

	in ₹ crore	
Debt equity ratio	As at March 31, 2024	As at March 31, 2023
Net Debt*	1,243.80	49.82
Equity	3,149.49	2,972.96
Net Debt to equity ratio(times)	0.39	0.02

*Net Debt as of March 31, 2024 represents the balance of borrowing (including lease liabilities) reduced by cash and cash equivalent, other bank balances including bank deposits, deposits with financial institutions and investment in liquid mutual funds. (Net Debt as of March 31, 2023 represents lease liabilities. The Group had no borrowings as at March 31, 2023).

Note No. 30: Additional Information to Financial Statements

Note	Particulars	in ₹ crore	
		As at March 31, 2024	As at March 31, 2023
30.1 Contingent liabilities and commitments (to the extent not provided for)			
a	Contingent liabilities - Claims against the Group not acknowledged as debts		
	Disputed Central Excise Demands * (Refer Note 1 below)	46.24	46.24
	Disputed CST and VAT Demand *	-	0.51
	Disputed Income Tax Demands * (Refer Note 2 and 3 below)	5.26	5.26
	Disputed GST Demands * (Refer Note 4 below)	5.35	5.72
b	Commitments		
	Estimated amount of contracts remaining to be executed on capital contract and not provided for (net of advances and deposits)		
	Property, plant and equipment	79.20	39.21

* These cases are pending at various forums with the concerned authorities. Outflows if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's right for future appeals before judiciary. No reimbursements are expected. The above does not include interest from the date of order to the date of reporting.

Note 1: The Company had received demand orders for ₹ 42.92 towards additional duty and penalty from the Office of the Commissioner of Central Excise, Puducherry Commissionerate on the applicability of excise duty on software used in the multiplexer products pertaining to Financial Year (FY) 2002-03 to FY 2009-10 based on CESTAT Order No. 41771-41776/2018 dated 12.06.2018. Further, an additional penalty on certain officers of the Company amounting to ₹ 0.90 was raised. The Company has filed a stay application and appeal against the CESTAT Order before the Honourable Supreme Court and has also filed an appeal before CESTAT against the Order passed by Commissioner of Central Excise, Puducherry. As at March 31, 2024, the Company has paid a pre-deposit of ₹ 2.38 (March 31, 2023: ₹ 2.38) included under Balances with government authorities in Note 10 'Other Non-current assets'. The Company had received a demand order for ₹ 3.32 for FY 2010-11 to FY 2013-14 on similar matters and an appeal before CESTAT was filed by the company for which company has paid a pre-deposit of ₹ 0.23 (March 31, 2023: ₹ 0.23). Based on an assessment, supported by an external legal opinion, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in these financial statements.

Note 2: In July 2017, Income Tax Department initiated proceedings under section 132 of the Income Tax Act, 1961 for assessment years (AY) 2012-13 to 2018-19. Subsequently, The Company received orders disallowing certain expenses resulting in reduction of brought forward/ carried forward losses for these assessment years. The



Company has filed appeal against the orders disputing the disallowances. Certain other agencies sent notices as part of their inquiries, which were duly responded / attended by the Company and its officials. The management is of the view that the outcome of these proceedings/ notices has no material adverse impact on the Company's financial statements. Pursuant to proceedings under 132 mentioned above, in March 2018, the Income Tax Department sent a show cause notice to the company under Section 276C of the IT Act for AY 2012-13 to 2018-19. The Company and its officials fully co-operated with the Department. During FY 2018-19, the Company and certain officers of the Company had received Summons under various sections of the IT Act from the Special Court for Economic Offences, to which the Company has responded. The Company is of the view that the outcome of these summons/notices will not have any material impact on the Company's financial statements. Further the company has appealed against the proceedings under section 276C and the summons by Special Court of Economic Offences in the Karnataka High Court. The Company is of the view that the outcome of these summons/notices will not have any material impact on the Company's financial statements.

Note 3: In case of Saankhya Labs Private Limited, cases are pending at various forums with the concerned authorities. Outflows if any, arising out of these claims would depend on the outcome of the decision of the appellate authority and the Company's right for future appeals before judiciary. No reimbursements are expected. Saankhya Labs Private Limited is eligible for tax refund of ₹ 0.46 for the AY 2018-19 and ₹ 1.48 for the AY 2020-21. However, the same was withheld against the above orders.

Note 4:

- a. In December 2023, GST department has completed audit for the FY. 2017-18 and a demand order dated December 26, 2023 was issued u/s 73 (9) of the GST Act, 2017 in FORM GST DRC – 07 demanding tax, interest and penalty of ₹ 4.85. During the year company has made a pre-deposit of ₹ 0.22 and filed Appeal against the demand order on March 22, 2024. In January 2024, Company received a demand order from the Commercial Tax Officer, (Vigilance)-30, Bengaluru demanding penalty of ₹ 0.22. Company has filed an appeal against the Demand Order and made a pre-deposit of ₹ 0.22. Based on the assessment, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in the financial statements.
- b. Saankhya Labs Private Limited has received Order dated September 30, 2023 partially allowing their claim and reduced the total demand from ₹ 5.72 to ₹ 0.28. The Company has made pre-deposit of ₹ 0.34 in the AY 2022-23.

The Group does not expect any reimbursement in respect of the above contingent liabilities.

30.2 Dues to Micro Small and Medium Enterprises (MSMEs)

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end ¹	215.48	26.00

(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv) Interest paid, under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(vii) Interest accrued and remaining unpaid at the end of each accounting year	-	-
(viii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

¹Based on periodic circularisations by the Group and responses received from the suppliers, the Group identifies Micro and Small parties registered under the MSMED Act. The information above has been compiled by the management basis such identification. No delays in payments beyond the stipulated date prescribed under the MSMED Act have been identified for such vendors based on the acceptance dates for such goods/services as agreed by the concerned vendors.

(Refer Note No. 17 for disputed dues to MSME).

30.3 Segment Information

(i) The Group's business activity primarily falls within a single business segment i.e. telecom and data networking related products and related services based on the nature of activity involved and business risks having regard to the internal organisation and management structure. The Chief Operating Decision Maker (CODM) reviews the Group's performance as a single business segment and not at any other disaggregated level.

(ii) Geographical information

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Revenues*		
India	2,089.79	702.58
International	224.53	216.99
	2,314.32	919.57

* Determined based on location of customers and excludes other operating revenue

Revenues of approximately ₹ 1,513.87 are derived from three external customers (March 31, 2023: ₹ 186.31 from two external customer) each exceeding 10% of the total revenue.



Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
II Total Carrying amount of non current assets, by geographical location		
India	1,195.95	800.40
International	-	-

30.4 Revenue from contract with customers

(i) Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenue from contracts with customers based on location of the customers. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors (Refer Note No. 20).

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
India-PSU	835.59	241.00
India-Private	1,254.20	461.58
International	224.53	216.99
	2,314.32	919.57

(ii) Contract Assets

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract Assets - relating to sale of goods	129.19	-
Less: Loss Allowance (Refer Note No. 28A)	2.37	-
	126.82	-
Non- Current	94.61	-
Current	32.21	-
	126.82	-

During the year, the Group has supplied goods to certain customers wherein the right to collection is after completion of future other contractual obligation. The Company expects these contract asset to be reclassified to Trade Receivables on completing other contractual obligations.

(iii) The movement in contract liability (deferred revenue and Advances received from customers) is as follows:

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance as on April 1, 2022	3.30	7.02
Less: Revenue accrued during the year	5.51	8.81
Add: Invoicing in excess of earned revenue during the year	15.28	-

Add: Advances received during the year	-	16.50
Balance as on March 31, 2023	13.07	14.71
Less: Revenue accrued during the year	15.93	26.28
Add: Invoicing in excess of earned revenue during the year	17.44	-
Add: Advances received during the year	-	985.57
Balance as on March 31, 2024	14.58	974.00

(iv) Performance obligations and remaining performance obligations

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2024, is approximately ₹ 8,221 (March 31, 2023: ₹ 1,934). Out of this, the Group expects to recognize revenue of around 93% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty. Based on current assessment, the occurrence of the same is expected to be remote.

(v) Reconciliation of revenue recognised with Contract price

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract Price	2,336.81	922.97
Less adjustments for:		
Variable consideration (includes liquidated damages and cash discount)	22.49	3.40
Revenue from operations	2,314.32	919.57

30.5 Details of leasing arrangements

Right-of-use assets

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Right of use Assets		
Buildings (including leasehold land)	127.80	44.29
	127.80	44.29

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Lease Liabilities		
Current	6.86	5.92
Non-Current	133.37	43.90
	140.23	49.82

Additions to right-of-use assets during the current financial year is ₹ 98.83 (March 31, 2023: ₹ 35.93).



(ii) Amounts recognised in the statement of profit or loss:

The statement of profit or loss shows the following amount related to leases:

in ₹ crore

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation charge of Right of use Assets			
Buildings	4(c)	15.32	9.75
		15.32	9.75
Other costs			
Interest expense (included in finance costs)	24	11.65	4.36
Expenses relating to short term leases (included in other expenses)*	25	10.53	4.97
Total		22.18	9.33

*includes maintenance expenses

The total cash outflow for leases for the year ended March 31, 2024 is ₹ 24.91 (March 31, 2023: ₹ 16.86).

Extension and termination options

Extension and termination options are included in various leasing arrangements for buildings. These are used to maximise operational flexibility in terms of managing assets used in the operations. All the extension and termination options are either exercisable only by the Group or as mutually agreed with the lessor.

The Group has not provided any residual value guarantees in any of the leasing arrangements.

30.6 Earnings/(Loss) per Share

in ₹ crore except per share data

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic		
Net profit/(loss) for the year attributable to the equity shareholders	62.98	(36.41)

30.8 Interest in subsidiaries

Name of the Company	Nature of business	Place of Business	% of Holding and voting power either directly or indirectly through subsidiary as at	
			March 31, 2024	March 31, 2023
Tejas Communications Pte Limited (wholly owned subsidiary)	Designing and selling of networking equipment and software.	Singapore	100%	100%
Tejas Communications (Nigeria) Limited (wholly owned subsidiary of Tejas Communications Pte Limited)	No operations	Nigeria	100%	100%
Saankhya Labs Private Limited (majority owned subsidiary)	Provides premium wireless communication and semi conductor solutions	India	64.40%	64.40%

Weighted average number of equity shares	16,97,04,867	15,36,77,077
Par value per share (₹)	10.00	10.00
Earnings/(loss) per equity share - Basic (₹)	3.71	(2.46)
Diluted		
Net profit/(loss) for the year attributable to the equity shareholders	62.98	(36.41)
Weighted average number of equity shares for Basic EPS	16,97,04,867	15,36,77,077
Add: Share warrants and bonus element on Share Options/RSUs issued to employees*	27,90,822	-
Weighted average number of equity shares - for diluted EPS	17,24,95,689	15,36,77,077
Par value per share (₹)	10.00	10.00
Earnings/(loss) per equity share - diluted (₹)	3.65	(2.46)

* Potentially issuable equity shares, on account of Share Options/RSUs issued to employees, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share when they are anti-dilutive.

30.7 Product Development Cost

Details of eligible Capital and Revenue expenditure incurred towards Research and Development as claimable under section 35 of Income Tax Act of 1961.

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Eligible capital expenditure	367.47	218.31
Eligible revenue expenditure	109.99	61.64
	477.46	279.95

Eligible capital expenditure includes R&D manpower salaries/wages towards product development amounting to ₹ 241.30 (March 31, 2023: ₹ 150.33) and ₹ 22.66 (March 31, 2023: ₹ 9.06) towards cost of technical services.



Saankhya Strategic Electronics Private Limited (wholly owned subsidiary of Saankhya Labs Private Limited)	Provides communication and semi conductor solutions	India	64.40%	64.40%
Saankhya Labs Inc (wholly owned subsidiary of Saankhya Labs Private Limited)	Provides communication and semi conductor solutions	United States of America (USA)	64.40%	64.40%

30.9 Related party transactions

(i) Details of related parties:

Description of relationship	
Ultimate Holding Company	Tata Sons Private Limited
Holding Company/ Controlling Entity	Panatone Finvest Limited
Subsidiaries of Holding Company (with whom the Group has transactions)	Tata Communications Limited Tata Communications (America) Inc., United States of America Tata Communications (UK) Limited, United Kingdom Tata Communications Lanka Limited, Sri Lanka Tata Communications (France) SAS The Switch Enterprises, LLC, United States of America
Subsidiaries of Ultimate Holding Company (with whom the Group has transactions)	Tata Consultancy Services Limited Tata Teleservices (Maharashtra) Limited Tata Teleservices Limited Tata Advanced Systems Limited Tata AIG General Insurance Company Limited Tata Autocomp Systems Limited Tata Projects Limited Tata Elxsi Limited Tata Asset Management Private Limited Innovative Retail Concepts Private Limited Infiniti Retail Limited
Joint Ventures of Ultimate Holding Company and its subsidiaries (with whom the Company has transactions) (Other related parties)	Tata Play Broadband Private Limited Tata Industries Limited (Tata Strategic Management Group)
Associates of Ultimate Holding Company and its subsidiaries (with whom the Group has transactions) (Other related parties)	Tata Steel Limited The Tata Power Company Limited The Indian Hotels Company Limited Roots Corporation Limited Piem Hotels Limited
Associates of Subsidiaries of Ultimate Holding Company (with whom the Company has transactions) (Other related parties)	Indusface Private Limited
Entity where a Director is interested (with whom the Group has transactions) (Other related parties)	Clonect Solutions Private Limited (ceased to be a related party w.e.f April 23, 2022) Cloudsek Information Security (ceased to be a related party w.e.f April 23, 2022) Darwinbox Digital Solutions Private Limited (ceased to be a related party w.e.f June 21, 2023) Housing Development Finance Corporation Limited (w.e.f June 27, 2022) Mahindra & Mahindra Financial Services Limited (ceased to be a related party w.e.f March 25, 2024)
Post-employment benefit plan for the benefit of employees (Other related parties)	Tejas Networks Limited Employees Group Gratuity Fund Trust
Key Management Personnel ("KMP")	
Executive Directors	Anand S Athreya, CEO and Managing Director (appointed w.e.f from June 21, 2023) Sanjay Nayak, CEO and Managing Director (retired w.e.f from June 21, 2023) Arnob Roy, Chief Operating Officer and Whole Time Director



Independent Directors	P R Ramesh (appointed w.e.f June 27, 2022) Prof. Bhaskar Ramamurthi (appointed w.e.f June 27, 2022) Alice Geevarghese Vaidyan (appointed w.e.f March 29, 2023) Balakrishnan V (resigned w.e.f April 23, 2022) Leela K Ponappa (retired w.e.f February 16, 2023) Chandrashekar Bhaskar Bhawe (retired w.e.f March 25, 2024)
Non - Executive Directors & Non - Independent Director	Gururaj Deshpande (resigned w.e.f from June 28, 2022) N Ganapathy Subramaniam Amur Swaminathan Lakshminarayanan (resigned w.e.f March 19, 2024)

(ii) Transaction with related parties during the year

in ₹ crore

Particulars	Year Ended March 31, 2024			
	Ultimate Holding/ Holding Company/ Controlling Entity	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties	Total
Revenue from operations*	-	879.56	0.57	880.13
Purchase of goods and services	-	19.81	-	19.81
Communication	-	0.58	-	0.58
Insurance Cost	-	0.08	-	0.08
Travel Cost	-	-	0.03	0.03
Professional Charges	-	0.02	1.15	1.17
Technical consultancy	-	0.40	-	0.40
Brand equity subscription fees	3.74	-	-	3.74
Repairs and Maintenance Cost	-	1.21	0.02	1.23
Contribution to post employment benefit plans	-	-	9.00	9.00

in ₹ crore

Particulars	Year Ended March 31, 2023			
	Ultimate Holding/ Holding Company/ Controlling Entity	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties	Total
Revenue from operations*	-	115.91	4.80	120.71
Interest on deposits with Financial Institution	-	-	1.86	1.86
Purchase of goods and services	-	3.67	-	3.67
Purchase of fixed assets	-	1.62	-	1.62
Communication	-	0.15	-	0.15
Insurance Cost	-	0.05	-	0.05
Professional Charges	-	0.10	0.20	0.30
Travel Cost	-	-	0.04	0.04
Contribution to post employment benefit plans	-	-	9.32	9.32
Proceeds from Issue of Fresh Equity shares through Private Placement (Refer Note No. 12)	1,012.50	-	-	1,012.50



in ₹ crore

Transactions with Key Management Personnel is as follows: (As per the statement of Profit and Loss)		For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits		17.84	4.49
Post-employment benefits		0.10	0.05
Employee share-based payment		18.35	4.18
Director Sitting fees		0.24	0.32
Director Commission		1.50	0.48

*Includes revenue from operations from Tata Consultancy Services Limited amounting to ₹ 756.11 (March 31, 2023 ₹ 10.82) and Tata Communications Limited amounting to ₹ 101.15 (March 31, 2023 ₹ 86.34).

(iii) Balances from/to related parties are as follows:

in ₹ crore

Particulars	As at March 31, 2024			
	Ultimate Holding/ Holding Company/ Controlling Entity	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties/KMP's	Total
Trade receivables, unbilled receivables and contract assets	-	661.97	1.76	663.73
Other current assets	-	0.51	0.02	0.53
Trade payables	3.74	5.45	1.60	10.79
Other current liabilities	-	960.00	-	960.00
Short-term employee benefits payable	-	-	5.63	5.63

in ₹ crore

Particulars	As at March 31, 2023			
	Ultimate Holding/ Holding Company/ Controlling Entity	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties/KMP's	Total
Trade receivables, unbilled receivables and contract assets	-	29.79	1.08	30.87
Trade payables	-	0.88	0.48	1.36
Other current liabilities	-	7.66	-	7.66
Short-term employee benefits payable	-	-	0.06	0.06

Additional Information:

Investment in Mutual Fund managed by Tata Asset Management Company as of March 31, 2024 is ₹ Nil (March 31, 2023: ₹ 183.19) and gain on sale of current investments amounts to ₹ 8.10 (March 31, 2023: ₹ 13.84).



30.10 Ratios

Sl. No.	Particulars	Numerator Includes	Denominator Includes	Ratio FY 24	Ratio FY 23	% Variance	Reasons for variance in excess of 25%
1	Current Ratio (times)	Total current assets	Total current liabilities	1.43	6.26	-77%	Current assets increased by 1.54 times, Trade Payables & others increased by 6.02 times and working capital borrowings by ₹ 1,744.09 crore on account of increased operations resulted in reduced ratio.
2	Debt-equity ratio (times)	Lease Liabilities Borrowings	Total equity	0.60	0.02	2900%	Nil borrowings in FY 2022-23 vs working capital borrowings of ₹ 1,744.09 crore in FY 2023-24 increased the debt equity ratio.
3	Debt service coverage ratio (times)	Profit/(Loss) after tax (adjusted for Depreciation and amortization expense Allowance for expected credit loss Finance costs Other non-cash items)	Debt service [interest and lease payments for the current year (excludes short term working capital borrowing repayments)]	9.19	10.42	-12%	Not applicable
4	Return on Equity Ratio (%)	Profit/(Loss) after tax	Average equity	0.02	(0.01)	300%	Increased due to higher profits.
5	Inventory turnover ratio (times)	Cost of materials consumed	Average Inventories	0.72	1.21	-40%	Decreased due to higher levels of inventory holding as at March 31, 2024 for project executions in FY 2025.
6	Trade Receivables turnover ratio (times)	Revenue from sale of goods and rendering of services	Average Trade receivables	2.76	2.60	6%	Not applicable
7	Trade payables turnover ratio (times)	Purchases (others) Purchases of stock in trade	Average Trade payables	4.37	4.49	-3%	Not applicable
8	Net capital turnover ratio (times)	Revenue from operations	Working capital (Current assets - Current liabilities)	1.22	0.41	198%	Increased due to higher revenue from operations.
9	Net (loss)/profit ratio (%)	Profit/(Loss) after tax	Revenue from operations	0.03	(0.04)	175%	Positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.
10	Return on Capital employed (%)	Earnings before interest and tax (EBIT)	Total equity	0.03	(0.01)	400%	Positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.
11	Return on Investment (%)	Earnings before interest and tax (EBIT)	Average Total Assets	0.03	(0.01)	400%	Increased due to EBIT 6.40 times higher as compared to previous year as against increase in average total assets by 1.07 times and positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.



30.11 Private Placement

The Company has made a preferential allotment/ private placement of shares during the financial year ended March 31, 2022 and March 31, 2023, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised, as outlined below:

in ₹ crore

Nature of securities	Purpose for which funds raised	Total Amount Raised*	Un-utilised balance as at March 31, 2023	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks
Equity shares	To invest organically and inorganically in the research & development, sales and marketing, working capital requirements, capital expenditure, people and infrastructure and enhance its manufacturing and operational capabilities to cater to this large market opportunity, and for other general corporate purposes.	1,850.00	58.45	-	-	None

* Includes ₹ 837.50 raised during the year ended March 31, 2022 and ₹ 1,012.50 raised during year ended March 31, 2023.

30.12 Other accounting policies

This note provides a list of the other accounting policies adopted in the preparation of these financial statements to the extent they have not been disclosed in the above notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. Property, Plant and Equipment (including Capital work-in-progress)

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Assets in the course of construction are capitalised under Capital work in progress (CWIP). At the point when the construction of the asset is completed and it is ready to be operated as per management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. Net gains and losses are included in the statement of profit and loss within other income/ other expenses.

2. Intangible Assets - Software, Product development and intangible assets under development

The cost of software comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxation authorities), and any directly attributable expenditure on making the asset ready for its intended

use and net of any trade discounts and rebates. Subsequent expenditure on software after its purchase is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

3. Impairment of Non - financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets under development are tested for impairment on an annual basis. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that have suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4. Financial instruments

Financial assets and financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.



5 Investments and Other Financial assets

5.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

5.2 Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sale the financial asset.

5.3 Subsequent Measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in statement of profit and loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss and recognised under other income/ other expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

5.4 Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable information including that which is forward-looking.

