



Date: February 2, 2015

Mr. Balakrishnan V
567, 6th Main Road, 3rd Stage, 3rd Block,
Basaveshwara Nagar, Bangalore, 560079

Dear Mr. Balakrishnan V

Sub: Appointment as an Independent Director on the Board of Tejas Networks Limited

We are pleased to inform you that upon the recommendation of Nomination and Remuneration Committee, the Board of Directors (**'the Board'**) of Tejas Networks Limited has approved your appointment as an Independent Director of the Company ('Independent Director') with effect from February 2, 2015 for a period of five (5) years.

This letter of appointment sets out the terms of your appointment as an independent director, and are subject to the extant provisions of (i) the Companies Act, 2013 (the Act) and (ii) Articles of Association of the Company.

1. Appointment

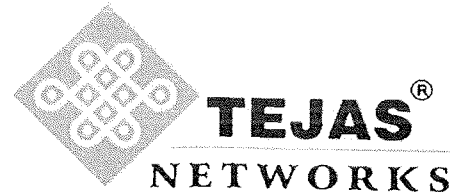
- 1.1 In accordance with the provisions of the Companies Act, 2013 and other applicable laws, you are appointed as an Independent Director on the Board of Directors of Tejas Networks Limited with effect from February 2, 2015 for a period of five (5) years.
- 1.2 In compliance with the provisions of Section 149 of the Companies Act, 2013, your directorship is not be liable to retire by rotation.
- 1.3 Your re-appointment at the end of the 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.

2. Board Committees

As advised by the Board of Directors, during the tenure of office, you may be required to serve one or more Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

3. Role, duties and responsibilities

The Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. As an Independent Director, you have the same general legal responsibilities to the Company as any other Director consistent with the Act and the Rules made thereunder.



In addition to the above requirements for all Directors, you being an Independent Director shall abide by the Code for Independent Directors as laid down under Schedule IV of the Companies Act, 2013, or any amendments thereto and duties of Directors as provided in Section 166 of the Act. A copy of the Schedule is attached to this letter as Annexure 1.

4. Time Commitment

By accepting this appointment, you confirm that you are able to allocate sufficient time for the proper performance of your role, duties and responsibilities to meet the expectations to the satisfaction of the Board.

5. Status of Appointment

5.1 You will not be an employee of the Company and this letter shall not constitute a contract of employment. As an Independent Director, you will be paid sitting fees for attending the meetings of the Board and the Committees and profit related commission for which you are a member as may be decided by the Board. The sitting fees presently paid to an Independent Director is as follows:

- Board Meeting - Rs.20,000 per meeting
- Audit Committee Meeting Rs. 20,000 per meeting.

5.2 In addition to the sitting fees, the Company will, for the period of your appointment, reimburse you such fair and reasonable expenditure, as may be incurred by you while performing your role as an Independent Director of the Company.

6. Liability

The Company shall not be liable for acts, if any, carried out which do not form part of the normal fiduciary duties and responsibilities as Director of the Company or acts which arise out of negligence, willful omission or commission or willful concealment of fact(s) in prior knowledge or coming to the fore during the course of tenure as Director.

7. Availability of Liability Insurance

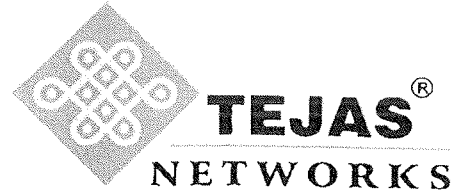
The Company maintains a Directors and Officers liability Insurance Policy to pay for the personal liability of Directors and Officers for claims made against them while serving the Company.

8. Tejas Networks Limited Code of Conduct

During your appointment, you are required to adhere and abide to the standards prescribed in the Tejas Networks Limited Code of Conduct and provide an annual declaration to its adherence to the Board in the format as attached in Annexure – 2.