The losses arising from impairment are recognized in the Statement of Profit and Loss.

5.5 Derecognition

A financial asset is derecognized only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

5.6 Income recognition

Interest Income

Interest income from a financial asset at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using effective interest method and is recognised in statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial asset the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).



Dividend income

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

6 Financial liabilities

6.1 Classification as liability or equity

Financial liability and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

6.2 Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method unless at initial recognition, they are classified as fair value through profit or loss.

6.3 Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

7. Trade Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

8. Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

As per the terms of the contracts, the Group provides post sale support / warranty support to some of its customers. The Group

accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

9. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The Group measures its tax balances for uncertain tax positions either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to item recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

10. Employee Benefits

(i) Short-term employee benefits

Liabilities for wages and salaries and performance incentives that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on Government bonds that at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of profit and loss.

The obligation for earned leave (despite not being expected to be settled wholly within 12 months) is presented as current liabilities in the balance sheet as the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Gratuity obligations (Defined Benefit Plan)

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined



benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have maturity terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(iv) Defined contribution plans

The Group pays provident fund and pension contributions to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent they reduce the amount of future contributions.

(v) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plans and Restricted Stock Units.

The Group has constituted the following plans - 'Tejas Employee Stock Option Plan 2014', 'Tejas Employee Stock Option Plan 2014 - A', 'Tejas Employees Stock Option Plan 2016', 'Tejas Restricted Stock Unit Plan 2017' ("RSU – 2017") and 'Tejas Restricted Stock Unit Plan 2022' ("RSU – 2022") for the benefit of eligible employees.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions
- including the impact of any non-vesting conditions

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of ESOP/RSU that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in Statement of profit and loss, with a corresponding adjustment to equity.

11. Government grants

Grants related to assets are reduced from the carrying amount of the asset. Such grants are recognised in the Statement of profit and loss over the useful life of the related depreciable asset by way of reduced depreciation charge.

12. Cash Flow Statement

Cash flows from operating activities are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

13. Inventories

Inventories (raw material - components including assemblies and sub assemblies) are stated at the lower of cost and net realisable value. Cost of inventory includes cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

14. Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is conditional only upon passage of time. Revenue in excess of billings is recorded as unbilled revenue and is classified as a financial asset as only the passage of time is required before the payment is due.

Trade receivables and unbilled revenue are presented net of expected credit losses in the Balance Sheet.

Invoicing in excess of earnings are classified as contract liabilities which is disclosed as deferred revenue.

15. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

16. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.



Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss under other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of material provision of a long term loan arrangement on or before the date of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Group does not classify the liability as current, if the lender agreed, after the reporting period and before approval of the financial statements for issue, not to demand payment as a consequence of the breach.

17. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

18. Foreign Currency Transactions

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the Group's functional and presentation currency.

(ii) Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement profit and loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of entity's net investment in that foreign operation. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign exchange differences arising on translation of foreign currency borrowings are presented in the statement of profit and loss, within finance costs, where applicable. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expense.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the balance sheet date and for

revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in foreign currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate in effect at the balance sheet date.

19. Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.
- potentially issuable equity shares, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share when they are anti dilutive for the period presented.

20. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). [Refer Note No. 30.3]

21. Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

22. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

23. Exceptional Items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

24. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore with two decimals as per the requirement of Schedule III, unless otherwise stated.



Note No. 31: Employee Stock Option Plan (ESOP) and Restricted Stock Units (RSU)

(i) **Employees Stock Option Plan – 2014 (“ESOP Plan 2014”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated May 29, 2014 and September 24, 2014, respectively, has adopted ESOP Plan 2014. This was subsequently modified pursuant to the Shareholders’ resolutions dated March 28, 2016 and November 19, 2016. Pursuant to ESOP Plan 2014, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2014). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2014, shall not exceed 71,01,767 Equity Shares. The options granted under the plan have a graded vesting over a period of four years, which are exercisable within fifteen years from the date of vesting. All the options granted under the plan are equity settled. (Refer Note (viii) (a) below)

(ii) **Employees Stock Option Plan – 2014-A (“ESOP Plan 2014-A”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated June 27, 2016 and July 25, 2016, respectively has adopted ESOP Plan 2014-A. This was subsequently modified pursuant to the Shareholders resolution dated November 19, 2016. Further modified by resolution passed by board dated October 21, 2020. Pursuant to ESOP Plan 2014-A, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2014-A). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2014-A, shall not exceed 20,00,000 Equity Shares. The options granted under the plan have a graded vesting over a period of four years, which are exercisable within eight years from the date of vesting. All the options granted under the plan are equity settled. (Refer Note (viii)(b) below)

(iii) **Employees Stock Option Plan – 2016 (“ESOP Plan 2016”)**: The Company pursuant to resolutions passed by the Board and the Shareholders, dated August 02, 2016 and August 29, 2016, respectively has adopted ESOP Plan 2016. This was subsequently amended pursuant to the Shareholders resolution dated November 19, 2016. Further modified by resolution passed by board dated October 21, 2020. Pursuant to ESOP Plan 2016, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2016). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2016, shall not exceed 50,00,000 Equity Shares. The options granted under the plan have a graded vesting over a period of four years, which are exercisable within eight years from the date of vesting. All the options granted under the plan are equity settled. (Refer Note (viii)(c) below)

(iv) **Restricted Stock Unit Plan 2017 (“RSU Plan 2017”)**: The Company pursuant to resolutions passed by the Board and the Shareholders, dated August 26, 2017 and September 27, 2017, respectively, has adopted RSU Plan 2017. Pursuant to RSU Plan 2017, restricted stock units (“RSUs”) may be granted to eligible

employees (as defined in RSU Plan 2017). The aggregate number of Equity Shares, which may be issued under RSU Plan 2017, shall not exceed 30,00,000 Equity Shares. The RSUs granted under the plan have a graded vesting over a period of four years, which are exercisable within four years from the date of vesting. The RSUs granted under the plan are equity settled. (Refer Note (viii)(d) below)

(v) **Restricted Stock Unit Plan 2022 (“RSU Plan 2022”)**: The Company pursuant to resolutions passed by the Board and the Shareholders, dated April 22, 2022 and July 26, 2022, respectively, has adopted RSU Plan 2022. Pursuant to RSU Plan 2022, restricted stock units (“RSUs”) may be granted to eligible employees (as defined in RSU Plan 2022). The aggregate number of Equity Shares, which may be issued under RSU Plan 2022, shall not exceed 50,00,000 Equity Shares. The RSUs granted under the plan have a graded vesting over a period of four years, which are exercisable within four years from the date of vesting. The RSUs granted under the plan are equity settled. (Refer Note (viii)(e) below)

As the Company has implemented RSU plan during the financial year 2017-18, the Company does not plan to grant any new options from the pool available from the current ESOP Schemes. Consequently, the options available for grant were considered as "NIL" for the current ESOP schemes. Hence, other information is not applicable for the year ended March 31, 2023 and March 31, 2024.

(vi) **Employees Stock Option Plan – 2008 (“ESOP Plan 2008”)** (Saankhya Labs Private Limited): Saankhya Labs Private Limited has introduced the Equity settled Employees Stock Option Plan (ESOP) Scheme 2008 effective from 1st February, 2008. The total Pool size of the scheme 2008 is 2,00,000 options, with an exercise price of ₹10/- each and with an exercise period of 20 years from the vesting date. Pursuant to the ESOP scheme 2008, the company has given various grants to employees from time to time. The ESOP Scheme 2008 is revised on 22nd December, 2011 with retrospective effect by incorporating a change in the frequency of vesting and other vesting conditions. The life of the options granted is 4 years with annual 25% vesting under the original scheme 2008. As per the revised Scheme 2012, there is a change in the vesting, i.e. after the first annual vesting, all subsequent vesting are on a quarterly basis. (Refer Note (viii)(f) below)

(vii) **Employees Stock Option Plan – 2012 (“ESOP Plan 2012”)** (Saankhya Labs Private Limited): Saankhya Labs Private Limited has introduced a new Equity settled ESOP Scheme 2012 on 22nd December, 2011 with immediate effect. The total Pool size of the scheme 2012 was with 1,00,000 options with an exercise price of ₹10/- each and with an exercise period of 20 years from the vesting date. The scheme provides for the grade vesting, upon completion of 1st year 25% and 6.25% every quarter thereafter. The total pool size is increased to 11,00,000 options in November 2018. (Refer Note (viii)(g) below)



(viii) Summary of options under various plans:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
a) ESOP Plan 2014				
Outstanding at the beginning of the year	65	7,49,173	65	10,61,506
Granted during the year	-	-	-	-
Exercised during the year*	65	6,60,676	65	3,03,845
Forfeited during the year	65	-	65	8,488
Outstanding at the end of the year	65	88,497	65	7,49,173
Exercisable at the end of the year	65	88,497	65	7,49,173
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		8.78 years		8.91 years

*The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
b) ESOP Plan 2014-A				
Outstanding at the beginning of the year	85	5,54,841	85	9,45,728
Granted during the year	-	-	-	-
Exercised during the year*	85	2,94,419	85	3,85,137
Forfeited/lapsed during the year	85	-	85	5,750
Outstanding at the end of the year	85	2,60,422	85	5,54,841
Exercisable at the end of the year	85	2,60,422	85	5,54,841
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		2.78 years		3.51 years

*The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
c) ESOP Plan 2016				
Outstanding at the beginning of the year	85 -110	7,08,780	85 -110	10,84,639
Granted during the year	-	-	-	-
Exercised during the year*	85 -110	2,97,495	85 -110	3,69,834
Forfeited/lapsed during the year	85 -110	300	85 -110	6,025
Outstanding at the end of the year	85 -110	4,10,985	85 -110	7,08,780
Exercisable at the end of the year	85 -110	4,10,985	85 -110	7,08,780
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		2.80 years		3.86 years

*The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)



Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of stock units	Weighted average exercise price (INR)	Number of stock units
d) RSU Plan 2017				
Outstanding at the beginning of the year	10	13,62,288	10	17,34,245
Granted during the year	10	25,400	10	1,82,700
Exercised during the year*	10	4,94,000	10	4,36,546
Forfeited/lapsed during the year	10	33,289	10	1,18,111
Outstanding at the end of the year	10	8,60,399	10	13,62,288
Exercisable at the end of the year	10	4,23,702	10	5,16,972
RSU available for grant**	10	2,86,089	10	2,78,200
Weighted average remaining contractual life for RSU outstanding (comprising the vesting period and the exercise period)		3.51 years		4.01 years

* The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

** Includes 2,86,089 RSUs lapsed (March 31, 2023 - 2,78,200) which can be re-issued and will form part of RSU pool to be granted.

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of stock units	Weighted average exercise price (INR)	Number of stock units
e) RSU Plan 2022				
Outstanding at the beginning of the year	10	24,95,460	10	-
Granted during the year	10	11,05,692	10	25,24,960
Exercised during the year*	10	5,90,617	10	-
Forfeited/lapsed during the year	10	1,76,314	10	29,500
Outstanding at the end of the year	10	28,34,221	10	24,95,460
Exercisable at the end of the year	10	2,99,907	10	-
RSU available for grant**	10	15,75,162	10	25,04,540
Weighted average remaining contractual life for RSU outstanding (comprising the vesting period and the exercise period)		4.88 years		5.39 years

* The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

** Includes 2,05,814 RSUs lapsed (March 31, 2023 - 29,500) which can be re-issued and will form part of RSU pool to be granted.

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of stock units	Weighted average exercise price (INR)	Number of options
f) ESOP Plan 2008[#]				
Outstanding at the beginning of the year	10	99,677	10	99,677
Granted during the year	10	-	10	-
Exercised during the year	10	-	10	-
Forfeited/lapsed during the year	10	-	10	-
Outstanding at the end of the year	10	99,677	10	99,677
Exercisable at the end of the year	10	99,677	10	99,677
Options available for grant	10	-	10	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		8.03 years		9.03 years

[#]Previous year numbers are for the period from July 01, 2022 to March 31, 2023.



Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
g) ESOP Plan 2012[#]				
Outstanding at the beginning of the year	10	8,56,490	10	8,56,490
Granted during the year	10	-	10	-
Exercised during the year	10	-	10	-
Forfeited/lapsed during the year	10	-	10	-
Outstanding at the end of the year	10	8,56,490	10	8,56,490
Exercisable at the end of the year	10	8,56,490	10	7,73,348
Options available for grant	10	49,953	10	49,953
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		16.10 years		17.10 years

[#]Previous year numbers are for the period from July 01, 2022 to March 31, 2023.

(ix) Fair value of RSUs

For RSUs granted during the period, the fair value has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Assumptions	For the year ended March 31, 2024	For the year ended March 31, 2023
RSU Plan 2017		
Weighted Average share price on the date of grant	633.40	483.46
Exercise price	10.00	10.00
Risk Free Interest Rate	7.19%	7.17% to 7.41%
Expected Life	5-8 Years	5-8 Years
Exercise period from the date of vesting	4 years	4 years
Expected Annual Volatility of Shares	56.00%	57% to 58%
Expected Dividend Yield	0.16%	0.18% to 0.23%

RSU Plan 2022		
Weighted Average share price on the date of grant	851.62	611.05
Exercise price	10.00	10.00
Risk Free Interest Rate	7.06% to 7.37%	7.24% to 7.51%
Expected Life	5-8 Years	5-8 Years
Exercise period from the date of vesting	4 years	4 years
Expected Annual Volatility of Shares	54% to 56%	57% to 58%
Expected Dividend Yield	0.11% to 0.16%	0.15% to 0.21%

(x) Effect of share based payment transactions on the Statement of Profit and Loss:

	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Equity-settled share-based payment expenses (Refer Note No. 23)	107.30	59.92

Note No. 32: Assets pledged as security against fund and non-fund based banking arrangements

Particulars	Note	in ₹ crore	
		As at March 31, 2024	As at March 31, 2023
(i) Financial Assets			
Trade Receivables	6	-	462.18
Other financial assets excluding deposits with financial institutions	8	-	64.36
		-	526.54
(ii) Non- Financial Assets			
Other current assets	10	-	178.61
Inventories	11	-	628.07
		-	806.68
(iii) Total current assets pledged as security		-	1,333.22
(iv) Non-current assets			
Property, plant and equipment	4(a)	-	78.28
Trade Receivables	6	-	19.10
Total Non-current assets pledged as security		-	97.38
(v) Total assets pledged as security		-	1,430.60



The aggregate of fund and non-fund based facilities utilised as at March 31, 2024 aggregates to ₹ 1,927.66 (March 31, 2023: ₹ 109.97).

Since the Group has taken unsecured borrowing as at March 31, 2024, there are no assets pledged as security against fund and non-fund based banking arrangements.

With respect to year ended March 31, 2023, the Group had multiple banking arrangements with banks who extended fund based and non-fund based facilities and placed uniform covenants for collateral purposes. The banks have a pari passu claim on current assets, movable property, plant and equipment provided as a collateral, with respect to such fund and non-fund based facilities. At any given point of time, availment out of fund and non-fund based facilities will be within the limits sanctioned. The pari passu charge implies that the banks have a proportionate claim on the collaterals, limited to actual utilisation of fund and non-fund based facilities.

Note No. 33: Statement of Function wise Profits and Losses (for additional information only)

in ₹ crore except equity share and per equity share data		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue		
Product sales	2,100.29	803.22
Trade goods	48.48	3.34
Services	165.55	113.01
Other operating revenue	156.60	1.97
Net Revenue (A)	2,470.92	921.54
Cost of materials consumed (Refer Note i below)	1,589.28	561.10
Manufacturing Expenses	86.61	30.83
Service Expenses	92.33	87.93
Total Cost of Goods Sold (B)	1,768.22	679.86
Gross Profit (C) = (A) - (B)	702.70	241.68
Operating Expenses:		
Research & Development (Gross)	403.42	258.97
Less: R&D Capitalized	(273.11)	(176.56)
Research & Development (Net)	130.31	82.41
Selling, Distribution & Marketing	156.79	101.00
Allowance for expected credit loss	15.21	(32.97)
General & Administrative	124.96	72.34

Operating Expenses (Net) (D)	427.27	222.78
Profit/(loss) from operations (EBITDA) (E) = (C) - (D)	275.43	18.90
Depreciation and amortization (F)	182.45	122.50
Profit/(loss) before interest and tax (EBIT) (G) = (E) - (F)	92.98	(103.60)
Other Income	64.66	78.56
Foreign exchange loss	9.50	2.41
Finance costs	47.92	15.20
Profit/(loss) before tax	100.22	(42.65)
Tax expense:		
Current tax	21.79	(0.32)
Deferred tax expense/(benefit)	15.45	(5.92)
Profit/(loss) after tax	62.98	(36.41)
Other Comprehensive income/(loss)	(4.18)	(2.42)
Total comprehensive income/(loss) for the year	58.80	(38.83)
Earning/(loss) per share (Par Value ₹ 10 each)		
(a) Basic	3.71	(2.46)
(b) Diluted	3.65	(2.46)
Weighted average Basic Equity share outstanding	16,97,04,867	10,50,19,617
Weighted average Diluted Potential Equity share outstanding	17,24,95,689	15,36,77,077

i. The reconciliation of Cost of Sales between Schedule III and function wise profit and loss account is as follows:

in ₹ crore		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of material consumed as per Schedule III (Refer Note No. 22A, 22B and 22C)	1,585.10	560.00
Add: Considered separately under other expenses as per Schedule III (Refer Note No. 25)		
Other Processing Charges	4.17	1.07
Royalty	0.01	0.03
Total Cost of material consumed as per function wise profit and loss	1,589.28	561.10



Note No. 34: Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

in ₹ crore

Name of the entity	Net assets (total assets minus total liabilities)	
	As at March 31, 2024	As at March 31, 2023
Parent Company		
Tejas Networks Limited		
As % of consolidated net assets	101.68%	101.15%
Amount	3202.31	3007.27
Subsidiaries		
Indian		
Saankhya Labs Private Limited		
As % of consolidated net assets	2.72%	2.70%
Amount	85.55	80.17
Saankhya Strategic Electronics Private Limited		
As % of consolidated net assets	0.01%	0.02%
Amount	0.43	0.52
Foreign		
Tejas Communication Pte. Ltd.		
As % of consolidated net assets	0.16%	0.61%
Amount	4.97	18.22
Saankhya Labs Inc, USA		
As % of consolidated net assets	0.03%	0.03%
Amount	0.87	0.97
	104.60%	104.51%
	3,294.13	3,107.15
Consolidation adjustments		
As % of consolidated net assets	-4.60%	-4.51%
Amount	(144.64)	(134.19)
Total		
As % of consolidated net assets	100.00%	100.00%
Amount	3,149.49	2,972.96

Particulars	Share of profit or loss	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Parent Company		
Tejas Networks Limited		
As % of consolidated profit or loss	130.17%	-8.35%
Amount	81.98	3.04
Subsidiaries		
Indian		
Saankhya Labs Private Limited		
As % of consolidated profit or loss	7.43%	57.76%
Amount	4.68	(21.03)
Saankhya Strategic Electronics Private Limited		
As % of consolidated profit or loss	-0.14%	1.10%
Amount	(0.09)	(0.40)
Foreign		
Tejas Communication Pte. Ltd.		
As % of consolidated profit or loss	-21.18%	-2.56%
Amount	(13.34)	0.93
Saankhya Labs Inc, USA		
As % of consolidated profit or loss	-0.19%	2.66%
Amount	(0.12)	(0.97)
	116.09%	50.63%
	73.11	(18.43)
Consolidation adjustments		
As % of consolidated profit or loss	-16.09%	49.38%
Amount	(10.13)	(17.98)
As % of consolidated profit or loss	100.00%	100.00%
Amount	62.98	(36.41)



Particulars	Other Comprehensive Income		Total Comprehensive Income	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Parent Company				
Tejas Networks Limited				
As % of consolidated profit or loss	95.22%	120.66%	132.65%	-0.31%
Amount	(3.98)	(2.92)	78.00	0.12
Subsidiaries				
Indian				
Saankhya Labs Private Limited				
As % of consolidated profit or loss	6.22%	9.50%	7.52%	54.75%
Amount	(0.26)	(0.23)	4.42	(21.26)
Saankhya Strategic Electronics Private Limited				
As % of consolidated profit or loss	0.00%	0.00%	-0.15%	1.03%
Amount	-	-	(0.09)	(0.40)
Foreign				
Tejas Communication Pte. Ltd.				
As % of consolidated profit or loss	4.07%	36.78%	-22.98%	-0.10%
Amount	(0.17)	(0.89)	(13.51)	0.04
Saankhya Labs Inc, USA				
As % of consolidated profit or loss	3.35%	0.83%	-0.44%	2.55%
Amount	(0.14)	(0.02)	(0.26)	(0.99)
	108.86%	167.77%	116.60%	57.92%
	(4.55)	(4.06)	68.56	(22.49)
Consolidation adjustments				
As % of consolidated profit or loss	-8.86%	-67.77%	-16.60%	42.08%
Amount	0.37	1.64	(9.76)	(16.34)
Total				
As % of consolidated profit or loss	100.00%	100.00%	100.00%	100.00%
Amount	(4.18)	(2.42)	58.80	(38.83)

Note :- Details included above for Tejas Communication Pte. Ltd. Includes the relevant data for its subsidiary (Tejas Communications (Nigeria) Limited)

Note No. 35: Expenditure on corporate social responsibility (as per section 135 of the Act)

(a) Gross amount required to be spent by the Group during the year ₹ Nil (previous year ₹ 0.22).

(b) Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

in ₹ crore

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance*
0.22	-	0.22	(0.22)	-

(c) Details of CSR expenditure under Section 135(5) of the Act in respect of ongoing projects

in ₹ crore

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
0.08	-	0.08	(0.08)	-

(d) Nature of CSR activities:

in ₹ crore

Name of the project	Financial year	Amount required to be spent	Amount already spent	Closing Balance
Mannikeri Lake Rejuvenation Project	2020-21	0.08	(0.08)	-

For the financial year ended March 31, 2021, the Group had an unspent CSR amount of ₹ 0.16 relating to an ongoing project. This amount was transferred to an unspent CSR account on August 17, 2021. Out of the aforesaid unspent amount, ₹ 0.08 was incurred towards the project on January 17, 2022. As the ongoing project was taken over by the Government, the balance unspent amount of ₹ 0.08 was transferred to a fund as per Schedule VII on April 15, 2023.



For the financial year ended March 31, 2022, the Group had an unspent CSR amount of ₹ 0.16 relating to an ongoing project. This amount was transferred to an unspent CSR account on July 15, 2022. This amount was subsequently incurred towards the project on March 29, 2023. As per the requirements of Section 135(6) any amount remaining unspent under section 135(5), pursuant to an ongoing project, shall be transferred by the company within thirty days from the end of the financial year to a special account.

As mentioned above, there have been delays in transfer of such unspent amounts. The Group has made a suo motu application with Registrar of Companies, Karnataka on April 15, 2023 for adjudicating the offences committed under Section 135 (6) of Companies Act, 2013. Based on the order received from Registrar of Companies, Karnataka, Group has filed an appeal with Regional Director, South Eastern Region which disposed on February 01, 2024. Penalties in this regard have been paid.

Note No. 36: Details of investments given as per Section 186 of the Companies Act, 2013

Details of investments (gross)

in ₹ crore				
Name of the party	Relationship	Purpose	As at March 31, 2024	As at March 31, 2023
Deposits with financial institutions				
Bajaj Finance	None	Investments in Term Deposits	-	300.00
			-	300.00
Investment				
ELCIA ESDM Cluster (Refer Note No. 37)	None	Investment	0.00	0.00
			0.00	0.00

Note No. 37: Details of amounts rounded off

Amount in ₹		
Particulars	As at March 31, 2024	As at March 31, 2023
Investment in ELCIA ESDM Cluster (Refer Note No. 5(a))	11,000/-	11,000/-
Proceeds from disposal/Net gain on disposal of property, plant and equipment	41,424/-	-
Cash in hand	19,621/-	-

Note No. 38: Additional regulatory information

(i) Details of benami property held

No proceedings have been initiated on or are pending against the group under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Group has borrowing limits sanctioned from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Group with banks and financial institutions are in agreement with the books of accounts. The Group does not have any secured borrowings as at March 31, 2024.

(iii) Wilful defaulter

The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The group has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(vi) Compliance with approved scheme(s) of arrangements

Refer Note No. 40

(vii) Utilisation of borrowed funds and share premium

The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of property, plant and equipment, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Other regulatory information

i) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.



ii) Core investment companies (CIC)

The group (including entities part of the ultimate holding company) has five CICs which are registered with the Reserve Bank of India and two CIC which is not required to be registered with the Reserve Bank of India.

Note No. 39: Dividend

As per the Company's dividend policy, the Board can recommend to distribute dividend upto 25% of the free cash flow of the corresponding Financial Year, out of retained earnings, after taking into account the relevant provisions of the Companies Act. For the year ended March 31 2024, the Board has reviewed and decided not to recommend any dividend.

Note No. 40: Business Combination

a) Pursuant to a definitive agreement entered into by the Company with Saankhya Labs Private Limited (Saankhya Labs) and its shareholders on March 30, 2022, with an intention to expand its 5G business, the Company acquired majority stake in Saankhya Labs Private Limited on July 1, 2022. The Company at various dates acquired 64.40% of equity shares in aggregate through secondary purchase at a price of ₹ 454.19 per equity share amounting to a total purchase consideration of ₹ 283.94.

The following table represents the fair value of assets and liabilities acquired and goodwill recognised as of the date of control (i.e July 1, 2022), determined based on the valuation performed by an independent valuer.

Fair value recognised on acquisition

	in ₹ crore
	Amount
Property, plant and equipment (including right of use assets)	13.07
Cash and Cash Equivalent	46.25
Other current assets	59.15
Fair value of tangible assets	118.47
Technical know-how of Saankhya Labs Private Limited	220.47
Total fair value of assets acquired	338.94
Deferred tax on intangible assets	(77.04)
Other liabilities (including lease liabilities)	(42.32)
Total fair value of net assets acquired	219.58
Goodwill arising on acquisition	211.81
Implied consideration	431.39

The goodwill of ₹ 211.81 includes the value of expected synergies arising from the acquisition which is not separately recognised. The goodwill recognised is not expected to be deductible for income tax purposes.

	in ₹ crore
	Amount
Purchase consideration	Amount
For 64.40% stake acquisition	283.94
Merger liability recognised (Refer (b) and (c) below)	147.45
Implied purchase consideration	431.39

b) As per the share purchase agreement between the Company and the shareholders of Saankhya Labs Private Limited, the parties to the agreement have agreed to apply for merger within a period of six months from the date the definitive agreement was signed. The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the "Scheme") of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their "No Objection" to the Scheme.

Further, on July 27, 2023, the Company filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. Pursuant to an order dated December 7, 2023, the Hon'ble National Company Law Tribunal, Bengaluru Bench, the Company held separate meetings of the Equity Shareholders and Unsecured Creditors of the Company for purpose of considering and approving the Scheme of Amalgamation on February 9, 2024. The resolution was passed with requisite majority by the Equity Shareholders and Unsecured Creditors of the Company.

The Scheme is subject to receipt of necessary approvals from NCLT and such other persons and authorities as may be required. Upon implementation of the Scheme, the shareholders holding the remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.

c) As per the Shareholders agreement between the company and the shareholders of Saankhya Labs Private Limited ("SHA"), in the event the merger is not completed within the "Merger Long Stop Date", the Company shall purchase and the remaining shareholders of Saankhya Labs Private Limited shall sell the equity shares to the Company, as per the agreed price provided for in SHA.

As the contract contains an obligation for the entity to deliver cash in exchange for its own equity shares (Non-Controlling interest), such an obligation is in the nature of financial liability under the provisions of Ind AS 32 "Financial instruments- Presentation". Hence, a financial liability has been recognized in the consolidated financial statements (Refer Note No. 18).

d) On July 08, 2022, Saankhya Labs has acquired 100% Shareholding in Saankhya Strategic Electronics Private Limited (SSE) which was incorporated with the main objective to develop, maintain and service all types of communication systems, electronic products, semiconductor integrated circuits/chips, micro controllers, digital signal processors, processing algorithms, embedded software and related hardware and software for a consideration of ₹ 0.90. Consequent to such acquisition SSE has become a wholly-owned subsidiary of Saankhya Labs and a step-down subsidiary of the Company with effect from July 08, 2022.



Note No. 41: Government Grants in ₹ crore

The Company received approval from the Department of Telecommunication under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency) letter dated October 31, 2022. Based on an application made by the Company during the year for the PLI for the financial year ended March 31, 2023, the Company received the approval for the claim vide sanction letters dated February 12, 2024 and March 28, 2024 from the Department of Telecommunication and has received ₹ 32.66 by March 31, 2024 which has been recognized as income during the year and presented under other operating revenue in the statement of profit and loss. Further, the Company is eligible for the PLI for the year ended March 31, 2024, for which there is reasonable assurance that the company will comply with the conditions attached to the PLI scheme and the grant will be received and thus has recognized an income of ₹ 123.70 towards such PLI under other operating revenue in the statement of profit and loss (Refer Note No. 20).

Note No. 43:

Previous year's figures have been regrouped/reclassified wherever necessary to conform with the current year's classification / disclosure. However, there have been no material regroupings/reclassifications.

Note No. 42:

The remuneration paid by a subsidiary company (Saankhya Labs) during the year to its Managing Director and the Executive Director is exceeding the limits for which subsidiary company's shareholders' approval obtained earlier. The said excess remuneration is due to recognition of cost associated with RSU's (Restricted Stock Units) pertaining to 4,10,520 and 4,10,519 RSU's of Managing Director and Executive Director of Saankhya Labs respectively, which were granted to the aforesaid persons by the Company as a part of the Shareholders agreement executed between Saankhya Labs and its shareholders with the Company on March 30, 2022 which was signed by all the shareholders of Saankhya Labs.

Further, Saankhya Labs proposes to obtain the shareholder's approval by way of a resolution to be passed at the upcoming General Meeting of Saankhya Labs with respect to the Cost associated with such RSU's, which forms part of the remuneration of Directors of Saankhya Labs referred above.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Sumit Dhingra
Chief Financial Officer



Standalone Financial Statements



Standalone Financial Statements

Independent Auditor's Report

To the Members of Tejas Networks Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Tejas Networks Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Assessment of the carrying value of Intangible Assets (including intangible assets under development)

(Refer to Note 2.3 and Note 4(b) to the Standalone financial statements)

The Company incurs product development costs and capitalises such expenditure to the extent it qualifies for recognition as an Intangible Asset (product development). Such expenditure includes internal manpower costs, outsourced manpower costs and other related expenses specifically incurred on such development projects. Up to the stage the products are ready for it to be capable of operating in the manner intended by the management, the Company records the qualifying expenditure as 'intangible assets under development'.

Intangible assets under development are tested for impairment on an annual basis. The Company tests Other Intangible Assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The determination of the recoverable value of intangible assets (including intangible assets under development) while carrying out impairment assessment involves several key assumptions including discount rates and future cash flow projections for ascertaining future economic benefits expected to be generated by such assets.

The Company has carried out an impairment assessment of intangible assets (including intangible assets under development) and concluded that the recoverable value is higher than the carrying amount of such assets. Accordingly, no adjustment to the carrying amount of intangible assets (including intangibles assets under development) is considered necessary as at March 31, 2024.

We considered this a key audit matter as the assessment of carrying values of intangible assets (including intangible assets under development) involves significant management judgements and estimates such as expected future economic benefits, estimated margins and discount rate.

How our audit addressed the key audit matter

Our audit procedures, which involved sampling techniques, included the following:

- Understanding, evaluating and testing the design and operating effectiveness of the controls in respect of the Company's processes for assessing the recoverable values of intangible assets (including intangible assets under development).
- Testing the controls over capital funding request forms and other documentation to ensure that the projects were appropriately approved as per the delegated authority matrix.
- Obtaining an understanding of the selected capitalized projects, testing time charged to such projects by tracing back to time sheet data.
- Testing a sample of projects to ensure appropriate capitalisation of qualifying expenditure.
- Assessing whether sufficient economic benefits are likely to flow from the projects to support the values capitalised.
- Analysing the reasonableness of key management assumptions and estimates used in the impairment analysis (e.g. forecasted revenue, margin percentages, etc.).
- With the involvement of auditor's experts, evaluating the appropriateness of the underlying assumptions such as discount rate and assessing the methodology of impairment workings.
- Assessing the adequacy of disclosures in the standalone financial statements.

Based on our procedures performed above, we noted the management's assessment of the carrying value of intangible assets (including intangible assets under development) to be reasonable.



Key audit matter

Assessment of carrying value of investments in subsidiaries

(Refer Note 2.4.4 and Note 5(a)(i) to the Standalone financial statements)

The Company has investments in two subsidiaries. The carrying amount of these investments as of March 31, 2024 aggregates to INR 294.81 crores. The Company accounts for investments in subsidiaries at cost (less accumulated impairment, if any). The management, at each reporting date, assesses if there are indicators that the investment in subsidiaries are impaired and based on such assessment performs an impairment assessment, if required, on these investments by making an estimate of the recoverable amount, being the higher of fair value less costs to disposal and value in use.

In relation to investment in one subsidiary, the management has carried out an impairment assessment, wherein it has estimated the recoverable value based on the value in use determined using discounted forecast cash flow model requiring judgements on certain key inputs such as future cash flows, discount rates, etc.

Based on the impairment assessment performed, the Company has concluded that the recoverable value is higher than the carrying amount of such investments. Accordingly, no adjustment to the carrying amount of investment in subsidiaries is considered necessary as at March 31, 2024.

We considered this a key audit matter as the assessment of carrying values of investment in subsidiaries involves significant management judgements and estimates such as expected future economic benefits, discount rate and terminal growth rate.

How our audit addressed the key audit matter

Our audit procedures which involved sampling techniques, included the following:

- Understanding, evaluating and testing the design and operating effectiveness of key controls around management's assessment of impairment and estimation of recoverable amount of investments.
- Evaluating the information based on which the impairment indicators are identified such as financial condition and market condition in which the entities operate.
- Testing the completeness and accuracy of the underlying data and calculations used in the impairment assessment.
- Evaluating the cash flow forecasts by comparing them to forecast budgets, actual historical results and our understanding of internal and external factors.
- Involving auditor's experts to assist in evaluating the appropriateness of discount rate, terminal growth rate and assessing the methodology of impairment workings.
- Assessing the adequacy of disclosures in the standalone financial statements.

Based on the above procedures, we noted that the management's assessment of the carrying value of investment in subsidiaries to be reasonable.

Key audit matter

Recognition of revenue

(Refer Note 2.1 and Note 20 to the standalone financial statements)

The Company has various contracts with customers for which the Company recognises revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers".

Certain contracts involve significant judgement by management at inception of the contract with respect to identification of distinct performance obligations, recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer, assessment of variable consideration, etc.

We considered this a key audit matter as owing to certain large customer contracts signed during the year, a significant portion of the revenue generated requires management to exercise significant judgement.

How our audit addressed the key audit matter

Our audit procedures which involved sampling techniques, included the following:

- Understanding, evaluating and testing the design and operating effectiveness of key controls relating to revenue recognition.
- Assessing the Company's revenue recognition accounting policy for sale of products and services.
- Reviewing a sample of contracts to identify significant contract terms and assessing appropriateness of management's judgements in accounting for contracts such as identification of distinct performance obligation, recognition of revenue over a period of time or at a point in time based on timing when control is transferred to customer and assessment of variable consideration.
- Testing of timing of recognition of revenue (including procedures related to cut off).
- Tested sales transactions on a sample basis by examining the underlying documents which inter-alia included sales invoices and related terms and conditions to assess whether revenue was recognised appropriately.
- Testing of journal entries for unusual revenue transactions, if any.
- Assessing adequacy of presentation and disclosures in the standalone financial statements.

Based on our procedures performed above, we noted that management's estimates and judgments in revenue recognition are reasonable.



Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules") relating to the manner in which books of account are required to be kept in electronic mode as per Rule 3(1) of Companies (Accounts) Rules, 2014.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b).
 - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 15 and 30.1 to the standalone financial statements.
 - ii. The Company has made provision as at March 31, 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts as at March 31, 2024 for which there were material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vi) to the standalone financial statements)
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 38(vi) to the standalone financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated from March 27 to 31, 2024, for all relevant transactions recorded in the software, other than for direct database changes, where the audit trail record does not contain the pre-modified value. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with for the aforesaid period. In view of the above, the question of our commenting on whether the audit trail feature was tampered with for the period April 1, 2023 to March 26, 2024, does not arise.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 24209136BKFNEI4145

Place: Bengaluru
Date: April 22, 2024



Annexure A to Independent Auditor's Report

Referred to in paragraph 14 (g) of the Independent Auditor's Report of even date to the members of Tejas Networks Limited on the standalone financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under Section 143(3)(i) of the Act

1. We have audited the internal financial controls with reference to financial statements of Tejas Networks Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 24209136BKFNEI4145

Place: Bengaluru
Date: April 22, 2024



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tejas Networks Limited on the standalone financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
(c) The Company does not own any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Company) (Refer Note 4(a) to the standalone financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account. Also refer Note 32 and Note 38 (viii) to the standalone financial statements.
- iii. (a) The Company has made investments in ten mutual fund schemes and one inter corporate deposits during the year. The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, accordingly to this extent, the reporting under clause 3 (iii),(iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- iv. In our opinion, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made. The company has not granted any loans or provided any guarantees or security to the parties covered under sections 185 and 186. Therefore, accordingly to this extent, the reporting under clause (iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.
(b) There are no statutory dues of provident fund, employee state insurance, sales tax, value added tax, income tax and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in subclause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:



in ₹ crore

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending	Amount paid under protest
Central Excise Act, 1944	Tax, interest and penalty	46.24	2002-2014	Supreme Court and CESTAT, Chennai	2.60
Karnataka Goods and Services Act, 2017/ Central Goods and Services Act, 2017	Tax, interest and penalty	4.85	2017-2018	Joint Commissioner of Commercial Taxes, Bengaluru	0.22
Karnataka Goods and Services Act, 2017/ Central Goods and Services Act, 2017	Penalty	0.23	2023-2024	Joint Commissioner of Commercial Taxes (Appeals), Bengaluru	0.23
Finance Act, 1994	Tax and Penalty	0.06	2016-2018	Commissioner (Appeals), GST & Central Excise (Appeals-1), Bengaluru	0.00*
Customs Act, 1962	Tax, fine and Penalty	0.02	2021-2022	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru	Nil

*The amount being less than ₹ 50,000 has been rounded off

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him.



Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has seven CICs as part of the Group as detailed in note 38(xi) (ii) to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone

financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx. The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) and 135(6) of the Act. Accordingly, there is no amount unspent as at March 31, 2024 and the reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

Place: Bengaluru
Date: April 22, 2024

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

Mohan Danivas S A
Partner
Membership Number: 209136
UDIN: 24209136BKFNE14145



Standalone Balance Sheet

Particulars	Notes	in ₹ crore	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	204.87	78.28
Capital work-in-progress	4(a)	15.03	-
Right-of-use assets	4(a)	127.75	42.89
Intangible assets	4(b)	220.70	97.85
Intangible assets under development	4(b)	196.19	136.41
Financial assets			
(i) Investments	5(a)	294.81	294.81
(ii) Trade receivables	6	47.75	19.10
(iii) Other financial assets	8	9.90	5.44
Current tax asset (net)	9(a)	28.26	25.82
Deferred tax assets (net)	9(b)	82.98	103.09
Other non-current assets	10	102.12	24.63
Total non-current assets		1,330.36	828.32
Current assets			
Inventories	11	3,719.14	628.07
Financial assets			
(i) Investments	5(b)	333.71	262.24
(ii) Trade receivables	6	1,388.20	462.18
(iii) Cash and cash equivalents	7(i)	156.62	78.98
(iv) Bank balances other than (iii) above	7(ii)	92.11	652.06
(v) Other financial assets	8	271.33	365.03
Other current assets	10	769.99	178.61
Total current assets		6,731.10	2,627.17
Total assets		8,061.46	3,455.49
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	173.98	171.64
Other equity	13	3,028.33	2,835.63
Total equity		3,202.31	3,007.27
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	14	133.37	43.86
Provisions	15	13.13	2.03
Total non-current liabilities		146.50	45.89
Current liabilities			
Financial liabilities			
(i) Borrowings	16	1,744.09	-
(ii) Lease liabilities	14	6.82	4.37
(iii) Trade payables	17		
(a) Total outstanding dues of micro enterprises and small enterprises		212.32	24.53
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,632.50	282.75
(iv) Other financial liabilities	18	110.44	61.42
Provisions	15	18.66	10.11
Other current liabilities	19	987.82	19.15
Total current liabilities		4,712.65	402.33
Total liabilities		4,859.15	448.22
Total equity and liabilities		8,061.46	3,455.49

The above standalone balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Sumit Dhingra
Chief Financial Officer



Standalone Statement of Profit and Loss

		in ₹ crore except equity share and per equity share data		
Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023	
I Revenue from operations	20			
a) Revenue from sale of goods and rendering of services		2,213.86	869.08	
b) Other operating revenue		156.60	1.97	
Total Revenue from operations		2,370.46	871.05	
II Other Income	21	64.08	77.17	
III Total income (I + II)		2,434.54	948.22	
IV Expenses				
Cost of materials consumed	22A	1,567.01	528.09	
Purchases of stock in trade	22B	41.86	31.82	
Changes in inventories of stock in trade and finished goods	22C	(24.17)	(0.71)	
Employee benefit expense	23	287.44	172.16	
Finance costs	24	35.08	5.20	
Depreciation and amortization expense	4(c)	161.23	105.13	
Allowance for expected credit loss	28(A)(ii)	17.76	(33.32)	
Other expenses	25	224.58	128.56	
Total expenses (IV)		2,310.79	936.93	
V Profit before tax (III - IV)		123.75	11.29	
VI Income tax expense	26			
Current tax		21.66	-	
Deferred tax expense		20.11	8.25	
Total tax expense (VI)		41.77	8.25	
VII Profit after tax (V - VI)		81.98	3.04	
VIII Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
Remeasurement of post-employment benefit obligation (expense)/benefit		(4.93)	(2.92)	
Income tax relating to above		0.86	-	
Items that will be reclassified to profit or loss				
Gains in cash flow hedges		0.09	-	
Other comprehensive income/(loss) for the year, net of tax (VIII)		(3.98)	(2.92)	
IX Total comprehensive income/(loss) for the year (VII + VIII)		78.00	0.12	
X Earnings per equity share (Refer Note no. 30.5)				
Equity shares of par value ₹ 10 each				
Basic		4.83	0.20	
Diluted		4.75	0.19	
Weighted average equity shares used in computing earnings per equity share				
Basic		16,97,04,867	15,36,77,077	
Diluted		17,24,95,689	15,70,58,060	

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes. As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Sumit Dhingra
Chief Financial Officer



Standalone Statement of Changes in Equity

A. Equity Share Capital

in ₹ crore

Particulars	Note	Amount
As at April 1, 2022*		117.82
Increase in equity share capital on account of exercise of ESOP and RSU	12	1.49
Issue of equity shares under Private Placement		52.33
As at March 31, 2023*		171.64
Increase in equity share capital on account of exercise of ESOP and RSU	12	2.34
As at March 31, 2024*		173.98