9. Conflict of Interest

9.1 It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to



declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

9.2 In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman of the Board and the Company Secretary.

10. Confidentiality

All information acquired during your tenure is confidential to the Company and should not be released, even after your resignation (by whatever means) to third parties without prior clearance from the Chairman of the Board unless required by law or by the rules of any stock exchange or regulatory body.

Your attention is also drawn to the requirements under the applicable regulations and the Company's Code of Conduct which concern the disclosure of price sensitive information and dealing in the securities of the Company. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman of the Board.

11. Performance Appraisal/ Evaluation Process

As a member of the Board, your performance will be evaluated on the basis of the criteria determined by the Nomination and Remuneration Committee. The criteria for performance evaluation, as laid down by the Nomination and Remuneration Committee shall be disclosed in the Company's Annual Report.

12. Termination

- a. Your directorship on the Board of the Company shall terminate or cease in accordance with law.
- b. You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which notice is received by the Company or date, if specified by you in the Notice whichever is later.

13. Governing Law

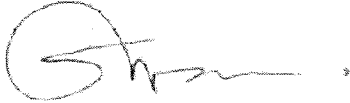
This letter of appointment is governed by and shall be construed in accordance with, the laws of India, and shall be subject to the jurisdiction of courts in Bangalore, India.

14. Acceptance of appointment

We are confident that the Board and the Company will benefit immensely from your rich experience. If the terms of appointment relating to your appointment as an Independent

Director of the Company are acceptable to you, please confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours faithfully,
For Tejas Networks Limited



Mr. Sanjay Nayak
Managing Director & CEO
DIN No: 01049871

Acknowledgement:

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature : *V. Balakrishna*
Date : *Feb. 2, 2015*

CODE FOR INDEPENDENT DIRECTORS
(As per SCHEDULE IV of Companies Act, 2013)

The Code is a guide to professional conduct for Independent Directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.

I. Guidelines of professional conduct:

An Independent Director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a bona fide manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The Independent Directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

The Independent Directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of Independent Director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of Independent Directors shall be formalised through a letter of appointment, which shall set out :
 - (a) the term of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

- (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of Independent Directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of Independent Directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of Independent Director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

- (1) The resignation or removal of an Independent Director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An Independent Director who resigns or is removed from the Board of the company shall be replaced by a new Independent Director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfills the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

VII. Separate meetings:

- (1) The Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the Independent Directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - (c) 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.

VIII. Evaluation mechanism:

- (1) The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

TEJAS Code of Conduct

This Code shall be applicable to all the Directors and Senior Management Personnel (as may be decided from time to time and is available with the Company Secretary of the Company) of **Tejas Networks Limited** (hereinafter referred to as "**the Company**").

All Directors and Senior Management Personnel must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the company and its shareholders / stakeholders.

With a view to maintain the high standards that the company requires the CODE should be observed in all the activities of the Company. The Company Secretary has been appointed as Compliance Officer of the Company for the purpose of monitoring and co-coordinating implementation of this code.

INTERPRETATION:

The Board will handle all questions or interpretation falling under or relating to this Code. The Board may authorize any of its committee / person for this. This will have the authority to waive compliance with this Code of business conduct for any Director, officer or employee of the Company. The person seeking waiver of this Code shall make full disclosure of the particular circumstances to the Board or the designated person / committee.

1. Honesty & Integrity

All Directors and Senior Management Personnel shall conduct their activities, on behalf of the company and on their personal behalf, with honesty, integrity and fairness. They shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. They shall act in the best interests of the Company and fulfill their fiduciary obligations.

2. Conflict of interest

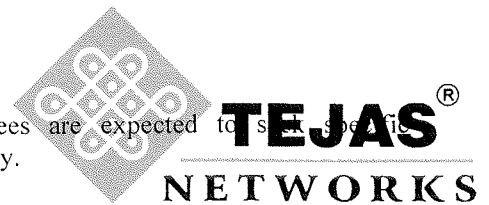
Directors on the Board of the Company and Senior Management Personnel shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company.