*Includes forfeited shares of ₹ 3.27

B. Other Equity

in ₹ crore

Particulars	Notes	Reserves and Surplus			Money received against share warrants	Cash flow hedging reserve	Total equity attributable to shareholders of the Company
		Securities premium	Employee stock compensation outstanding account	Retained earnings			
Balance as at April 01, 2022		1,456.24	29.29	(13.75)	337.50	-	1,809.28
Profit for the year	13	-	-	3.04	-	-	3.04
Other comprehensive (loss)/income (Remeasurement of post-employment benefit obligation net of income tax)	13	-	-	(2.92)	-	-	(2.92)
Total comprehensive income for the year		-	-	0.12	-	-	0.12
Transaction with owners in their capacity as owners:							
Premium received on exercise of ESOP	13	7.34	-	-	-	-	7.34
Premium received on issue of shares through private placement		1,297.67	-	-	-	-	1,297.67
Employee Share based payment expenses	23	-	58.72	-	-	-	58.72
Reclassification upon exercise of ESOP/RSU	13	12.09	(12.09)	-	-	-	-
Conversion of share warrants	13	-	-	-	(337.50)	-	(337.50)
Balance as at March 31, 2023		2,773.34	75.92	(13.63)	-	-	2,835.63
Balance as at April 01, 2023		2,773.34	75.92	(13.63)	-	-	2,835.63
Profit for the year	13	-	-	81.98	-	-	81.98
Other comprehensive (loss)/income (Remeasurement of post-employment benefit obligation net of income tax)	13	-	-	(4.07)	-	-	(4.07)
Other comprehensive income	13	-	-	-	-	0.09	0.09
Total comprehensive income for the year		-	-	77.91	-	0.09	78.00
Transaction with owners in their capacity as owners:							
Premium received on exercise of ESOP	13	8.09	-	-	-	-	8.09
Employee Share based payment expenses	23	-	106.61	-	-	-	106.61
Reclassification upon exercise of ESOP/RSU	13	49.10	(49.10)	-	-	-	-
Balance as at March 31, 2024		2,830.53	133.43	64.28	-	0.09	3,028.33

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes. As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Sumit Dhingra
Chief Financial Officer

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary



Standalone Statement of Cash Flows

in ₹ crore

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities			
Profit before tax for the year		123.75	11.29
Adjustments to reconcile net profit to net cash generated by operating activities:			
Depreciation and amortization expense	4(c)	161.23	105.13
Allowance for expected credit loss	28(A)(ii)	17.76	(33.32)
Bad Debts written off	25	7.77	-
Interest Income	21	(40.40)	(57.31)
Unwinding of discount on fair valuation of financials assets	21	(0.56)	(0.27)
Gain on current investments carried at fair value through statement of profit and loss	21	(1.71)	(0.63)
Gain on sale of current investments carried at fair value through statement of profit and loss	21	(20.21)	(18.83)
Finance costs	24	35.08	5.20
Unrealised exchange difference on cash held in foreign currencies		0.31	(0.56)
Unrealised exchange differences (Net)		7.61	(0.63)
Profit on disposal of property, plant and equipment (Refer Note No. 37)	21	0.00	(0.01)
Expense recognized in respect of equity-settled share-based payments	23	43.90	29.45
		334.53	39.51
Movements in working capital:			
(Increase)/decrease in inventories		(3,091.07)	(350.05)
(Increase)/decrease in trade receivables		(982.41)	(164.80)
(Increase)/decrease in other financial assets		(187.52)	(24.21)
(Increase)/decrease in other assets		(674.21)	(104.06)
Increase/(decrease) in trade payables		1,535.32	190.64
Increase/(decrease) in provisions		14.40	1.90
Increase/(decrease) in other financial liabilities		16.79	28.13
Increase/(decrease) in other liabilities		968.67	0.92
Cash used in operations		(2,065.50)	(382.02)
Income taxes refund/(paid)		(22.56)	12.71
Net cash used in operating activities (A)		(2,088.06)	(369.31)
Cash flows from investing activities			
Payment for purchase of property, plant and equipment		(150.51)	(50.68)
Payment for intangible assets (including under development)		(252.67)	(185.16)
Proceeds from disposal of property, plant and equipment (Refer Note No. 37)		0.00	0.05
Investments in Deposits with banks		(429.23)	(714.94)
Withdrawals of Deposits from banks		989.18	363.93
Withdrawals of Deposits from financial institutions		300.00	51.79
Payments for purchase of investments in liquid mutual funds		(3,100.10)	(3,962.89)
Proceeds from redemption of investments in liquid mutual funds		3,050.54	4,121.89
Payment for acquisition of subsidiary		-	(283.94)
Interest received		43.29	51.38
Net cash generated from/(used in) investing activities (B)		450.50	(608.57)
Cash flows from financing activities			
Proceeds from exercise of restricted stock units/employee stock options		10.43	8.83
Proceeds from issue of equity shares through private placement		-	1,012.50
Proceeds from short-term borrowings		1,917.49	-
Repayment of short-term borrowings		(190.60)	-
Principal repayment on lease liabilities		(4.71)	(5.49)
Interest payment on lease liabilities		(8.02)	(4.36)
Finance costs paid		(9.08)	(0.68)
Net cash generated from financing activities (C)		1,715.51	1,010.80



in ₹ crore

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Net increase in cash and cash equivalents (A+B+C)		77.95	32.92
Cash and cash equivalents at the beginning of the year [Refer Note No. 7(i)]		78.98	45.50
Effects of exchange rate changes on the balance of cash held in foreign currencies		(0.31)	0.56
Cash and cash equivalents at the end of the year [Refer Note No. 7(i)]		156.62	78.98
Non-cash investing and financing activities			
Acquisition of right-of-use assets	4(a)	98.83	35.93

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.
As per our report of even date.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

for and on behalf of the Board of Directors of Tejas Networks Limited

Mohan Danivas S A
Partner
Membership no: 209136

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Place: Bengaluru
Date: April 22, 2024

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

Sumit Dhingra
Chief Financial Officer

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary



Notes to the standalone financial statements for the year ended March 31, 2024

1 Corporate Information

Tejas Networks Limited ('Tejas' or 'the Company' CIN: L72900KA2000PLC026980) is a Wireline and Wireless telecom and data networking products company that designs, develops and manufactures high-performance and future-ready products for building high-speed communication networks that carry voice, data and video traffic from fixed line, mobile and broadband networks. Tejas products are differentiated by a programmable, software-defined hardware architecture that provides flexibility, multi-generation support and a seamless software-enabled network transformation to its customers. Tejas customers include telecommunications service providers, internet service providers, web-scale internet companies, utility companies, defense companies and government entities. The Company also exports its products to overseas territories.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Bengaluru, Karnataka, India. The shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

These financial statements have been approved by the Company's Board of Directors on April 22, 2024.

1.1 Basis of preparation of standalone financial statements

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- defined benefit plans - plan assets measured at fair value; and
- share-based payments measured at fair value.

(iii) New and amended standards adopted

The Ministry of Corporate Affairs ("MCA") has vide notification dated March 31, 2023 notified Companies (Indian Accounting standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023:

- a) Disclosure of accounting policies - amendment to Ind AS 1
- b) Definition of accounting estimates - amendments to Ind AS 8
- c) Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any material impact on the amounts recognised in the prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

(iv) Standard issued but not yet effective

MCA notifies new standards or amendments to the existing

standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(v) Operating cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Revenue Recognition:

The Company is engaged in designing, developing and manufacturing products for building high-speed communication networks that carry voice, data and video traffic from fixed line, mobile and broadband networks.

2.1.1 Sale of goods and components

Revenue from sale of goods is recognised when control over products is transferred in accordance with the contractual terms of sale, being on dispatch or delivery of products to customers and there are no unfulfilled performance obligations that could affect the customer's acceptance of the products.

Certain contracts with customers provide for variable consideration based on the due date for delivery. The Company estimates the amount of variable consideration by using the most likely outcome method and the revenue recognised represents the amount of consideration to which the Company will be entitled in exchange for transferring the promised goods to the customer.

Refer Note 20 relating to revenue from contracts with customers.

Standard warranty is provided to customers upon sale of goods and the same is accounted in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.

2.1.2 Rendering of Service

Revenue from installation and commissioning services are recognised at a point in time when services are rendered. Revenue from annual maintenance contracts are recognized on an accrual basis pro-rata over the term of the contract. Revenue from other services such as repair and return, managed services, professional services and knowledge services are recognized as and when the services are rendered.

If the services rendered by the Company exceed the invoicing to customers, a contract asset (which we refer to as unbilled revenue) is recognised. If the invoicing exceed the services rendered, a contract liability is recognised (which we refer to as deferred revenue).

Deferred contract costs are incremental costs of obtaining a contract which are recognized as contract assets and amortized over the term of the contract. However, such incremental costs are recognised as expense if the amortisation period of the asset that the entity would have otherwise recognised is one year or less.

The Company presents revenue net of Goods and Services Tax (GST) in its Statement of Profit and loss.



2.2 Property, Plant and Equipment (including Capital work-in-progress)

2.2.1 Measurement

All items of property, plant and equipment are stated at historical cost less depreciation and accumulated impairment losses if any.

2.2.2 Depreciation method, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

Asset	Useful Life
Laboratory equipment	5 years
Networking equipment	5 years
Electrical Installation	5 years
Furniture and fixtures	5 years
Office equipment	5 years
Computing equipment	3 years
Vehicles	5 years
Plant and Machinery - Cards/Prototypes and Others	4 years
Servers	5 years

Leasehold improvements are depreciated over its useful life or the lease term whichever is lower.

Based on a technical evaluation, the management believes that the useful lives of the above assets best represent the period over which the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Schedule II to the Companies Act, 2013.

2.3 Intangible Assets

2.3.1 Software

Software is carried at cost less accumulated amortization and impairment losses, if any.

2.3.2 Product development and intangible assets under development

Expenditure pertaining to research activities are charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless:

- i) Product's technical and marketing feasibility has been established;
- ii) There is likelihood of the product delivering sufficient future economic benefit; and
- iii) The Company has the availability of adequate technical, financial and other resources to complete and to use or sell the product, in which case such expenditure is initially recorded as intangible assets under development and is subsequently capitalized when the asset is ready for its intended use. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilized for research and development are capitalized and depreciated in accordance with the policy stated for property, plant and equipment.

Capitalized product development costs are recorded as intangible assets and amortised from the point at which the asset is ready for its intended use.

2.3.3 Amortization

The Company amortizes intangible assets with a finite useful life using the straight line method over the estimated duration of lives as below:

Asset	Useful Life
Computer Software	1-3 years
Product development	24 months

2.4 Investments and Other Financial assets

2.4.1 Classification of financial assets at amortised cost

The company classifies its financial assets at amortised cost only if both the following criteria are met:

- (a) the asset is held within a business model whose objective is to collect the contractual cash flows, and
- (b) the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost comprises of cash and cash equivalents, trade receivables, other bank balances and other financial assets (excluding forward exchange contracts).

2.4.2 Classification of financial assets at fair value through profit or loss

The company classifies investments in mutual funds and forward exchange contracts at fair value through profit or loss.

2.4.3 Classification of financial assets at fair value through other comprehensive income

Forward exchange contracts are only used for economic hedging purposes and not as speculative investments. Forward exchange contracts (cash flow hedges) that meet hedge accounting criteria are accounted at fair value through other comprehensive income. Where they do not meet hedge accounting criteria they are accounted at fair value through profit or loss.

2.4.4 Investment in Subsidiaries

Investment in Subsidiaries are carried at cost, less accumulated impairment if any.

2.5 Government grants

Grants from the government relating to product linked incentive scheme and export incentives are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are grants other than those related to assets and are recognized in the profit or loss and presented within other operating income.

Government grants related to assets are presented in the Balance Sheet by deducting the grant in calculating the carrying amount of the asset.

2.6 Inventories

Cost of inventories are ascertained on weighted average basis.

2.7 Trade Receivables

For trade receivables, the Company applies the simplified approach required under Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.8 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- a) fixed payments
- b) amount expected to be payable under residual value guarantees
- c) the exercise price of a purchase option if it is reasonably certain that the Company will exercise that option



Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for lessees, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- a) where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- b) uses a build-up approach that starts with a risk free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- c) makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged in the Statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- a) the amount of the initial measurement of lease liability
- b) any lease payments made at or before the commencement date,
- c) any initial direct costs, and
- d) restoration cost

Right-of-use assets are generally depreciated over the lower of the asset's useful life and the lease term on a straight line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases and all leases of low value assets are recognised on a straight line basis as an expense in profit and loss. Short term leases are leases where the lease term is 12 months or less.

2.9 Derivative financial instruments and hedge accounting

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities and forecasted cash flows denominated in foreign currency. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain foreign currency liabilities and forecasted cash flows denominated in foreign currency. The Company designates these forward contracts as hedge instruments and accounts for them applying the recognition and measurement principles set out in Ind AS 109.

The use of foreign currency forward contracts is governed by the Company's risk management policy approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes. Foreign currency forward contract derivative instruments are re-measured at every reporting dates as described below:

a) Cash flow hedges

Changes in the fair value of the derivative hedging instruments designated as a cash flow hedge are recognised in other

comprehensive income and held in cash flow hedging reserve, a component of equity, to the extent that hedge is effective. Amounts previously recognised in other comprehensive income and accumulated in effective portion of cash flow hedges are reclassified to the statement of profit and loss in the same period in which gains/losses on the item hedged are recognised in the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in other comprehensive income and held in cash flow hedging reserve is classified to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in effective portion of cash flow hedges is transferred to the statement of profit and loss for the period.

If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a non financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability.

b) Others

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognised in the statement of profit and loss.

2.10 Deferred tax

Deferred tax asset on Minimum Alternate Tax (MAT) credit is recognised only when it is probable that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the deferred tax asset relating to MAT credit is written down to the extent there is no longer a convincing evidence that the Company will pay normal income tax during the specified period. Similarly the deferred tax asset relating to MAT credit is adjusted upwards if the previously unrecognised MAT credit is considered recoverable due to higher anticipated future taxable profit.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and for unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously within the same jurisdiction.

3 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

- (i) Product Development costs (Capitalisation of product development costs (including intangible assets under development), estimate of useful lives of intangible assets and assessment of its carrying value - [Refer Note No. 2.3.2, Note No. 2.3.3 and Note No. 4(b)].

- (ii) Defined benefit obligations - Refer Note No. 23
- (iii) Impairment of trade receivables - Refer Note No. 28A
- (iv) Impairment of investment in subsidiaries - Refer Note No. 5(a)
- (v) Recognition of deferred tax assets on tax losses and MAT credit - Refer Note No. 9(b)
- (vi) Evaluation of tax litigations - Refer Note No. 30.1
- (vii) Government grant - Refer Note No. 41
- (viii) Valuation of employee share based options - Refer Note No. 31
- (ix) Provision for inventory obsolescence- Refer Note No. 22A

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Note No. 4(a): Property, plant and equipment

in ₹ crore

Particulars	Laboratory Equipment	Networking Equipment	Electrical Installation	Furniture and Fixtures	Office Equipment	Computing Equipment	Vehicles	Plant and Machinery - Others*	Servers	Total	Capital work-in-progress	Right-of-use asset**
Gross carrying value as of April 1, 2022	33.45	1.68	7.56	9.74	2.34	11.65	0.14	50.15	5.71	122.42	-	28.79
Additions	27.77	2.51	2.14	1.85	1.06	5.49	-	15.54	5.69	62.05	-	35.93
Disposals	-	-	-	-	-	0.06	-	-	-	0.06	-	-
Gross carrying value as of March 31, 2023	61.22	4.19	9.70	11.59	3.40	17.08	0.14	65.69	11.40	184.41	-	64.72
Accumulated depreciation as of April 1, 2022	(21.02)	(0.93)	(6.67)	(7.96)	(1.54)	(8.43)	(0.13)	(32.66)	(2.99)	(82.33)	-	(14.23)
Depreciation charge for the year	(6.86)	(0.70)	(0.55)	(1.87)	(0.66)	(2.44)	(0.01)	(9.24)	(1.49)	(23.82)	-	(7.60)
Depreciation on disposals	-	-	-	-	-	(0.02)	-	-	-	(0.02)	-	-
Accumulated depreciation as of March 31, 2023	(27.88)	(1.63)	(7.22)	(9.83)	(2.20)	(10.85)	(0.14)	(41.90)	(4.48)	(106.13)	-	(21.83)
Carrying value as of March 31, 2023	33.34	2.56	2.48	1.76	1.20	6.23	-	23.79	6.92	78.28	-	42.89
Gross carrying value as of April 1, 2023	61.22	4.19	9.70	11.59	3.40	17.08	0.14	65.69	11.40	184.41	-	64.72
Additions	95.70	1.95	6.41	2.08	1.22	9.76	-	51.27	4.66	173.05	15.03	98.83
Disposals	-	-	-	-	-	0.35	-	-	-	0.35	-	-
Gross carrying value as of March 31, 2024	156.92	6.14	16.11	13.67	4.62	26.49	0.14	116.96	16.06	357.11	15.03	163.55
Accumulated depreciation as of April 1, 2023	(27.88)	(1.63)	(7.22)	(9.83)	(2.20)	(10.85)	(0.14)	(41.90)	(4.48)	(106.13)	-	(21.83)
Depreciation charge for the year	(18.31)	(0.97)	(1.16)	(2.37)	(0.85)	(4.87)	-	(15.44)	(2.49)	(46.46)	-	(13.97)
Depreciation on disposals	-	-	-	-	-	(0.35)	-	-	-	(0.35)	-	-
Accumulated depreciation as of March 31, 2024	(46.19)	(2.60)	(8.38)	(12.20)	(3.05)	(15.37)	(0.14)	(57.34)	(6.97)	(152.24)	-	(35.80)
Carrying Value as of March 31, 2024	110.73	3.54	7.73	1.47	1.57	11.12	-	59.62	9.09	204.87	15.03	127.75

*Includes Cards/Prototypes

**Right-of-use asset pertains to land and buildings (Refer Note No. 30.4(i))

Notes:

- Contractual Obligation : Refer Note No. 30.1 (b) for contractual commitments for the acquisition of property, plant and equipment.
- Refer Note No. 32 for information on property, plant and equipment pledged as security against fund and non-fund based facilities entered into by the Company.
- Capital work-in-progress includes leasehold improvements in progress and plant and machinery pending installation.

(a) Capital work-in-progress ageing schedule

As at March 31, 2024

in ₹ crore

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	15.03	-	-	-	15.03
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2023

in ₹ crore

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There are no items of capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Note No. 4(b): Intangible Assets

Particulars	in ₹ crore			
	Computer Software	Product Development	Total	Intangible Assets under development (IAUD) ⁽ⁱ⁾
Gross carrying value as of April 1, 2022	28.92	344.01	372.93	39.61
Additions	11.77	76.59	88.36	173.39
Transfers	-	-	-	76.59
Gross carrying value as of March 31, 2023	40.69	420.60	461.29	136.41
Accumulated amortization as of April 1, 2022	(25.22)	(264.51)	(289.73)	-
Amortization charge for the year	(6.51)	(67.20)	(73.71)	-
Accumulated amortization as of March 31, 2023	(31.73)	(331.71)	(363.44)	-
Carrying value as of March 31, 2023	8.96	88.89	97.85	136.41
Gross carrying value as of April 1, 2023	40.69	420.60	461.29	136.41
Additions	10.41	213.24	223.65	273.22
Transfers/Deletions	-	-	-	213.44
Gross carrying value as of March 31, 2024	51.10	633.84	684.94	196.19
Accumulated amortization as of April 1, 2023	(31.73)	(331.71)	(363.44)	-
Amortization charge for the year	(8.86)	(91.94)	(100.80)	-
Accumulated amortization as of March 31, 2024	(40.59)	(423.65)	(464.24)	-
Carrying value as of March 31, 2024	10.51	210.19	220.70	196.19

Remaining useful life for product development ranges from 1 to 24 months (March 31, 2023: 1 to 24 months) and for computer software ranges from 1 to 30 months (March 31, 2023: 1 to 10 months).

Notes:

(i) Additions to IAUD includes capitalization of employee benefit expense and other eligible expenses (Refer Note No. 23 and Note 25).

(ii) Management has carried out an impairment evaluation of its IAUD as at March 31, 2024 and concluded that no impairment is considered necessary as the recoverable amounts of the individual cash generating units (CGUs) are higher than their respective carrying amounts. The recoverable amounts of the individual CGUs were determined using the value-in-use method. Key assumptions used in the value-in-use method include revenue growth projections, margin percentage, terminal growth rate and discount rate. A decrease in projected revenue across individual CGUs by 15% to 27% would result in the recoverable amount being equal to the carrying amount. No reasonable possible change in other assumptions individually would result in the recoverable amount of the CGUs being equal to their carrying amount.

(iii) As at March 31, 2024, the net carrying amount of product development is ₹ 210.19 (March 31, 2023: ₹ 88.89). The Company estimates the useful life of product development to be 2 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than 2 years, depending on technical innovations and competitor actions. If it were only 1 year, the carrying amount as at March 31, 2024 would be ₹ 153.96 (March 31, 2023: ₹ 53.02). If the useful life were estimated to be 3 years, the carrying amount as at March 31, 2024 would be ₹ 252.61 (March 31, 2023: ₹ 121.74).

(a) Intangible assets under development ageing schedule

As at March 31, 2024

in ₹ crore

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	98.39	61.15	36.65	-	196.19
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2023

in ₹ crore

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	84.37	52.04	-	-	136.41
Projects temporarily suspended	-	-	-	-	-

b) For Intangible assets under development, whose completion is overdue as compared to its original plan or has exceeded its cost compared to its original plan, the details of when the project is expected to be completed is given below. This does not include revision of cost due to additional features included in the projects.



As at March 31, 2024

in ₹ crore

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Completion is overdue or exceeds its cost compared to its original plan					
Project 15	5.36	-	-	-	5.36
Project 16	5.75	-	-	-	5.75
Project 17	28.96	-	-	-	28.96
Project 18	7.69	-	-	-	7.69
Project 19	14.42	-	-	-	14.42
Project 20	4.83	-	-	-	4.83
Project 21	2.37	-	-	-	2.37
	69.38	-	-	-	69.38

As at March 31, 2023

in ₹ crore

Project Name	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Completion is overdue or exceeds its cost compared to its original plan					
Project 14	1.53	-	-	-	1.53
	1.53	-	-	-	1.53

Note No. 4(c): Depreciation and amortization expense

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment [Refer Note No. 4(a)]	46.46	23.82
Depreciation on right-of-use assets [Refer Note No. 4(a)]	13.97	7.60
Amortization of intangible assets [Refer Note No. 4(b)]	100.80	73.71
	161.23	105.13



Note No. 5: Investments

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
5(a) Non-current investments (Unquoted)		
(i) Investment in subsidiaries		
Equity instruments of subsidiaries (at cost)		
14,64,340 (As at March 31, 2023: 14,64,340) equity shares fully paid up in Tejas Communication Pte Ltd, Singapore	6.69	6.69
62,51,496 (As at March 31, 2023: 62,51,496) equity shares fully paid up in Saankhya Labs Private Limited (Refer Note No. 40)	283.94	283.94
Total investment in equity instruments of subsidiaries	290.63	290.63
Preference shares of subsidiaries (at cost) ¹		
13,68,400 (As at March 31, 2023: 13,68,400) Redeemable Preference Shares fully paid up in Tejas Communication Pte Limited, Singapore	4.18	4.18
Total investment in preference shares of subsidiaries	4.18	4.18
Total investments in subsidiaries²	294.81	294.81

¹Preference shares are redeemable only at the option of Tejas Communication Pte. Ltd and carry a cumulative right of dividend at a fixed rate of 0.01% (\$0.0001 per share). This investment has been treated as investment in an equity instrument.

²Management has carried out an impairment evaluation of its investment in its subsidiaries as at March 31, 2024 and concluded that no impairment is considered necessary. The company has used value in use method for its assessment and the key assumptions used include revenue growth projections and discount rate. A decrease in projected revenue by 45% would result in the recoverable amount being equal to the carrying amount. No reasonable possible change in other assumptions is likely to result in the recoverable amount being equal to their carrying amount.

(ii) Other Investments (Unquoted) {FVTPL}

in ₹ crore

Equity instruments of others	As at March 31, 2024	As at March 31, 2023
Investment in ELCIA ESDM Cluster (No. of shares 1100) (Refer Note No. 37)	0.00	0.00
	0.00	0.00

5(b) Current investments (Quoted) {FVTPL}

in ₹ crore

Investment in Mutual funds	Number of units	Amount	Number of units	Amount
Aditya Birla Sun Life Liquid Fund - Growth Direct Plan	18,47,248	71.98	-	-
Axis Liquid Fund - Direct Growth (CFDGG)	1,91,001	51.26	-	-
Kotak Liquid Fund Direct Growth	1,67,617	81.78	-	-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option - LFAGG	1,02,443	60.53	1,43,556	79.05
SBI Liquid Fund Direct Growth	1,80,343	68.16	-	-
Tata Liquid Fund Direct Plan - Growth	-	-	5,15,814	183.19
		333.71		262.24
Non Current Investments				
Aggregate amount of unquoted investments		294.81		294.81
Current Investments				
Aggregate amount of quoted investments and market value thereof		333.71		262.24



Note No. 6: Trade Receivables

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables*		
Related parties (Refer Note No. 30.7)**	669.83	30.80
Others	867.61	536.38
Unbilled revenue	7.96	8.16
Less: Loss allowance (Refer Note No. 28A)	(109.45)	(94.06)
	1,435.95	481.28
Current portion	1,388.20	462.18
Non-current portion	47.75	19.10
Break-up of securities details		
Trade receivables considered good - unsecured	1,545.40	575.34
	1,545.40	575.34
Less: Loss allowance	(109.45)	(94.06)
	1,435.95	481.28

*There are no trade receivables which are credit impaired or have significant increase in credit risk.

**Out of the total amount receivable from related parties, an amount of ₹ 658.45 (March 31, 2023: ₹ 25.72) pertains to receivables from entities where directors are interested.

Ageing as at March 31, 2024

Non-current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	-	48.44	-	-	-	-	-	48.44
(ii) Disputed – considered good	-	-	-	-	-	-	-	-
Gross Receivables	-	48.44	-	-	-	-	-	48.44
Less: Loss allowance								(0.69)
								47.75

Current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	7.96	1,149.37	211.08	24.60	32.84	30.02	39.57	1,495.44
(ii) Disputed – considered good	-	-	-	-	-	-	1.52	1.52
Gross Receivables	7.96	1,149.37	211.08	24.60	32.84	30.02	41.09	1,496.96
Less: Loss allowance								(108.76)
								1,388.20

Ageing as at March 31, 2023

Non-current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	-	19.37	-	-	-	-	-	19.37
(ii) Disputed – considered good	-	-	-	-	-	-	-	-
Gross Receivables	-	19.37	-	-	-	-	-	19.37
Less: Loss allowance								(0.27)
								19.10



Current

in ₹ crore

Particulars	Unbilled Receivable	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed – considered good	8.16	331.35	88.76	27.47	41.49	31.23	27.51	555.97
(ii) Disputed – considered good	-	-	-	-	-	-	-	-
Gross Receivables	8.16	331.35	88.76	27.47	41.49	31.23	27.51	555.97
Less: Loss allowance								(93.79)
								462.18

Note No. 7: Cash and Bank Balances

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
(i) Cash and cash equivalents		
(a) Balances with banks		
(i) In current accounts	146.82	58.31
(ii) In EEFC accounts	9.80	20.67
	156.62	78.98
(ii) Other bank balances		
Balances with banks in unpaid dividend account	0.03	0.03
Deposits with original maturity of more than three months but less than twelve months	85.07	650.14
Balances held as margin money or security against fund and non-fund based banking arrangements	7.01	1.89
	92.11	652.06

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Note No. 8: Other financial assets

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Non-current financial assets		
Security deposits	9.99	5.53
Less: Provision	(0.09)	(0.09)
	9.90	5.44
Current financial assets		
Security deposits	1.56	0.93
Less: Provision	(0.26)	(0.26)
	1.30	0.67
Deposits with financial institutions	-	300.00

Interest accrued but not due	0.42	3.98
Foreign exchange forward contracts	2.57	0.02
Government grant (Production & design linked incentive) receivable (Refer note no. 41)	123.70	-
Other Receivables#	80.81	30.02
Other Receivables - Related Party (Refer Note No. 30.7)*	62.53	30.34
	271.33	365.03

#Other receivables majorly includes receivables from contract manufacturers.

*The entire amount pertains to receivables from a company where directors are interested.

Note No. 9: Tax assets

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
9(a) Current Tax Asset (net)		
Advance Income Tax (net)	28.26	25.82
	28.26	25.82
9(b) Deferred tax assets (net)		
The balance comprises temporary differences attributable to:		
Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	(121.16)	(52.69)
Lease liabilities	48.98	16.85
Unabsorbed depreciation and allowances under section 35	127.89	109.78
MAT credit	71.91	44.14
Total deferred tax assets	127.62	118.08
Right-of-use assets	(44.64)	(14.99)
Net deferred tax assets	82.98	103.09



Movements in deferred tax assets

in ₹ crore

Particulars	Difference between tax base and carrying amounts of asset and liabilities (including expenses deductible upon payment)	Lease liabilities (net of right of use assets)	Unabsorbed depreciation and allowances under section 35	MAT credit	Total
As at April 01, 2022	16.71	1.81	48.67	44.14	111.33
(Charged)/Credited					
- to statement of profit and loss	(69.40)	0.05	61.11	-	(8.24)
As at March 31, 2023	(52.69)	1.86	109.78	44.14	103.09
(Charged)/Credited					
- to statement of profit and loss	(68.47)	2.48	18.11	27.77	(20.11)
As at March 31, 2024	(121.16)	4.34	127.89	71.91	82.98

Note: The Company has recognised Deferred Tax Assets (DTA) on Unabsorbed depreciation and brought forward losses/MAT credit based on future projected available tax profits. The key assumption used in such projections include revenue growth. No reasonable possible change in the assumptions is likely to impact the carrying value of DTA on Unabsorbed depreciation and brought forward losses/MAT credit.

The Company has not recognised deferred tax asset on certain brought forward losses and scientific research on account of ongoing tax litigations in these matters amounting to ₹ 427.52 (March 31, 2023: ₹ 409.66).

Note No. 10: Other assets

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Other non-current assets		
Pre-paid gratuity contributions (asset) (Refer Note No. 23)	0.14	0.30
Prepaid expenses	0.69	0.27
Contract assets (Refer Note No. 30.3(ii))	96.38	-
Less: Loss allowance (Refer Note No. 28A)	(1.77)	-
Capital advances	3.20	8.54
Balances with government authorities (other than income taxes)	3.48	15.52
	102.12	24.63
Other current assets		
Advances to suppliers	88.39	58.52
Advances to suppliers - related parties (Refer Note No. 30.7)	0.43	1.17
Balances with government authorities (other than income taxes)	638.58	113.06
Prepaid expenses	8.69	4.58
Contract assets (Refer Note No. 30.3(ii))	32.81	-
Less: Loss allowance (Refer Note No. 28A)	(0.60)	-
Advances to employees	1.61	1.26
Others	0.08	0.02
	769.99	178.61

Note No. 11: Inventories

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material - components including assemblies and sub-assemblies [including goods in transit ₹ 132.71 (March 31, 2023: ₹ 13.54)]	3,686.43	619.53
Finished Goods	25.54	3.05
Traded Goods	7.17	5.49
	3,719.14	628.07

Note No. 12: Equity Share Capital

in ₹ crore, except share data

Particulars	Number of Shares	Equity Share Capital
i) Authorised Capital		
Equity Share Capital of ₹ 10/- each		
As at April 01, 2022	20,00,00,000	200.00
Changes in equity share capital during the year		
Increase during the year	6,00,00,000	60.00
As at March 31, 2023	26,00,00,000	260.00
Changes in equity share capital during the year		
Increase during the year	-	-
As at March 31, 2024	26,00,00,000	260.00
ii) Issued, Subscribed and Paid up Capital		
Equity Share Capital of ₹ 10/- each		
Fully paid shares		
As at April 1, 2022	11,45,49,908	114.55
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan (Refer Note No. 31 (vi))	14,95,363	1.49
Issue of equity shares under Private Placement (Refer (b) below)	5,23,25,582	52.33
As at March 31, 2023	16,83,70,853	168.37
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan and restricted stock unit plan (Refer Note No. 31 (vi))	23,37,207	2.34
As at March 31, 2024	17,07,08,060	170.71
iii) Forfeited shares (to the extent of amount paid up)*		
As at April 1, 2022	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2023	3,27,27,930	3.27
Transaction during the year	-	-
As at March 31, 2024	3,27,27,930	3.27



Particulars	As at March 31, 2024	As at March 31, 2023
Total Equity Share Capital (ii+iii)	173.98	171.64

*3,27,27,930 partly paid equity shares issued by the Company to the Tejas Employees Welfare Trust (TEWT) on July 11, 2010, were forfeited on July 25, 2016.

a) Terms and rights attached to equity shares

Equity shares have a par value of ₹ 10/-. They entitle the holder to participate in dividends declared if any, and to share in the proceeds upon winding up of the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

b) During the year ended March 31, 2022, the Company made preferential allotment for 7,17,05,427 (includes 1,93,79,845 as Subscription shares, 3,68,21,706 Series A Warrants, 1,55,03,876 Series B Warrants) equity shares, having face value of ₹ 10/- each, at a price of ₹ 258/- per share based on the approval of the Board of Directors on terms and conditions as determined by the Board in accordance with the SEBI (ICDR) Regulations and other applicable laws, and as set out in the share subscription agreement executed between the Company and Panatone Finvest Limited (a subsidiary of Tata Sons Private Limited).

The Company on September 7, 2021 received a total amount aggregating to ₹ 837.50, which includes exercise price on subscription shares amounting to ₹ 500 and 25% of the Series A Warrants and Series B Warrants amounting to ₹ 237.50 and ₹ 100 respectively.

In view of substantial acquisition of securities, voting rights and control over the Company, Panatone Finvest Limited along with Akashastha Technologies Private Limited (a subsidiary of Panatone Finvest Limited) and Tata Sons Private Limited made an Open Offer to acquire 4,02,55,631 fully paid-up equity shares at ₹ 258/- per equity share. The open offer tendering commenced on October 11, 2021 and ended on October 26, 2021. 2,592 equity shares were acquired through the open offer. Upon completion of the Open Offer, Panatone Finvest Limited is designated as promoter of the Company and Akashastha Technologies Private Limited and Tata Sons Private Limited as members of the Promoter Group of the Company.

During the quarter ended June 30, 2022, Panatone Finvest Limited exercised the right attached to the Series A Warrants and subscribed to the equity shares by remitting the balance 75% of the Exercise Price of Series A Warrant amounting to ₹ 712.50 and the Company allotted 3,68,21,706 equity shares upon exercise of warrants.

On February 03, 2023 Panatone Finvest Limited exercised the right attached to the Series B Warrants and subscribed to the equity shares by remitting the balance 75% of the exercise price of Series B Warrant amounting to ₹ 300. On February 6, 2023, the Company allotted 1,55,03,876 equity shares upon exercise of such warrants.

c) Details of shares held by promoters at the end of the year

Particulars	As at March 31, 2024	As at March 31, 2023
Panatone Finvest Limited		
Number of shares held	9,49,05,686	9,49,05,686
% holding in that class of shares	55.60%	56.37%
% Change during the year	-0.77%	122.89%

Promoters for the purpose of above disclosure means promoters as defined under section 2(69) of the Companies Act, 2013.

d) Details of shares of the company held by holding/ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate

Particulars	in no's	
	As at March 31, 2024	As at March 31, 2023
Panatone Finvest Limited (holding company)		
Number of shares held	9,49,05,686	9,49,05,686

e) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024	As at March 31, 2023
Panatone Finvest Limited		
Number of shares held	9,49,05,686	9,49,05,686
% holding in that class of shares	55.60%	56.37%

f) There are no instances of:

- shares allotted as fully paid up by way of bonus shares in the last five years.
- shares bought back during a period of five years immediately preceding the year end.
- shares allotted as fully paid up pursuant to contracts without payment being received in cash during a period of five years immediately preceding the year end.

g) Shares reserved for issuance towards outstanding employee stock options, RSU granted and available for grant (Refer Note No. 31) and commitments for the issue of shares:

Particulars	in Nos	
	As at March 31, 2024	As at March 31, 2023
Equity shares of ₹ 10/- each		
ESOP Schemes	7,59,904	20,12,794
Outstanding at the end of the year	7,59,904	20,12,794
Options available for grant	-	-
RSU	55,55,871	66,40,488
Outstanding at the end of the year	36,94,620	38,57,748
Units available for grant	18,61,251	27,82,740

Refer Note No. 40 for proposed issue of shares on account of merger application subject to regulatory approvals.

Note No. 13: Other Equity

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Securities premium	2,830.53	2,773.34
Retained earnings	64.28	(13.63)
Employee stock compensation outstanding account	133.43	75.92
Money received against share warrants	-	-
Cash flow hedging reserve	0.09	-
	3,028.33	2,835.63



(i) Securities premium

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	2,773.34	1,456.24
Premium received upon exercise of ESOP	8.09	7.34
Premium received on Issue of shares through Private placement	-	1,297.67
Reclassification upon exercise of ESOP/RSU	49.10	12.09
Closing Balance	2,830.53	2,773.34

(ii) Retained earnings

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	(13.63)	(13.75)
Profit for the year	81.98	3.04
Items of other comprehensive income recognized directly in retained earnings		
Remeasurement of post-employment benefit obligation net of income tax	(4.07)	(2.92)
Closing Balance	64.28	(13.63)

(iii) Employee stock compensation outstanding account

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	75.92	29.29
Share based payment expenses (Refer Note No. 31(viii))	106.61	58.72
Reclassification upon exercise of ESOP/RSU	(49.10)	(12.09)
Closing Balance	133.43	75.92

(iv) Money received against share warrants

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	337.50
Transaction during the year (Refer Note No. 12(b))	-	(337.50)
Closing Balance	-	-

(v) Cash flow hedging reserve

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	-
Transaction during the year (Refer Note No. 28)	0.09	-
Closing Balance	0.09	-

Nature and purpose of other reserves

(a) Securities premium

Securities premium is used to record the premium on issue of shares. The premium can only be utilized in accordance with the provisions of the Act.

(b) Employee stock compensation outstanding account

The Employee stock compensation outstanding account is used to recognize the grant date fair value of options and RSUs issued to employees under the Company's share based payment schemes over the vesting period.

(c) Cash flow hedging reserve

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. (Refer Note No. 2.9 and Note No. 28).

Note No. 14: Lease Liabilities

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Non-Current		
Lease Liabilities	133.37	43.86
	133.37	43.86
Current		
Lease Liabilities	6.82	4.37
	6.82	4.37

Note No. 15: Provisions

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Non-current provisions		
Other provisions		
Warranty	13.13	2.03
	13.13	2.03
Current provisions		
Provision for employee benefits		
Compensated absences (Refer Note No. 23)	12.25	7.77
Other provisions		
Warranty	4.13	2.34
Others	2.28	-
	18.66	10.11

Movement in Warranty

Provision for warranty has been estimated based on past history of claims settled.

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening balance	4.37	1.94
Unwinding of interest on provisions	0.41	0.17
Additions	15.10	8.93
Utilisation	(2.62)	(6.67)
Closing balance	17.26	4.37

Movement in other provisions

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Additions	2.28	-
Utilisation	-	-
Closing balance	2.28	-
Disclosed as:		
Non-current	13.13	2.03
Current	6.41	2.34
	19.54	4.37

Information about individual provisions and significant estimates:

Due to the very nature of the above provisions, it is not possible to estimate the timing/uncertainties relating to their outflows.



Warranty

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled over a period of 3 years. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

The Company offers warranties for a period of 12 months to 3 years on its products. The assumptions made in relation to the current

period are consistent with those in the prior year. Factors that could impact the estimated claim information include introduction of new products and quality initiatives. If claims costs were to differ by 10% from management's estimates, the warranty provisions would be an estimated ₹ 1.73 higher or lower (March 31, 2023: ₹ 0.44 higher or lower).

Others

Other provisions relates to estimated provision against claims made by a third party in relation to certain closed business operations and contested by the Company.

Note No. 16: Current Borrowings

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Unsecured borrowings		
Working capital demand loans from Banks (Refer Note below)*	1,744.09	-
	1,744.09	-

Name of the Lender	Total Amount Sanctioned (₹ In crore)	Fund utilisation as of March 31, 2024 (₹ In crore)*	Interest Rate	Repayment terms
Standard Chartered Bank	850.00	441.82	8.1% to 8.72%	Repayment upto a period of six month including interest either payable on monthly basis or on maturity.
Kotak Mahindra Bank	505.00	296.13	7.9% to 8.55%	
HDFC Bank Limited	400.00	250.44	7.80%	
The Hong Kong and Shanghai Banking Corporation (Loan in US Dollar)	830.00	755.70	6.5% to 6.67%	
	2,585.00	1,744.09		

*Includes interest accrued but not due on borrowings amounting to ₹ 14.03 crore.

Note: The Company has not utilised working capital facilities from few banks at any point of time during the year ended March 31, 2024.

Net Debt Reconciliation

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents (Refer Note No. 7(i))	156.62	78.98
Other Liquid investments*	425.82	1,214.30
Lease Liabilities	(140.19)	(48.23)
Borrowings	(1,744.09)	-
Net debt	(1,301.84)	1,245.05

*Other Liquid investments comprise of other bank balances, current investments and deposits with financial institutions.

Movement in Net debt

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and Cash Equivalents	Other Liquid investments	Lease Liabilities	Borrowings	
Net debt as on April 01, 2022	45.50	1,054.62	(19.76)	-	1,080.36
Cash flows	32.92	159.05	5.49	-	197.46
New leases	-	-	(33.96)	-	(33.96)
Foreign exchange adjustments	0.56	-	-	-	0.56
Interest expense	-	-	(4.36)	-	(4.36)



Interest paid	-	-	4.36	-	4.36
Fair value adjustments	-	0.63	-	-	0.63
Net debt as on March 31, 2023	78.98	1,214.30	(48.23)	-	1,245.05
Cash flows	77.95	(790.19)	4.71	(1,730.06)	(2,437.59)
New leases	-	-	(93.13)	-	(93.13)
Foreign exchange adjustments	(0.31)	-	-	-	(0.31)
Interest expense	-	-	(11.56)	(21.91)	(33.47)
Interest paid	-	-	8.02	7.88	15.90
Fair value adjustments	-	1.71	-	-	1.71
Net debt as on March 31, 2024	156.62	425.82	(140.19)	(1,744.09)	(1,301.84)

Note No. 17: Trade Payables

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises (MSME) (Refer Note No. 30.2)	212.32	24.53
Total outstanding dues of creditors other than MSME - related parties (Refer Note No. 30.7)	21.49	10.43
Total outstanding dues of creditors other than MSME - others	1,611.01	272.32
	1,844.82	307.28

Note: Trade payables include amounts payable under the supplier finance program amounting to ₹ 120.32 crore (March 31, 2023: ₹ Nil).

Ageing as at March 31, 2024

in ₹ crore

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	119.66	88.71	1.99	0.04	-	210.40
(ii) Others	42.27	1,262.63	316.56	0.07	-	10.97	1,632.50
(iii) Disputed dues – MSME	-	-	-	-	0.04	1.88	1.92
	42.27	1,382.29	405.27	2.06	0.08	12.85	1,844.82

Ageing as at March 31, 2023

in ₹ crore

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	15.39	7.09	-	-	-	22.48
(ii) Others	23.32	211.78	35.70	0.30	2.24	9.41	282.75
(iii) Disputed dues – MSME	-	-	-	0.09	0.28	1.68	2.05
	23.32	227.17	42.79	0.39	2.52	11.09	307.28

Note No. 18: Other financial liabilities

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Current		
Due to employees	60.46	43.67
Capital Creditors	49.80	17.57
Unpaid dividend	0.03	0.03
Other payables	0.15	0.15
	110.44	61.42

Note No. 19: Other Current Liabilities

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Advances received from customers	8.41	4.11
Advances received from customers - related parties (Refer Note No. 30.7)	960.00	-
Deferred revenue	4.05	4.80
Statutory dues	15.36	10.24
	987.82	19.15



Note No. 20: Revenue from operations

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customers (Refer Note No. 30.3)		
Sale of goods		
Manufactured goods - Telecom and Data Networking related products	2,089.62	802.12
Traded goods	48.48	3.34
	2,138.10	805.46
Rendering of services		
Installation and commissioning revenue	13.01	8.41
Annual maintenance revenue	54.95	52.31
Other service revenue	7.80	2.90
	75.76	63.62
Other operating revenue		
Government grant- Production & design linked incentive (PLI/DLI)	156.36	-
Export Incentive	0.24	1.97
	156.60	1.97
	2,370.46	871.05

Note No. 21: Other income

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from banks on deposits	39.72	54.40
Gain on current investments carried at FVTPL	1.71	0.63
Gain on sale of current investments carried at FVTPL	20.21	18.83
Unwinding of discount on fair valuation of financial assets	0.56	0.27
Other non-operating income		
Net gain on disposal of property, plant and equipment (Refer Note No. 37)	0.00	0.01
Interest on income tax refunds	0.68	2.91
Miscellaneous income	1.20	0.12
	64.08	77.17

Note No. 22A: Cost of materials consumed

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	619.53	270.19
Add: Purchases	4,633.91	877.43
	5,253.44	1,147.62
Less: Closing stock	3,686.43	619.53
Cost of materials consumed*	1,567.01	528.09

*includes provision for obsolescence of inventories of ₹ 23.49 (March 31, 2023: includes write down of inventories of ₹ 8.74) which is largely based on expected consumption of the inventories and other considerations including ageing.