Conflict of interest occurs when there is interference of personal interest with the interest of the organization. Thereby, officers of the company shall not engage in any business, relationship, activity involves or appears to involve such conflict.

Officers as well their facilities should not invest in a Company, customer, supplier, developer, competitors and should refrain from investment that compromise their responsibility towards the Company.

Related party transaction should in all possibilities be avoided (Relative as defined under Companies Act, 2013). Even if it is necessary to enter in such transaction, it must be fully disclosed to the Board or to the CEO of the Company.

In case of any doubt about this code of conduct, employees are expected to seek clarification/approval from the Compliance Officer of the Company.



3. Compliance

Officers are requested to comply with all applicable laws, rules & regulations, both in letter and in spirit. The members of the core management of the Company shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board of Directors, Auditors and other Statutory Auditors as required by all applicable laws, rules and regulations.

4. Confidentiality of information

Any information concerning the Company's business, its customers, suppliers etc. which is not in public domain to which the director has access or possess such information, must be considered confidential held in confidence, unless authorized to do so and when disclosure is required as a matter of law. No director shall provide any information either formally or informally to the press or any other publicity media, unless specially authorized.

5. Gifts & Donations

This gift policy mentioned below shall only be applicable to the Senior Management Personnel of the Company:

Tejas recognizes that exchange of gifts with people with whom we do business with is not unusual and is considered acceptable. The receipt and giving of gifts is part of normal social exchange in our society and such exchange is neither irregular nor is it unusual. The giving of business gifts is a customary way to strengthen business relationships and, with appropriate restrictions, is a lawful business practice. However, no employee of the Company shall receive/offer, directly or indirectly, any gifts, donations, remuneration hospitality, illegal payments and comparable benefits which are intended to obtain business favours/uncompetitive preferential treatment or in return for any business favours/uncompetitive preferential treatment or decisions. Bribery is illegal and Tejas gift policy does not allow for corrupt practices in any form, including bribery.

- a) This gift policy will apply to all employees of Tejas as well as its subsidiary company and such employees should never use personal funds or resources to do something that cannot be done with company's resources.
- b) The employees may give and receive appropriate, lawful business gifts in connection with their Tejas work with commercial customers and other parties, provided that all such gifts are nominal in value and not given or received with the intent or prospect of influencing the recipient's business decision-making.
- c) Guidelines for giving/offering gifts: The Employees of Tejas under this policy can give/offer business gifts, which include business entertainment, business courtesies, as well as providing modest hospitality in connection with business activities, provided they meet the following criteria:
 - i. They are consistent with customary business practices; and
 - ii. They are not in contravention of applicable law.
 - iii. The value of the gifts at Company's expenses should be within the prescribed limits and must have been approved as per the following guidelines:

- A. Director level: Upto Rs.5,000/-
 - B. Vice-president Level or above: Upto Rs.10,000/-
 - C. Chief Financial Officer: Upto Rs.20,000/-
 - D. Chief Executive Officer / Managing Director: Upto Rs.30,000/-
- d) Guidelines for receiving Gifts: The Company, regardless of the circumstances, does not permit the soliciting of gifts. This policy defines the circumstances under which unsolicited gifts can be accepted and retained. The circumstances under which gifts might be received fall into various categories as mentioned herein below:
- i. Gifts received on festive/celebratory occasions or on the occasion of promotion, transfer or cessation of employment;
 - ii. Gifts received on occasions of wedding of self or children;
 - iii. Gifts/gift cheques received in recognition of a professional contribution made by the recipient, such as for making a presentation, conducting a training programme / workshop for a professional or academic body etc. In the cases where the Company has borne expenses (such as travel or lodging) related to the event and such expenses are reimbursed by the organizers, all such reimbursements will be surrendered immediately to the Company.
 - iv. No gifts should be accepted from any person or party who is in default of the company in any manner. By way of illustration, parties in default shall be: parties from whom monies are overdue; or parties with whom the Company is engaged in litigation; and parties against whom disciplinary action has been taken.