Note No. 22B: Purchase of stock in trade

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of stock in trade	41.86	31.82
	41.86	31.82

Note No. 22C: Changes in inventories of stock in trade and finished goods

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance		
Traded Goods	5.49	3.65
Finished Goods	3.05	4.18
	8.54	7.83
Closing balance		
Traded Goods	7.17	5.49
Finished Goods	25.54	3.05
	32.71	8.54
Changes in inventories of stock in trade and finished goods	(24.17)	(0.71)

Note No. 23: Employee benefit expenses

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages, including performance incentives	417.99	271.88
Contribution to provident and pension funds [Refer (i) below]	20.31	12.06
Gratuity expenses [Refer (iii) below]	4.23	3.63
Employee share based payment expenses (net) [Refer Note No. 31(viii)]	74.66	29.45
Staff welfare expenses	11.55	5.47
	528.74	322.49
Less: Capitalized during the year [Refer Note No. 4(b)]	241.30	150.33
	287.44	172.16

Employee benefit plans

(i) Defined contribution plan

The Company makes contributions to Provident Fund and Employee's Pension Scheme, 1995. The contributions payable under this scheme by the Company are at rates specified in the rules of the scheme to a registered fund. The Company has no further obligation towards the scheme beyond the aforesaid contributions. The Company has recognised the following amounts in the Statement of Profit and Loss:



in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provident Fund Contributions	18.82	10.98
Employee Pension Scheme	1.49	1.08
	20.31	12.06

(ii) Compensated absence

The leave obligation covers the Company's liability for earned leave. This is an unfunded scheme.

The amount of the provision of ₹ 12.25 (March 31, 2023: ₹ 7.77) is presented as current, since the Company does not have an unconditional right to defer settlement for a period beyond 12 months. However, based on past experience, the Company does not expect all the employees to avail leave accrued to their credit or require payment within the next 12 months.

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Leave obligation not expected to be settled within the next 12 months	10.06	6.52

Compensated absence expense recorded in Statement of Profit and Loss are as follows:

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Compensated absence expense/(gain) included in salaries and wages	4.82	2.19
Actuarial assumptions for long-term compensated absences		
Discount rate	7.00%	7.66%
Salary escalation	6.50%	6.50%
Attrition	7.00%	7.00%

(iii) Defined Benefit Plans

a) Gratuity

The Company provides gratuity benefit to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised insurer managed funds in India.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2024
Actuarial assumptions for defined benefit plan		
Discount rate	7.00%	7.66%
Salary escalation	6.50%	6.50%
Attrition rate	7.00%	7.00%

(i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

(ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

a) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (DBO) over the year are as follows:

in ₹ crore

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2022	23.55	(23.78)	(0.23)
Current service cost	4.00	-	4.00
Interest expense/(income)	1.68	(2.05)	(0.37)
Total amount recognised in (profit) or loss under employee benefit expenses	5.68	(2.05)	3.63
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	-	-	-
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	(0.50)	-	(0.50)
Actuarial (Gain)/ Losses due to experience adjustments on DBO	2.27	-	2.27
Return on Plan Assets (Greater) / Lesser than Discount rate	-	1.15	1.15
Total amount recognised in other comprehensive income	1.77	1.15	2.92
Employer contributions/ premiums paid	-	(6.62)	(6.62)
Cost of acquisitions	2.70	(2.70)	-
Benefit payments	(2.13)	2.13	-
As at March 31, 2023 (Refer Note No. 10)	31.57	(31.87)	(0.30)

in ₹ crore

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 1, 2023	31.57	(31.87)	(0.30)
Current service cost	4.60	-	4.60
Interest expense/(income)	2.31	(2.68)	(0.37)
Total amount recognised in profit or loss under employee benefit expenses	6.91	(2.68)	4.23
Remeasurements			
Actuarial (Gain) / Losses due to Demographic Assumption changes on DBO	-	-	-
Actuarial (Gain) / Losses due to Financial Assumption changes on DBO	2.03	-	2.03
Actuarial (Gain)/ Losses due to experience adjustments on DBO	2.80	-	2.80



Return on Plan Assets (Greater) / Lesser than Discount rate	-	0.10	0.10
Total amount recognised in other comprehensive income	4.83	0.10	4.93
Employer contributions/premiums paid	-	(9.00)	(9.00)
Cost of acquisitions	0.07	(0.07)	-
Benefit payments	(2.79)	2.79	-
As at March 31, 2024 (Refer Note No. 10)	40.59	(40.73)	(0.14)

b) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate		
Increase by 100 basis points	(7.40%)	(9.15%)
Decrease by 100 basis points	8.52%	10.73%
Salary Growth Rate		
Increase by 100 basis points	8.99%	10.69%
Decrease by 100 basis points	(7.94%)	(9.26%)
Attrition Rate		
Increase by 100 basis points	(0.21%)	0.18%
Decrease by 100 basis points	0.19%	(0.23%)
Mortality Rate		
Increase by 100 basis points	(0.00%)	(0.00%)
Decrease by 100 basis points	(0.00%)	0.00%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may not be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Composition of the plan assets is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Insurer managed funds	100%	100%

c) Risk Exposure

1. Interest rates risk : The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase although this will be partially offset by an increase in value of the plan assets.
2. Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.
3. Demographic risks: This is the risk in volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of these decrement on the DBO depends upon the combination of salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of

retirement benefit of a short service employees will be less compared to long service employees.

4. Asset Liability Mismatch: This will come into play unless the funds are invested with the term of the assets replicating the term of the liability.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans (Gratuity) for the year ending March 31, 2025 are ₹ 3.77.

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2023: 14.04 years). The expected maturity analysis of undiscounted gratuity is as follows:

in ₹ crore

Year ending March 31,	As at March 31, 2024	As at March 31, 2023
2025	3.77	2.06
2026	3.62	2.22
2027	4.08	2.71
2028	4.02	1.25
2029	6.68	1.50
2030-2034	44.80	11.45
2035 and above	-	61.24

Note No. 24: Finance cost

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on		
(i) Borrowings	21.91	-
(ii) Delayed payment of taxes	0.01	-
(iii) Unwinding of discount on fair valuation of lease liabilities	11.56	4.36
(iv) Unwinding of discount on fair valuation of warranty	0.41	0.16
Other finance cost	1.19	0.68
	35.08	5.20

Note No. 25: Other expenses

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumables	3.90	0.70
Installation, commissioning and maintenance expenses	6.66	11.52
Other processing charges	0.05	0.08
Power and fuel	8.28	5.53
Housekeeping and security	6.66	3.68
Lease rentals	9.77	2.44
Repairs and maintenance - machinery	0.48	0.36
Repairs and maintenance - others	6.90	3.84
Sub-contractor charges	35.79	13.75
Cost of technical services	28.66	17.07
Insurance	3.79	1.32
Rates and taxes	1.42	2.72
Communication	1.24	1.09



Royalty	0.01	0.03
Travelling and conveyance	18.80	8.99
Printing and stationery	0.48	0.29
Freight and forwarding	6.31	3.77
Sales expenses	2.72	0.24
Sales commission	3.78	3.89
Business promotion	4.77	2.73
Director sitting fees (Refer Note No. 30.7)	0.25	0.26
Director commission (Refer Note No. 30.7)	1.50	0.48
Legal and professional	14.25	8.08
Auditors remuneration and out-of-pocket expenses		
Audit Fee (including fees for limited reviews)	0.81	0.59
Tax Audit Fee	0.03	0.03
Certification matters	0.19	0.03
Other audit related services	0.05	0.20
Auditors out-of-pocket expenses	0.09	0.09
Net loss on foreign currency transactions and translation	9.32	2.85
Bad Debts written off	7.77	-
Brand Equity Subscription Fee (Refer Note No. 30.7)	3.56	-
Other subscription fee	13.68	5.50
Warranty	15.10	8.93
Reimbursement of expenses to subsidiary (Refer Note No. 30.7)	20.78	21.56
Miscellaneous expenses	9.39	4.98
	247.24	137.62
Less: Capitalized during the year [Refer Note No. 4(b)]	22.66	9.06
	224.58	128.56

Note: Other expenses include R&D expenses under various line items. (Refer Note No. 30.6).

Note No. 27: Fair value measurement

(i) Financial instruments by category

	Level	in ₹ crore			
		As at March 31, 2024		As at March 31, 2023	
		FVPL	Amortized cost	FVPL	Amortized cost
Financial assets					
Investments					
- Mutual Funds	1	333.71	-	262.24	-
- Others (Refer Note No. 37)	3	0.00	-	0.00	-
Trade receivables	3	-	1,435.95	-	481.28
Cash and cash equivalents	3	-	156.62	-	78.98
Bank balances other than cash and cash equivalents	3	-	92.11	-	652.06
Other financial assets					
- Deposits with financial institutions	3	-	-	-	300.00
- Security deposits	3	-	11.20	-	6.11
- Interest accrued but not due	3	-	0.42	-	3.98
- Government grant (Production & design linked incentive) receivable	3	-	123.70	-	-
- Other Receivables	3	-	143.34	-	60.36
- Foreign Exchange Forward Contracts	2	2.57	-	0.02	-
		336.28	1,963.34	262.26	1,582.77

Note No. 26: Income tax expense

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Current tax		
Tax on profits for the year	21.66	-
	21.66	-
b. Deferred tax		
Decrease in deferred tax assets	20.11	8.25
	20.11	8.25
	41.77	8.25

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income tax expense	123.75	11.29
Tax expense /(credit) determined based on the statutory tax rate [i.e.34.944% (March 31, 2023: 34.944%)]	43.24	3.95
Reconciling items:		
Expenses disallowed for tax purposes	-	0.38
Previously unrecognised DTA net of DTA on losses lapsed	(0.73)	4.96
Remeasurement gains/(losses) recognised in OCI	(0.86)	(1.04)
Others	0.12	-
	41.77	8.25



Financial liabilities						
Borrowings	3	-	1,744.09	-	-	-
Lease liabilities	3	-	140.19	-	-	48.23
Trade payables	3	-	1,844.82	-	-	307.28
Other financial liabilities						
- Capital Creditors	3	-	49.80	-	-	17.57
- Due to employees	3	-	60.46	-	-	43.67
- Unpaid dividend	3	-	0.03	-	-	0.03
- Other payables	3	-	0.15	-	-	0.15
		-	3,839.54	-	-	416.93

(ii) Fair value hierarchy

Level 1: Includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(iii) Valuation Technique

- The fair values of security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

- Investment in mutual funds are valued using closing NAV of the fund.

- Foreign currency forwards are valued based on the forward exchange rates provided by the bank as at the balance sheet date.

(iv) Valuation Process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The finance department reports directly to the chief financial officer (CFO). The significant level 3 inputs for determining the fair values are discount rates using a long term bank deposit rate to calculate a risk free rate

(pre-tax) that reflects the current market assessments of the time value of money and adjusted for counter-party risk and risks specific to the asset.

(v) Fair value of financial assets and liabilities measured at amortised cost

- The fair values of security deposits and non-current trade receivables approximates their carrying amounts.

- The carrying amounts of trade receivables (current), borrowings, trade payables, capital creditors, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note No. 28: Financial risk management

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management framework is approved by the Board of Directors.

A. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers located in various countries. Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

(i) Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows for trade receivables and contract assets under the simplified approach

in ₹ crore

As at March 31, 2024	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross carrying amount - trade receivables and contract assets	1,334.96	211.08	24.60	32.84	30.02	41.09	1,674.59
Expected loss rate	1%	5%	15%	45%	91%	99%	
Loss allowance	15.77	9.76	3.60	14.73	27.22	40.74	111.82
Carrying amount (net of loss allowance)	1,319.19	201.32	21.00	18.11	2.80	0.35	1,562.77



in ₹ crore

As at March 31, 2023	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Gross carrying amount - trade receivables and contract assets	358.88	88.76	27.47	41.49	31.23	27.51	575.34
Expected loss rate	1%	6%	20%	54%	98%	98%	
Loss allowance	3.51	5.22	5.58	22.34	30.50	26.91	94.06
Carrying amount (net of loss allowance)	355.37	83.54	21.89	19.15	0.73	0.60	481.28

(ii) Reconciliation of expected credit loss for trade receivables and contract assets under simplified approach

	in ₹ crore
Loss allowance as on April 01, 2022	(127.38)
Changes in loss allowance	33.32
Loss allowance as on April 01, 2023	(94.06)
Changes in loss allowance	(25.53)
Receivables written off during the year	7.77
Loss allowance as on March 31, 2024 (Refer Note No. 6 and 30.3(ii))	(111.82)

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumption and selecting the inputs to the impairment calculations, based on the Company's past history and existing market conditions as well as forward- looking estimates at the end of each reporting period.

The Company is also exposed to credit risk in respect of cash and cash equivalents, deposits with banks and financial institutions and investment in mutual funds. As a policy, the Company places its cash and cash equivalents and deposits with well established banks and financial institutions and investment in mutual funds with well established financial institutions.

Management has evaluated and determined expected credit loss for cash and cash equivalents, deposits with banks, inter-corporate deposits placed with financial institutions, investment in mutual funds, security deposits and other financial assets to be immaterial.

(iii) Sensitivity Analysis

The sensitivity of profit or loss to changes in the loss allowance

Particulars	Impact on profit/(loss) after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase in credit loss rate by 10%	(4.70)	(2.12)
Decrease in credit loss rate by 10%	5.42	2.91

(iii) Maturities of financial liabilities

The amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equals their carrying balances (except for lease liabilities) as the impact of discounting is not significant.

Contractual maturities of financial liabilities	in ₹ crore				
	Less than 6 months	6 months to 1 year	1 and 2 years	More than 2 years	Total
March 31, 2024					
Non-Derivatives					
Borrowings	1,744.09	-	-	-	1,744.09

B. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company's principal source of liquidity are cash and cash equivalents, cash flows that are generated from the operations and the undrawn borrowing facilities. A material and sustained shortfall in cash flows could undermine the Company's credit rating and impair investor confidence. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(i) Liquid assets

The table below summarizes the Company's liquid assets at the end of the reporting period:

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	156.62	78.98
Other bank balances - deposits with maturity more than 3 months but less than 12 months and margin money	92.11	652.06
Deposits with financial institutions	-	300.00
Current investments - mutual funds	333.71	262.24
	582.44	1,293.28
Less: Balances held as margin money or security against fund and non-fund based banking arrangements	7.01	1.89
	575.43	1,291.39

(ii) Financing arrangements

The Company had access to the following undrawn facilities at the end of the reporting period:

Particulars	in ₹ crore	
	As at March 31, 2024	As at March 31, 2023
Rupee		
Fund/ Non Fund based	978.34	98.03

The above facilities are fungible between fund based and non-fund based.



Trade payables	1,844.82	-	-	-	1,844.82
Due to employees	60.46	-	-	-	60.46
Capital Creditors	49.80	-	-	-	49.80
Lease Liabilities	9.36	11.98	22.43	171.72	215.49
Unpaid dividend	0.03	-	-	-	0.03
Other payables	0.15	-	-	-	0.15
	3,708.71	11.98	22.43	171.72	3,914.84

in ₹ crore

Contractual maturities of financial liabilities	Less than 6 months	6 months to 1 year	1 and 2 years	More than 2 years	Total
March 31, 2023					
Non-Derivatives					
Trade payables	307.28	-	-	-	307.28
Due to employees	43.67	-	-	-	43.67
Capital Creditors	17.57	-	-	-	17.57
Lease Liabilities	4.71	4.13	7.66	55.54	72.04
Unpaid dividend	0.03	-	-	-	0.03
Other payables	0.15	-	-	-	0.15
	373.41	4.13	7.66	55.54	440.74

C. Market Risk

(a) Foreign currency risk exposure

The Company operates internationally and is exposed to foreign exchange risk through its sales and services in foreign countries, and purchases from overseas suppliers in foreign currencies. To mitigate the risk of changes in exchange rates on foreign currency exposures, the company has a partial natural hedge between export receivables and import payables. Further, the Company has entered into forward exchange contracts on import payables to mitigate the risk of fluctuations in foreign currency rates. The results of the Company's operations are subject to the effects of changes in foreign exchange rates.

(i) The Company's exposure to foreign currency risk as at the year end expressed in Rupees crore are as follows:

in ₹ crore

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables	29.91	13.28	0.03	116.86	17.38	0.06
Balance in EEFC account	9.80	-	-	20.67	-	-
Balance with banks outside India	1.12	-	0.40	0.89	-	0.47
Exposure to foreign currency risk (assets)	40.83	13.28	0.43	138.42	17.38	0.53
Liabilities						
Trade payables	902.71	0.02	0.57	139.65	0.23	0.20
Borrowings	755.70	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	1,658.41	0.02	0.57	139.65	0.23	0.20
Net exposure to foreign currency risk	(1,617.58)	13.26	(0.14)	(1.23)	17.15	0.33

(ii) The Company's exposure to foreign currency risk hedged as at the year end expressed in Rupees crore are as follows:

in ₹ crore

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables						
- Hedged naturally	-	0.02	-	24.36	0.23	0.06
Balance with banks outside India	-	-	0.08	-	-	0.01
Exposure to foreign currency risk (assets)	-	0.02	0.08	24.36	0.23	0.07



Liabilities						
Trade payables						
- Hedged naturally	-	0.02	0.08	24.36	0.23	0.07
- Hedged through forward contract	902.71	-	-	115.29	-	-
Borrowings	755.70	-	-	-	-	-
Exposure to foreign currency risk (liabilities)	1,658.41	0.02	0.08	139.65	0.23	0.07
Net hedged exposure to foreign currency risk	(1,658.41)	-	-	(115.29)	-	-

(iii) The Company's exposure to foreign currency risk unhedged as at the year end expressed in Rupees crore are as follows:

Particulars	As at March 31, 2024			As at March 31, 2023		
	USD	MYR*	Others	USD	MYR*	Others
Assets						
Trade receivables	29.91	13.26	0.03	92.50	17.15	-
Balance in EEFC account	9.80	-	-	20.67	-	-
Balance with banks outside India	1.12	-	0.32	0.89	-	0.46
Exposure to foreign currency risk (assets)	40.83	13.26	0.35	114.06	17.15	0.46
Liabilities						
Trade payables	-	-	0.49	-	-	0.13
Exposure to foreign currency risk (liabilities)	-	-	0.49	-	-	0.13
Net unhedged exposure to foreign currency risk	40.83	13.26	(0.14)	114.06	17.15	0.33

in ₹ crore

* MYR stands for Malaysian Ringgit.

(iv) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit/(loss) after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
USD Sensitivity		
INR/USD - Increase by 5%	(1.68)	0.05
INR/USD - Decrease by 5%	1.68	(0.05)
MYR Sensitivity		
INR/MYR - Increase by 5%	(0.55)	(0.71)
INR/MYR - Decrease by 5%	0.55	0.71

in ₹ crore

D. Interest rate risk

The exposure of company's borrowings to interest rate changes at the end of the reporting period are included in table below.

(i) As at the end of the reporting period, the Company had the following variable rate borrowing outstanding:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Interest rate %	Balance	% of total loans	Interest rate %	Balance	% of total loans
Working Capital Demand Loans	6.5% to 8.6%	1,744.09	100.00%	-	-	-
Net exposure to cash flow		1,744.09			-	

(ii) Sensitivity

Profit or Loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit/(loss) after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Rate - Increase by 100 basis points (March 31, 2023 Nil)	(0.89)	-
Interest Rate - Decrease by 100 basis points (March 31, 2023 Nil)	0.89	-



E. Impact of hedging activities:

(i) Disclosure of effects of hedge accounting on financial position

Type of Hedge and Risks	Nominal Value		Carrying amount of hedging instrument		Maturity date	Hedge ratio	Weighted average strike rate for outstanding hedging instruments	Change in intrinsic value of outstanding hedging instruments since the inception of the hedge	Change in the value of hedged item used to determine hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
As at March 31, 2024									
Cash flow hedge									
Foreign exchange risk									
Foreign currency forward contracts	-	313.65	-	313.74	June' 24 - July' 24	1:1	83.69	0.09	(0.09)
As at March 31, 2023									
Cash flow hedge									
Foreign exchange risk									
Foreign currency forward contracts	-	-	-	-	-	-	-	-	-

(ii) Disclosure of effects of hedge accounting on financial performance

Type of hedge	As at March 31, 2024				As at March 31, 2023			
	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in the statement of profit and loss because of the reclassification	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in profit and loss	Amount reclassified from cash flow hedging reserve to profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Cash flow hedge								
Foreign exchange risk	0.09	-	-	Not applicable	-	-	-	-

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic perspective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the company enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The company therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Company uses the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the company or the derivative counterparty.

Note No. 29: Capital management

For the purpose of capital management, the Company considers the following components of its Balance Sheet as capital:

Issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize the growth opportunities and return to the shareholders. The capital structure of the company is based on management's

judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The company consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.



The Company foresees issue of fresh capital pursuant to exercise of vested employee stock options. Apart from the outstanding ESOPs, the Board of Directors have also approved certain Restricted Stock Units (RSUs), which may be converted into share capital in the future periods.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

in ₹ crore

Debt equity ratio	As at March 31, 2024	As at March 31, 2023
Net Debt*	1,301.84	48.23
Equity	3,202.31	3,007.27
Net Debt to equity ratio (times)	0.41	0.02

*Net Debt as of March 31, 2024 represents the balance of borrowing (including lease liabilities) reduced by cash and cash equivalent, other bank balances including bank deposits, deposits with financial institutions and investment in liquid mutual funds. (Net Debt as of March 31, 2023 represents lease liabilities. The Company had no borrowings as at March 31, 2023).

Note No. 30: Additional Information to Financial Statements

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
30.1 Contingent liabilities and commitments (to the extent not provided for)		
a) Claims against the Company not acknowledged as debts		
Disputed Central Excise Demands * (Refer Note 1 below)	46.24	46.24
Disputed Income Tax Demands * (Refer Note 2 below)	-	-
Disputed CST and VAT Demand *	-	0.51
Disputed GST Demand * (Refer Note 3 below)	5.07	-
b) Commitments		
Estimated amount of contracts remaining to be executed on capital contract and not provided for (net of advances and deposits)		
Property, plant and equipment	78.66	38.86

* These cases are pending at various forums with the concerned authorities. Outflows if any, arising out of these claims would depend on the outcome of the decision of the appellate authority and the Company's right for future appeals before judiciary. No reimbursements are expected. The above does not include interest from the date of order to the date of reporting.

Note 1: The Company had received demand orders for ₹ 42.92 towards additional duty and penalty from the Office of the Commissioner of Central Excise, Puducherry Commissionerate on the applicability of excise duty on software used in the multiplexer

products pertaining to Financial Year (FY) 2002-03 to FY 2009-10 based on CESTAT Order No. 41771-41776/2018 dated 12.06.2018. Further, an additional penalty on certain officers of the Company amounting to ₹ 0.90 was raised. The Company has filed a stay application and appeal against the CESTAT Order before the Honourable Supreme Court and has also filed an appeal before CESTAT against the Order passed by Commissioner of Central Excise, Puducherry. As at March 31, 2024, the Company has paid a pre-deposit of ₹ 2.38 (March 31, 2023: ₹ 2.38) included under Balances with government authorities in Note 10 'Other Non-current assets'. The Company had received a demand order for ₹ 3.32 for FY 2010-11 to FY 2013-14 on similar matters and an appeal before CESTAT was filed by the Company for which Company has paid a pre-deposit of ₹ 0.23 (March 31, 2023: ₹ 0.23). Based on an assessment, supported by an external legal opinion, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in these financial statements.

Note 2: In July 2017, Income Tax Department initiated proceedings under section 132 of the Income Tax Act, 1961 for assessment years (AY) 2012-13 to 2018-19. Subsequently, The Company received orders disallowing certain expenses resulting in reduction of brought forward/ carried forward losses for these assessment years. The Company has filed appeal against the orders disputing the disallowances. Certain other agencies sent notices as part of their inquiries, which were duly responded / attended by the Company and its officials. The management is of the view that the outcome of these proceedings/ notices has no material adverse impact on the Company's financial statements. Pursuant to proceedings under 132 mentioned above, in March 2018, the Income Tax Department sent a show cause notice to the company under Section 276C of the IT Act for AY 2012-13 to 2018-19. The Company and its officials fully co-operated with the Department. During FY 2018-19, the Company and certain officers of the Company had received Summons under various sections of the IT Act from the Special Court for Economic Offences, to which the Company has responded. The Company is of the view that the outcome of these summons/notices will not have any material impact on the Company's financial statements. Further the company has appealed against the proceedings under section 276C and the summons by Special Court of Economic Offences in the Karnataka High Court. The Company is of the view that the outcome of these summons/notices will not have any material impact on the Company's financial statements.

Note 3: In December 2023, GST department has completed audit for the F.Y. 2017-18 and a demand order dated December 26, 2023 was issued u/s 73 (9) of the GST Act, 2017 in FORM GST DRC – 07 demanding tax, interest and penalty aggregating to ₹ 4.85. During the year company has made a pre-deposit of ₹ 0.22 and filed Appeal against the demand order on March 22, 2024. In January 2024, Company received a demand order from the Commercial Tax Officer, (Vigilance)-30, Bengaluru demanding penalty of ₹ 0.22. Company has filed an appeal against the Demand Order and made a pre-deposit of ₹ 0.22. Based on the assessment, Management has concluded that the Company has a strong case to defend its position in the above matters and accordingly, no provision has been made in the financial statements.

The Company does not expect any reimbursement in respect of the above contingent liabilities.



30.2 Dues to Micro Small and Medium Enterprises (MSMEs)

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end ¹	212.32	24.53
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv) Interest paid, under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, other than under Section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(vii) Interest accrued and remaining unpaid at the end of each accounting year	-	-
(viii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

¹Based on periodic circularisations by the Company and responses received from the suppliers, the Company identifies Micro and Small parties registered under the MSMED Act. The information above has been compiled by the management basis such identification. No delays in payments beyond the stipulated date prescribed under the MSMED Act have been identified for such vendors based on the acceptance dates for such goods/services as agreed by the concerned vendors.

(Refer Note No. 17 for disputed dues to MSME).

30.3 Revenue from contract with customers

(i) Disaggregation of revenue from contracts with customers

The table below presents disaggregated revenue from contracts with customers based on location of the customers. The Company believes that this disaggregation best depicts how the nature,

amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors (Refer Note No. 20).

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
India-Public Sector Undertaking	828.50	239.30
India-Private	1,246.61	456.03
International	138.75	173.75
	2,213.86	869.08

(ii) Contract Assets

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Contract Assets - relating to sale of goods	129.19	-
Less: Loss Allowance (Refer Note No. 28A)	2.37	-
	126.82	-
Non- Current	94.61	-
Current	32.21	-
	126.82	-

During the year, the Company has supplied goods to certain customers wherein the right to collection is after completion of future other contractual obligation. The Company expects these contract asset to be reclassified to Trade Receivables on completing other contractual obligations.

(iii) The movement in contract liability (deferred revenue and Advances received from customers) is as follows:

in ₹ crore

Particulars	Deferred Revenue	Advances received from customers
Balance as on April 1, 2022	3.30	6.60
Less: Revenue accrued during the year	5.51	8.81
Add: Invoicing in excess of earned revenue during the year	7.01	-
Add: Advances received during the year	-	6.32
Balance as on March 31, 2023	4.80	4.11
Less: Revenue accrued during the year	7.66	15.79
Add: Invoicing in excess of earned revenue during the year	6.91	-
Add: Advances received during the year	-	980.09
Balance as on March 31, 2024	4.05	968.41

Contract liabilities have increased mainly on account of advances received from customer during the year.

(iv) Performance obligations and remaining performance obligations

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2024, is approximately ₹ 8,024 (March 31, 2023: ₹ 1,882). Out of this, the Company expects to recognize revenue of around 93% within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience without a substantive penalty. Based on current assessment, the occurrence of the same is expected to be remote.



(v) Reconciliation of revenue recognised with Contract price

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract Price	2,235.47	872.48
Less: adjustments		
Variable consideration (includes liquidated damages and cash discount)	21.61	3.40
Revenue from operations	2,213.86	869.08

(vi) Revenues of approximately ₹ 1,508 are derived from three external customers (March 31, 2023: ₹ 186.31 from two external customer) each exceeding 10% of the total revenue.

30.4 Details of leasing arrangements

Right-of-use assets

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Right of use Assets		
Buildings (including leasehold land)	127.75	42.89
	127.75	42.89

in ₹ crore

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current	6.82	4.37
Non-Current	133.37	43.86
	140.19	48.23

Additions to right-of-use assets during the current financial year is ₹ 98.83 (March 31, 2023: 35.93).

(ii) Amounts recognised in the statement of profit or loss:

The statement of profit or loss shows the following amount related to leases:

in ₹ crore

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation charge of Right of use assets			
Buildings	4(c)	13.97	7.60
		13.97	7.60
Other costs			
Interest expense (included in finance costs)	24	11.56	4.36
Expenses relating to short term leases (included in other expenses)*	25	9.77	2.44
		21.33	6.80

*includes maintenance expenses

The total cash outflow for leases for the year ended March 31, 2024 is ₹ 22.50 (March 31, 2023: ₹ 12.29).

Extension and termination options

Extension and termination options are included in various leasing arrangements for buildings. These are used to maximise operational flexibility in terms of managing assets used in the operations. All the extension and termination options are either exercisable only by the Company or as mutually agreed with the lessor.

The Company has not provided any residual value guarantees in any of the leasing arrangements.

30.5 Earnings per share

in ₹ crore except per share data

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic		
Net profit for the year attributable to the equity share holders	81.98	3.04
Weighted average number of equity shares	16,97,04,867	15,36,77,077
Par value per share (₹)	10	10
Earnings per equity share - Basic (₹)	4.83	0.20
Diluted		
Net profit for the year attributable to the equity share holders	81.98	3.04
Weighted average number of equity shares for Basic EPS	16,97,04,867	15,36,77,077
Add: Bonus element on Share Options/RsUs issued to employees	27,90,822	33,80,983
Weighted average number of equity shares - for diluted EPS	17,24,95,689	15,70,58,060
Par value per share (₹)	10	10
Earnings per equity share - diluted (₹)	4.75	0.19

30.6 Product Development Cost

Details of eligible Capital and Revenue expenditure incurred towards Research and Development as claimable under section 35 of Income Tax Act of 1961 for the year ended March 31, 2024.

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Eligible capital expenditure	367.47	218.31
Eligible revenue expenditure	109.99	61.64
	477.46	279.95

Eligible capital expenditure includes R&D manpower salaries/wages towards product development amounting to ₹ 241.30 (March 31, 2023: ₹ 150.33) and ₹ 22.66 (March 31, 2023: ₹ 9.06) towards cost of technical services.



30.7: Related party transactions

(i) Details of related parties:

Description of relationship	
Ultimate Holding Company	Tata Sons Private Limited
Holding Company/ Controlling Entity	Panatone Finvest Limited
Subsidiary	Tejas Communication Pte Limited, Singapore Saankhya Labs Private Limited (w.e.f. July 01, 2022)
Step-down subsidiary	Tejas Communications (Nigeria) Limited, Nigeria Saankhya Strategic Electronics Private Limited (w.e.f. July 08, 2022) Saankhya Labs Inc., USA (w.e.f. July 01, 2022)
Subsidiaries of Holding Company (with whom the Company has transactions)	Tata Communications Limited Tata Communications (America) Inc., United States of America Tata Communications (UK) Limited, United Kingdom Tata Communications Lanka Limited, Sri Lanka Tata Communications (France) SAS The Switch Enterprises, LLC, United States of America
Subsidiaries of Ultimate Holding Company (with whom the Company has transactions)	Tata Consultancy Services Limited Tata Teleservices (Maharashtra) Limited Tata Teleservices Limited Tata Advanced Systems Limited Tata AIG General Insurance Company Limited Tata Autocomp Systems Limited Tata Projects Limited Tata Elxsi Limited Tata Asset Management Private Limited Innovative Retail Concepts Private Limited Infiniti Retail Limited
Joint Ventures of Ultimate Holding Company and its subsidiaries (with whom the Company has transactions) (Other related parties)	Tata Play Broadband Private Limited Tata Industries Limited (Tata Strategic Management Group)
Associates of Ultimate Holding Company and its subsidiaries (with whom the Group has transactions) (Other related parties)	Tata Steel Limited The Tata Power Company Limited The Indian Hotels Company Limited Roots Corporation Limited Piem Hotels Limited
Associates of Subsidiaries of Ultimate Holding Company (with whom the Company has transactions) (Other related parties)	Indusface Private Limited
Entity where a Director is interested (with whom the Company has transactions) (Other related parties)	Clonect Solutions Private Limited (ceased to be a related party w.e.f April 23, 2022) Cloudsek Information Security (ceased to be a related party w.e.f April 23, 2022) Darwinbox Digital Solutions Private Limited (ceased to be a related party w.e.f June 21, 2023) Housing Development Finance Corporation Limited (w.e.f June 27, 2022) Mahindra & Mahindra Financial Services Limited (ceased to be a related party w.e.f March 25, 2024)
Post-employment benefit plan for the benefit of employees (Other related parties) Key Management Personnel ("KMP")	Tejas Networks Limited Employees Group Gratuity Fund Trust
Executive Directors	Anand S Athreya, CEO and Managing Director (appointed w.e.f from June 21, 2023) Sanjay Nayak, CEO and Managing Director (retired w.e.f from June 21, 2023) Arnob Roy, Chief Operating Officer and Whole Time Director P R Ramesh (appointed w.e.f June 27, 2022)
Independent Directors	Prof. Bhaskar Ramamurthi (appointed w.e.f June 27, 2022) Alice Geevarghese Vaidyan (appointed w.e.f March 29, 2023) Balakrishnan V (resigned w.e.f April 23, 2022) Leela K Ponappa (retired w.e.f February 16, 2023) Chandrashekar Bhaskar Bhave (retired w.e.f March 25, 2024)
Non - Executive Directors & Non - Independent Director	Gururaj Deshpande (resigned w.e.f from June 28, 2022) N Ganapathy Subramaniam Amur Swaminathan Lakshminarayanan (resigned w.e.f March 19, 2024)



(ii) Transaction with related parties during the year

in ₹ crore

Particulars	Year Ended March 31, 2024				
	Ultimate Holding/ Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties	Total
Revenue from operations*	-	10.41	873.69	0.57	884.67
Other Income	-	0.60	-	-	0.60
Purchase of goods and services	-	2.48	19.81	-	22.29
Reimbursement of expenses	-	20.78	-	-	20.78
Cross charge of share based payment expense	-	31.95	-	-	31.95
Communication	-	-	0.21	-	0.21
Insurance Cost	-	-	0.06	-	0.06
Travel Cost	-	-	-	0.03	0.03
Repairs and Maintenance Cost	-	-	1.21	0.02	1.23
Professional Charges	-	-	0.02	1.15	1.17
Brand equity subscription fees	3.56	-	-	-	3.56
Technical consultancy	-	-	0.40	-	0.40
Contribution to post employment benefit plans	-	-	-	9.00	9.00

in ₹ crore

Particulars	Year Ended March 31, 2023				
	Ultimate Holding/ Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties	Total
Revenue from operations*	-	7.79	111.04	4.80	123.63
Other Income	-	0.06	-	-	0.06
Interest on deposits with Financial Institution	-	-	-	1.86	1.86
Purchase of goods and services	-	9.95	3.67	-	13.62
Purchase of fixed assets	-	-	1.62	-	1.62
Reimbursement of expenses	-	21.56	-	-	21.56
Cross charge of share based payment expense	-	29.27	-	-	29.27
Communication	-	-	0.16	-	0.16
Insurance Cost	-	-	0.04	-	0.04
Travel Cost	-	-	-	0.04	0.04
Professional Charges	-	-	0.10	0.20	0.30
Contribution to post employment benefit plans	-	-	-	9.32	9.32
Proceeds from Issue of Fresh Equity shares through Private Placement (Refer Note No. 12)	1,012.50	-	-	-	1,012.50
Investments in Equity Shares (Refer Note no. 5(a))	-	283.94	-	-	283.94

Transactions with Key Management Personnel is as follows (As per the statement of Profit and Loss):

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	17.84	4.49
Post-employment benefits	0.10	0.05
Employee share-based payment	18.35	4.18
Director Sitting fees	0.25	0.26
Director Commission	1.50	0.48

*Includes revenue from operations from Tata Consultancy Services Limited amounting to ₹ 750.24 (March 31, 2023: ₹ 10.82) and Tata Communications Limited amounting to ₹ 101.15 (March 31, 2023: ₹ 86.34).



(iii) Balances from/to related parties are as follows:

in ₹ crore

Particulars	As at March 31, 2024				
	Ultimate Holding/ Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Holding/ Ultimate Holding company	Other Related Parties/KMPs	Total
Trade receivables, unbilled receivables and contract assets	-	6.10	661.97	1.76	669.83
Other financial assets	-	62.53	-	-	62.53
Other current assets	-	-	0.46	0.02	0.48
Trade payables	3.56	10.88	5.45	1.60	21.49
Other current liabilities	-	-	960.00	-	960.00
Investment	-	294.81	-	-	294.81
Short-term employee benefits	-	-	-	5.63	5.63

in ₹ crore

Particulars	As at March 31, 2023				
	Ultimate Holding/ Holding Company/ Controlling Entity	Direct Subsidiaries	Subsidiaries of Holding/ Ultimate Holding Company	Other Related Parties/KMPs	Total
Trade receivables, unbilled receivables and contract assets	-	4.07	25.65	1.08	30.80
Other financial assets	-	30.34	-	-	30.34
Other current assets	-	1.17	-	-	1.17
Trade payables	-	9.07	0.88	0.48	10.43
Investment	-	294.81	-	-	294.81
Short-term employee benefits	-	-	-	0.06	0.06

Additional Information:

Investment in Mutual Fund managed by Tata Asset Management Company as of March 31, 2024 is ₹ Nil (March 31, 2023: ₹ 183.19) and gain on sale of current investments amounts to ₹ 8.10 (March 31, 2023: ₹ 13.84).

30.8 Ratios

Sl. No.	Particulars	Numerator Includes	Denominator Includes	Ratio FY 24	Ratio FY 23	% Variance	Reasons for variance in excess of 25%
1	Current Ratio (times)	Total current assets	Total current liabilities	1.43	6.53	-78%	Current assets increased by 1.56 times, Trade Payables & others increased by 6.38 times and working capital borrowings by ₹ 1,744.09 crore on account of increased operations resulted in reduced ratio.
2	Debt-equity ratio (times)	Lease Liabilities Borrowings	Total equity	0.59	0.02	3569%	Nil borrowings in FY 2022-23 vs working capital borrowings of ₹ 1,744.09 crore in FY 2023-24 increased the debt equity ratio.
3	Debt service coverage ratio (times)	Profit/(Loss) after tax (adjusted for) Depreciation and amortization expense Allowance for expected credit loss Finance costs Other non-cash items	Debt service [interest and lease payments for the current year (excludes short term working capital borrowing repayments)]	8.59	11.05	-22%	Not applicable
4	Return on Equity Ratio (%)	Profit/(Loss) after tax	Average equity	0.03	-	-	Increased due to higher profits.



5	Inventory turnover ratio (times)	Cost of materials consumed	Average Inventories	0.73	1.23	-41%	Decreased due to higher levels of inventory holding as at March 31, 2024 for project executions in FY 2025.
6	Trade Receivables turnover ratio (times)	Revenue from sale of goods and rendering of services	Average Trade receivables	2.74	2.63	4%	Not applicable
7	Trade payables turnover ratio (times)	Purchases (others) Purchases of stock in trade	Average Trade payables	4.35	4.29	1%	Not applicable
8	Net capital turnover ratio (times)	Revenue from operations	Working capital (Current assets - Current liabilities)	1.17	0.39	200%	Increased due to higher revenue from operations.
9	Net profit ratio (%)	Profit/(Loss) after tax	Revenue from operations	0.04	0.00	959%	Positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.
10	Return on Capital employed (%)	Earnings before interest and tax (EBIT)	Total equity	0.03	0.01	479%	Positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.
11	Return on Investment (%)	Earnings before interest and tax (EBIT)	Average Total Assets	0.03	0.01	365%	Increased due to EBIT 8.63 times higher as compared to previous year as against increase in average total assets by 1.07 times and positive ratio for FY 2024 on account of profits in FY 2024 compared to losses in FY 2023.

30.9 Private Placement

The Company has made a preferential allotment/ private placement of shares during the financial year ended March 31, 2022 and March 31, 2023, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised, as outlined below:

in ₹ crore						
Nature of securities	Purpose for which funds raised	Total Amount Raised*	Un-utilised balance as at March 31, 2023	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks
Equity shares	To invest organically and inorganically in the research & development, sales and marketing, working capital requirements, capital expenditure, people and infrastructure and enhance its manufacturing and operational capabilities to cater to this large market opportunity, and for other general corporate purposes.	1,850.00	58.45	-	-	None

* Includes ₹ 837.50 raised during the year ended March 31, 2022 and ₹ 1,012.50 raised during year ended March 31, 2023.

30.10 Other accounting policies

This note provides a list of the other accounting policies adopted in the preparation of these financial statements to the extent they have not been disclosed in the above notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Property, Plant and Equipment (including Capital work-in-progress)

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can

be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Assets in the course of construction are capitalised under Capital work in progress (CWIP). At the point when the construction of the asset is completed and it is ready to be operated as per management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.



Gains and losses on disposals are determined by comparing proceeds with carrying amount. Net gains and losses are included in the statement of profit and loss within other income/ other expenses.

2 Intangible Assets - Software, Product development and intangible assets under development

The cost of software comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxation authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on software after its purchase is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

3 Impairment of Non - financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets under development are tested for impairment on an annual basis. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that have suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4 Financial instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

5 Investments and Other Financial assets

5.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

5.2 Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sale the financial asset.

5.3 Subsequent Measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in statement of profit and loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss and recognised under other income/ other expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



5.4 Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortised cost. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable information including that which is forward-looking.

The losses arising from impairment are recognized in the Statement of Profit and Loss.

5.5 Derecognition

A financial asset is derecognized only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

5.6 Income recognition

Interest Income

Interest income from a financial asset at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using effective interest method and is recognised in statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial asset the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

6 Financial liabilities

6.1 Classification as liability or equity

Financial liability and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

6.2 Subsequent Measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method unless at initial recognition, they are classified as fair value through profit or loss.

6.3 Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

7 Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are usually unsecured. Trade payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

8 Provisions and Contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

As per the terms of the contracts, the Company provides post sale support / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

9 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



The Company measures its tax balances for uncertain tax positions either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to item recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

10 Employee Benefits

(i) Short-term employee benefits

Liabilities for wages and salaries and performance incentives that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on Government bonds that at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of profit and loss.