In case of any doubt, it is recommended that the employee should seek clarifications from Chief Financial Officer and / or Compliance Officer to make sure that the provisions of the above clause are not contravened.

6. Protection of Assets

Officers must protect the Company's Assets and should endeavour not to exploit them for their own personal gains. Alongside, officers may also not exploit for their own personal gains any opportunities discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors.

7. Submission of Certificates & Documents

The certificates and documents, which are required to be submitted by the Company to the Customers or Vendors or Banks or Financial Institutions or Government Agencies or Public Authorities or quasi judicial authorities or Non-Government Organizations etc., shall be only the certified true copies (but not the original) of the relevant certificates and documents. The certified true copies of such certificates or documents shall be obtained from the Central Depository of documents, being maintained at the Corporate Office of the Company and shall duly be certified by the designated authorized signatory of the Company. The designated authorized signatories of the Company shall generally be:

- Managing Director or Chief Executive Officer of the Company; or
- Chief Financial Officer of the Company; or
- Vice President - Supply Chain; or
- Company Secretary / Compliance Officer; or
- Head – Legal; or
- Any other officer as may be specifically authorized by the Managing Director or Chief Executive Officer of the Company

All employees are strictly expected to adhere to this, and the Company will take appropriate action against any employee whose actions are found to violate this Clause and the disciplinary actions may include immediate termination of employment at the Company's sole discretion.

8. Violation of the Code

Part of an Officer's job and of his or her ethical responsibility is to help enforce this Code. Officers should be alert to possible violations and report this to the Company Secretary. Officers must cooperate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Actual violations of laws, this Code, or other Company policies or procedures, should be promptly reported to the Company Secretary. The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities.

9. Insider Trading

Any Director or Senior Management Personnel of the Company shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the company, not in public domain and therefore constitutes insider information. They will comply with insider trading guidelines as issued by SEBI and prevention of Insider Trading Code as issued by the Company, from time to time.

10. Company Funds

Every Directors / Senior Management Personnel is personally responsible for all Company funds over which he or she exercises control. Company's representatives should not be allowed to exercise control over Company's funds. Company's funds must be used only for Company's business purposes. Directors and Senior Management Personnel must not use the Company's funds for any personal purposes.

11. Periodic Review

Once in every year or upon revision of this Code, every Director / Senior Management Personnel must acknowledge and execute an understanding of the Code and an agreement to comply. New Directors / Senior Management Personnel will sign such a deed at the time when their Directorship / Employment begins.

12. Alignment on Political Matters

The Board members /senior management personnel shall be committed to and support a functioning democratic constitution and system with a transparent and fair electoral system in India. They shall not support, directly or indirectly, any specific political party or candidate for political office, without appropriate approvals. The Company shall not offer or give any company's funds or property as donations, directly or indirectly, to any specific political party, candidate or campaign if it is violating any law.

13. Waiver & Amendments of the Code

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

Declaration:

I hereby declare that I will comply fully with the best of my knowledge and belief, this code of conduct, subject to the letter and spirit as contained herein above.

Name of the Sr. Management Personnel / Director: Balakrishnan V

Signature: V. Balakrishnan

Date: Feb. 2, 2015

Date: Feb, 2, 2015

To
The Board of Directors
Tejas Networks Limited
Plot No. 25, 5th Floor,
J P Software Park, Electronic City,
Phase – I, Hosur Road,
Bangalore - 560100

Dear Sirs,

Subject: Affirmation on Compliance of Code of Conduct provisions as specified in schedule IV of the Companies Act, 2013

I, Balakrishnan V do affirm, comply with the code of conduct provisions as specified in schedule IV of the Companies Act, 2013.

Thanking you,

Yours sincerely,



Name: Balakrishnan V
Designation: Independent Director