The obligation for earned leave (despite not being expected to be settled wholly within 12 months) is presented as current liabilities in the balance sheet as the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Gratuity obligations (Defined Benefit Plan)

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have maturity terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in

which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(iv) Defined contribution plans

The Company pays provident fund and pension contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent they reduce the amount of future contributions.

(v) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plans and Restricted Stock Units.

The Company has constituted the following plans - 'Tejas Employee Stock Option Plan 2014', 'Tejas Employee Stock Option Plan 2014 - A', 'Tejas Employees Stock Option Plan 2016', 'Tejas Restricted Stock Unit Plan 2017' ("RSU – 2017") and 'Tejas Restricted Stock Unit Plan 2022' ("RSU – 2022") for the benefit of eligible employees.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- a) including any market performance conditions
- b) excluding the impact of any service and non-market performance vesting conditions
- c) including the impact of any non-vesting conditions

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of ESOP/RSU that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in Statement of profit and loss, with a corresponding adjustment to equity.

11 Government grants

Grants related to assets are reduced from the carrying amount of the asset. Such grants are recognised in the Statement of profit and loss over the useful life of the related depreciable asset by way of reduced depreciation charge.

12 Cash Flow Statement

Cash flows from operating activities are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

13 Inventories

Inventories (raw material - components including assemblies and sub assemblies) are stated at the lower of cost and net realisable value. Cost of inventory includes cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the



ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

14. Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is conditional only upon passage of time. Revenue in excess of billings is recorded as unbilled revenue and is classified as a financial asset as only the passage of time is required before the payment is due.

Trade receivables and unbilled revenue are presented net of expected credit losses in the Balance Sheet.

Invoicing in excess of earnings are classified as contract liabilities which is disclosed as deferred revenue.

15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

16 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss under other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of material provision of a long term loan arrangement on or before the date of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before approval of the financial statements for issue, not to demand payment as a consequence of the breach.

17 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

18 Foreign Currency Transactions

(i) Functional and presentation currency

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the Company's functional and presentation currency.

(ii) Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of entity's net investment in that foreign operation. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign exchange differences arising on translation of foreign currency borrowings are presented in the statement of profit and loss, within finance costs, where applicable. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expense.

19 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



- potentially issuable equity shares, that could potentially dilute basic earnings per share, are not included in the calculation of diluted earnings per share when they are anti dilutive for the period presented.

20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

21 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

22 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

23 Exceptional Items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

24 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore with two decimals as per the requirement of Schedule III, unless otherwise stated.

Note No. 31: Employee Stock Option Plan (ESOP) and Restricted Stock Units (RSU)

(i) **Employees Stock Option Plan – 2014 (“ESOP Plan 2014”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated May 29, 2014 and September 24, 2014, respectively, has adopted ESOP Plan 2014. This was subsequently modified pursuant to the Shareholders’ resolutions dated March 28, 2016 and November 19, 2016. Pursuant to ESOP Plan 2014, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2014). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2014, shall not exceed 71,01,767 Equity Shares. The options granted under the plan have a graded vesting over a period of four years, which are exercisable within fifteen years from the date of vesting. Options granted under the plan are equity settled. (Refer Note (vi)(a) below)

(ii) **Employees Stock Option Plan – 2014-A (“ESOP Plan 2014-A”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated June 27, 2016 and July 25, 2016, respectively

has adopted ESOP Plan 2014-A. This was subsequently modified pursuant to the Shareholders resolution dated November 19, 2016. Further modified by resolution passed by board dated October 21, 2020. Pursuant to ESOP Plan 2014-A, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2014-A). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2014-A, shall not exceed 20,00,000 Equity Shares. The options granted under the plan have a graded vesting over a period of four years, which are exercisable within eight years from the date of vesting. Options granted under the plan are equity settled. (Refer Note (vi)(b) below)

(iii) **Employees Stock Option Plan – 2016 (“ESOP Plan 2016”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated August 02, 2016 and August 29, 2016, respectively has adopted ESOP Plan 2016. This was subsequently amended pursuant to the Shareholders resolution dated November 19, 2016. Further modified by resolution passed by board dated October 21, 2020. Pursuant to ESOP Plan 2016, options to acquire Equity Shares may be granted to eligible employees (as defined in ESOP Plan 2016). The aggregate number of Equity Shares, which may be issued under ESOP Plan 2016, shall not exceed 50,00,000 Equity Shares. The options granted under the plan have a graded vesting over a period of four years, which are exercisable within eight years from the date of vesting. Options granted under the plan are equity settled. (Refer Note (vi)(c) below)

(iv) **Restricted Stock Unit Plan 2017 (“RSU Plan 2017”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated August 26, 2017 and September 27, 2017, respectively, has adopted RSU Plan 2017. Pursuant to RSU Plan 2017, restricted stock units (“RSUs”) may be granted to eligible employees (as defined in RSU Plan 2017). The aggregate number of Equity Shares, which may be issued under RSU Plan 2017, shall not exceed 30,00,000 Equity Shares. The RSUs granted under the plan have a graded vesting over a period of four years, which are exercisable within four years from the date of vesting. The RSUs granted under the plan are equity settled. (Refer Note (vi)(d) below)

(v) **Restricted Stock Unit Plan 2022 (“RSU Plan 2022”)** The Company pursuant to resolutions passed by the Board and the Shareholders, dated April 22, 2022 and July 26, 2022, respectively, has adopted RSU Plan 2022. Pursuant to RSU Plan 2022, restricted stock units (“RSUs”) may be granted to eligible employees (as defined in RSU Plan 2022). The aggregate number of Equity Shares, which may be issued under RSU Plan 2022, shall not exceed 50,00,000 Equity Shares. The RSUs granted under the plan have a graded vesting over a period of four years, which are exercisable within four years from the date of vesting. The RSUs granted under the plan are equity settled. (Refer Note (vi)(e) below)

As the Company has implemented RSU plan during the financial year 2017-18, the Company does not plan to grant any new options from the pool available from the current ESOP Schemes. Consequently, the options available for grant were considered as "NIL" for the current ESOP schemes. Hence, other information is not applicable for the year ended March 31, 2023 and March 31, 2024.



(vi) Summary of options under various plans:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
(a) ESOP Plan 2014				
Outstanding at the beginning of the year	65	7,49,173	65	10,61,506
Granted during the year	-	-	-	-
Exercised during the year*	65	6,60,676	65	3,03,845
Forfeited/lapsed during the year	65	-	65	8,488
Outstanding at the end of the year	65	88,497	65	7,49,173
Exercisable at the end of the year	65	88,497	65	7,49,173
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		8.78 years		8.91 years

*The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
(b) ESOP Plan 2014-A				
Outstanding at the beginning of the year	85	5,54,841	85	9,45,728
Granted during the year	-	-	-	-
Exercised during the year*	85	2,94,419	85	3,85,137
Forfeited/lapsed during the year	85	-	85	5,750
Outstanding at the end of the year	85	2,60,422	85	5,54,841
Exercisable at the end of the year	85	2,60,422	85	5,54,841
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		2.78 years		3.51 years

* The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)	Number of options
(c) ESOP Plan 2016				
Outstanding at the beginning of the year	85 -110	7,08,780	85 -110	10,84,639
Granted during the year	-	-	-	-
Exercised during the year*	85 -110	2,97,495	85 -110	3,69,834
Forfeited/lapsed during the year	85 -110	300	85 -110	6,025
Outstanding at the end of the year	85 -110	4,10,985	85 -110	7,08,780
Exercisable at the end of the year	85 -110	4,10,985	85 -110	7,08,780
Options available for grant	-	-	-	-
Weighted average remaining contractual life for options outstanding (comprising the vesting period and the exercise period)		2.80 years		3.86 years

* The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)



Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of stock units	Weighted average exercise price (INR)	Number of stock units
(d) RSU Plan 2017				
Outstanding at the beginning of the year	10	13,62,288	10	17,34,245
Granted during the year	10	25,400	10	1,82,700
Exercised during the year*	10	4,94,000	10	4,36,546
Forfeited/lapsed during the year	10	33,289	10	1,18,111
Outstanding at the end of the year	10	8,60,399	10	13,62,288
Exercisable at the end of the year	10	4,23,702	10	5,16,972
RSU available for grant**	10	2,86,089	10	2,78,200
Weighted average remaining contractual life for RSU outstanding (comprising the vesting period and the exercise period)		3.51 years		4.01 years

* The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

** Includes 2,86,089 RSUs lapsed (March 31, 2023 - 2,78,200) which can be re-issued and will form part of RSU pool to be granted.

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Weighted average exercise price (INR)	Number of stock units	Weighted average exercise price (INR)	Number of stock units
(e) RSU Plan 2022				
Outstanding at the beginning of the year	10	24,95,460	10	-
Granted during the year	10	11,05,692	10	25,24,960
Exercised during the year*	10	5,90,617	10	-
Forfeited/lapsed during the year	10	1,76,314	10	29,500
Outstanding at the end of the year	10	28,34,221	10	24,95,460
Exercisable at the end of the year	10	2,99,907	10	-
RSU available for grant**	10	15,75,162	10	25,04,540
Weighted average remaining contractual life for RSU outstanding (comprising the vesting period and the exercise period)		4.88 years		5.39 years

*The weighted average share price during the year ended March 31, 2024 was ₹ 787.11 (March 31, 2023 - ₹ 585.52)

**Includes 2,05,814 RSUs lapsed (March 31, 2023 - 29,500) which can be re-issued and will form part of RSU pool to be granted.

(vii) Fair value of RSUs

For RSUs granted during the period, the fair value has been determined under the Black-Scholes model. The assumptions used in this model for calculating fair value are as below:

Assumptions	For the year ended March 31, 2024	For the year ended March 31, 2023
In the case of ESOP Plan 2014, 2014-A & 2016 no assumptions have been provided as no shares have been granted under these plans.		
RSU Plan 2017		
Weighted Average share price on the date of grant	633.40	483.46
Exercise price	10.00	10.00
Risk Free Interest Rate	7.19%	7.17% to 7.41%
Expected Life	5-8 Years	5-8 Years

Exercise period from the date of vesting	4 years	4 years
Expected Annual Volatility of Shares	56%	57% to 58%
Expected Dividend Yield	0.16%	0.18% to 0.23%

RSU Plan 2022

Weighted Average share price on the date of grant	851.62	611.05
Exercise price	10.00	10.00
Risk Free Interest Rate	7.06% to 7.37%	7.24% to 7.51%
Expected Life	5-8 Years	5-8 Years
Exercise period from the date of vesting	4 years	4 years
Expected Annual Volatility of Shares	54% to 56%	57% to 58%
Expected Dividend Yield	0.11% to 0.16%	0.15% to 0.21%



(viii) Effect of share based payment transactions on the Statement of Profit and Loss:

in ₹ crore

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Equity-settled share-based payment expenses (Refer Note No. 13(iii))	106.61	58.72
Less: Cross charged to Saankhya Labs Private Limited	31.95	29.27
Net Equity-settled share-based payment expenses (Refer Note No. 23)	74.66	29.45

Note No. 32: Assets pledged as security against fund and non-fund based banking arrangements

in ₹ crore

Particulars	Note	As at March 31, 2024	As at March 31, 2023
(i) Financial Assets			
Trade Receivables	6	-	462.18
Other financial assets excluding deposits with financial institutions	8	-	64.36
		-	526.54
(ii) Non- Financial Assets			
Other current assets	10	-	178.61
Inventories	11	-	628.07
		-	806.68
(iii) Total current assets pledged as security		-	1,333.22
(iv) Non-current assets			
Property, plant and equipment	4(a)	-	78.28
Trade Receivables	6	-	19.10
Total Non-current assets pledged as security		-	97.38
(v) Total assets pledged as security		-	1,430.60

The aggregate of fund and non-fund based facilities utilised as at March 31, 2024 aggregates to ₹ 1,927.66 (March 31, 2023: ₹ 109.97). Since the Company has taken unsecured borrowing as at March 31, 2024, there are no assets pledged as security against fund and non-fund based banking arrangements.

With respect to year ended March 31, 2023, the Company had multiple banking arrangements with banks who extended fund based and non-fund based facilities and placed uniform covenants for collateral purposes. The banks have a pari-passu claim on current assets, movable property, plant and equipment provided as a collateral, with respect to such fund and non-fund based facilities. At any given point of time, avilment out of fund and non-fund based

facilities will be within the limits sanctioned. The pari-passu charge implies that the banks have a proportionate claim on the collaterals, limited to actual utilisation of fund and non-fund based facilities.

Note No. 33: Statement of Function wise Profit and Loss (for additional information only)

in ₹ crore, except equity share and per equity share data

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue		
Product sales	2,089.62	802.12
Traded goods	48.48	3.34
Services	75.76	63.62
Other operating revenue	156.60	1.97
Net Revenue (A)	2,370.46	871.05
Cost of materials consumed (Refer Note i below)	1,584.76	559.31
Manufacturing Expenses	76.59	27.42
Service Expenses	66.66	54.60
Total Cost of Goods Sold (B)	1,728.01	641.33
Gross Profit (C) = (A) - (B)	642.45	229.72
Operating Expenses:		
Research & Development (Gross)	387.02	237.90
Less: R&D Capitalized	(263.96)	(159.39)
Research & Development (Net)	123.06	78.51
Selling, Distribution & Marketing	147.84	94.90
Allowance for expected credit loss	17.76	(33.32)
General & Administrative	88.49	42.34
Operating Expenses (Net) (D)	377.15	182.43
Profit from operations (EBITDA) (E) = (C) - (D)	265.30	47.29
Depreciation and amortization (F)	161.23	105.13
Profit/(loss) before interest and tax (EBIT) (G) = (E) - (F)	104.07	(57.84)
Other Income	64.08	77.18
Foreign exchange loss	9.32	2.85
Finance costs	35.08	5.20
Profit before tax	123.75	11.29
Tax expense:		
Current tax	21.66	-
Deferred tax expense	20.11	8.25
Profit after tax	81.98	3.04
Other Comprehensive loss	(3.98)	(2.92)
Total comprehensive income for the year	78.00	0.12
Earning per share (Par Value ₹ 10 each)		
(a) Basic	4.83	0.20
(b) Diluted	4.75	0.19
Weighted average Basic Equity share outstanding	16,97,04,867	15,36,77,077
Weighted average Diluted Potential Equity share outstanding	17,24,95,689	15,70,58,060



i. The reconciliation of Cost of Sales between Schedule III and function wise profit and loss account is as follows:

Particulars	in ₹ crore	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of material consumed as per Schedule III (Refer Note No. 22A, 22B and 22C)	1,584.70	559.20
Add: Considered separately under other expenses as per Schedule III (Refer Note No. 25)		
Other Processing Charges	0.05	0.08

Royalty	0.01	0.03
Total Cost of material consumed as per function wise profit and loss	1,584.76	559.31

Note No. 34: Expenditure on corporate social responsibility (as per section 135 of the Act)

The Company is not required nor obligated to make any contribution in respect of the Corporate Social Responsibility for the year ended March 31, 2024, in view of the average net loss before tax for the last 3 years based on the computation as per Section 135 of the Companies Act, 2013.

Note No. 35: Interest in subsidiaries

Name of the Company	Nature of business	Place of Business	% of Holding and voting power either directly or indirectly through subsidiary as at	
			As at March 31, 2024	As at March 31, 2023
Tejas Communications Pte Limited (wholly owned subsidiary)	Designing and selling of networking equipment and software.	Singapore	100%	100%
Tejas Communications (Nigeria) Limited (wholly owned subsidiary of Tejas Communications Pte Limited)	No operations	Nigeria	100%	100%
Saankhya Labs Private Limited (majority owned subsidiary)	Provides premium wireless communication and semi conductor solutions	India	64.40%	64.40%
Saankhya Strategic Electronics Private Limited (wholly owned subsidiary of Saankhya Labs Private Limited)	Provides communication and semi conductor solutions	India	64.40%	64.40%
Saankhya Labs Inc (wholly owned subsidiary of Saankhya Labs Private Limited)	Provides communication and semi conductor solutions	United States of America (USA)	64.40%	64.40%

Note No. 36: Details of investments given as per Section 186 of the Companies Act, 2013

Details of investments (gross)

Name of the party	Relationship	Purpose	in ₹ crore	
			As at March 31, 2024	As at March 31, 2023
Deposits with financial institutions				
Bajaj Finance	None	Investments in Term Deposits	-	300.00
			-	300.00
Investment in subsidiary				

Saankhya Labs Private Limited	Subsidiary	Investment in subsidiary	283.94	283.94
			283.94	283.94
Investment				
ELCIA ESDM Cluster (Refer Note No. 37)	None	Investment	0.00	0.00
			0.00	0.00



Note No. 37: Details of amounts rounded off

Particulars	Amount in ₹	
	As at March 31, 2024	As at March 31, 2023
Investment in ELCIA ESDM Cluster (Refer Note No. 5)	11,000/-	11,000/-
Proceeds from disposal/net gain on disposal of property, plant and equipment	41,424/-	-

Note No. 38: Additional regulatory information

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(v) Compliance with approved scheme(s) of arrangements - Refer Note No. 40

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Borrowing secured against current assets

The Company has borrowing limits sanctioned from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with banks and financial institutions are in agreement with the books of accounts. The Company does not have any secured borrowings as at March 31, 2024.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of property, plant and equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Other regulatory information

i) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii) Core investment companies (CIC)

The group (including entities part of the ultimate holding company) has five CICs which are registered with the Reserve Bank of India and two CIC which is not required to be registered with the Reserve Bank of India.

Note No. 39: Dividend

As per the Company's dividend policy, the Board can recommend to distribute dividend upto 25% of the free cash flow of the corresponding Financial Year, out of retained earnings, after taking into account the relevant provisions of the Companies Act. For the year ended March 31 2024, the Board has reviewed and decided not to recommend any dividend.

Note No. 40 : Business acquisition of Saankhya Labs Private Limited and proposed Merger

The Company during the quarter ended September 30, 2022, acquired 64.40% of equity shares in Saankhya Labs Private Limited (Saankhya Labs) through secondary purchase at a price of ₹ 454.19 per equity share amounting to ₹ 283.94 crore. On July 08, 2022, Saankhya Labs acquired 100% shareholding in Saankhya Strategic Electronics Private Limited (SSE). Consequent to such acquisition Saankhya Labs and SSE have become subsidiary and a step-down subsidiary of the Company with effect from July 01, 2022 and July 08, 2022 respectively.

The Board of Directors of the Company, at its meeting held on September 29, 2022, approved the draft Scheme of Amalgamation (the "Scheme") of Saankhya Labs and SSE (Transferor Companies) with the Company and the respective stakeholders. On September 30, 2022, the Company filed the Scheme with the National Stock Exchange of India Limited and BSE Limited and on July 6, 2023 both the Stock Exchanges have conveyed their "No Objection" to the Scheme.

Further, on July 27, 2023, the Company filed the merger application under Section 230 and 232 of the Companies Act, 2013 with National Company Law Tribunal (NCLT) Bangalore, for the merger of Transferor Companies with the Company. Pursuant to an order dated December 7, 2023, the Hon'ble National Company Law Tribunal, Bengaluru Bench, the Company held separate meetings of the Equity Shareholders and Unsecured Creditors of the Company for purpose of considering and approving the Scheme of



Amalgamation on February 9, 2024. The resolution was passed with requisite majority by the Equity Shareholders and Unsecured Creditors of the Company.

The Scheme is subject to receipt of necessary approvals from NCLT and such other persons and authorities as may be required. Upon implementation of the Scheme, the shareholders holding the remaining 35.60% equity shares in Saankhya Labs will be issued 112 equity shares of the Company for every 100 equity shares held in Saankhya Labs. Till such time, the Transferor Companies will continue to operate as majority-owned subsidiaries of Tejas Networks Limited.

Note No. 41: Government grants

in ₹ crore

The Company received approval from the Department of Telecommunication under the Production Linked Incentive (PLI) Scheme communicated vide SIDBI's (Project Management Agency) letter dated October 31, 2022. Based on an application made by the Company during the year for the PLI for the financial year ended March 31, 2023, the Company received the approval for the claim vide sanction letters dated February 12, 2024 and March 28, 2024 from the Department of Telecommunication and has received ₹ 32.66 by March 31, 2024 which has been recognized as income during the year and presented under other operating revenue in the statement of profit and loss. Further, the Company is eligible for the PLI for the year ended March 31, 2024, for which there is reasonable assurance that the company will comply with the conditions attached to the PLI scheme and that the grant will be received and thus has recognized an income of ₹ 123.70 towards such PLI under other operating revenue in the statement of profit and loss (Refer Note No. 20).

Note No. 42:

The Company is primarily engaged in the business of manufacture and distribution Wireline and Wireless telecom and data networking products. In accordance with Ind AS 108 "Operating Segments", the Company has presented segment information on the basis of its consolidated financial statements

Note No. 43:

Previous year's figures have been regrouped/ reclassified wherever necessary to conform with the current year's classification / disclosure. However, there have been no material regroupings/reclassifications.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number (FRN 012754N/N500016)
Chartered Accountants

Mohan Danivas S A
Partner
Membership no: 209136

Place: Bengaluru
Date: April 22, 2024

for and on behalf of the Board of Directors of Tejas Networks Limited

N Ganapathy Subramaniam
Non-Executive Chairman
(DIN: 07006215)

Arnob Roy
COO and Whole Time Director
(DIN:03176672)

N R Ravikrishnan
General Counsel, Chief Compliance
Officer & Company Secretary

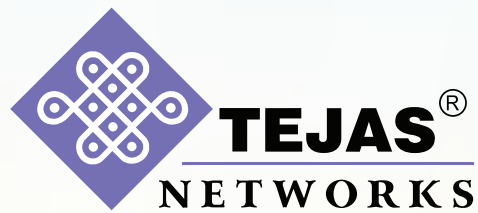
Anand S Athreya
CEO and Managing Director
(DIN:10118880)

Sumit Dhingra
Chief Financial Officer



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